

Preface

What was Fiat really like at the time of Gianni Agnelli's chairmanship?

I believe that the great Group still remains an unknown object during that historic period, despite the many books published on the subject. These usually deal with Fiat's "political" dimension in the Italian socio-economic panorama, or they describe the feats of the *amministratore delegato*, or CEO, Cesare Romiti, accomplished to a large extent in extra-corporate contexts, often with hagiographic or disparaging intent according to the standpoint of those who wrote them. In both cases the industrial dimension is lost, the one that really counted for a complex that provided work for a million people by operating on the free markets of the world. And we also lose the sense of individual, day-by-day contributions guaranteed by a great number of people, especially by many managers, those who truly "made" Fiat the industry it was, for better or for worse.

During the 20 years I spent in Fiat, I complained about this ignorance on the part of public opinion (expert and otherwise) with regard to the industrial reality of the Group and I determined that, when I eventually left active work, I would have given my contribution to knowledge through a first-hand testimonial. The stormy circumstances in which this separation occurred in early 1996 did not permit me to get this project of mine underway immediately: I did not want to damage even minimally the Group to which I had devoted so much time and commitment and whose personnel I appreciated and respected, especially if polemics had arisen of a kind liable to disturb the activities of those who were still in charge of it.

Now, 10 years later, a lot of water has gone under the bridge, things can be seen from another point of view and can be assessed in a more historical light, and so I can tell the story of "my Fiat" with greater tranquillity.

Consequently I speak of my experience in Fiat between 1976 and 1996 in a strictly autobiographical manner (with a few brief references to other periods in my working life, in particular with the Olivetti of charismatic leader Adriano's days,⁹ the electronics industry of the early 1960s and Carlo De Benedetti's Gilardini in the 1970s). I deliberately make no reference to any subsequent event

⁹ Translator's note: Adriano Olivetti was *presidente* (Chairman) of the Company from 1938 to his death in 1960.

of which I have no direct knowledge, because by choice I stopped dealing with Fiat on the day I left it. I have always held to the principle of reporting events I experienced at first hand or that were referred to me by the leading players of the moment: and when, in the interests of the completeness of the account, I have to recount my inferences or uncertain elements, I state this openly.

The emphasis of the chapters moves gradually from the fields of general industry and components to those of lorries and cars, in parallel with the development of my career. But as a consequence of the close interconnections that have always existed between my work, the various sectors of the Group and Fiat top management (Carlo De Benedetti, Umberto and Gianni Agnelli, Cesare Romiti, and many *capi-settore*, or Sector Heads) the reader will find constant references to the principal events that affected the entire Company in the course of the whole period.

I have no intention of dwelling on the journalistic or, even less so, sensation-alistic aspects in which the Group was involved, something I have been asked to do many times in the past. But inevitably I had to touch on delicate aspects or topics regarding events I had experienced at first hand, sometimes with descriptions or opinions that do not coincide completely with those commonly accepted: the arrival and departure of Carlo De Benedetti in Fiat, the “March of the Forty Thousand,” the sacking of Vittorio Ghidella, the clashes between Umberto Agnelli and Cesare Romiti, the Group’s involvement in the legal affaire known as *manipulite*, or the “Clean Hands,” scandal, the role of Gianni Agnelli and his relationships with his brother and Cesare Romiti, the intervention of Mediobanca... It may be that dealing with such events may still arouse some sensation or trigger some controversy, but I couldn’t pretend that they didn’t happen.

A vast part of the text is devoted to industrial and commercial aspects and is therefore less interesting for those in search of strong emotions. I consider this part essential to the book. My work hinged on these topics, as did the course of my career, and likewise the work and careers of thousands of other persons inside and outside Fiat. These are the real themes on which the destiny of companies is played out; on the contrary, dealing exclusively with the sensational aspects in which the world of industry is sometimes involved would be a disastrous distortion of knowledge and, hence, of the economic health of the country, as I try to demonstrate in the book. So I say a lot about product (lorries, cars, but also biomedicine, the Pendolino fast tilting train, and so on) and industrial organization (the Fiat components division, the rescue of Iveco, the New Holland venture...). I believe that the themes bound up with the range of cars and the problem of the Group’s marques are absolutely topical to this day. In the same way, I hold that it is inevitable to touch on some major themes of national or international relevance outside Fiat that nonetheless conditioned its activities: terrorism and the unmanageability of the factories, inflation, the devaluation of the lira, the *scala mobile*,¹⁰

¹⁰ Translator’s note: the indexing of wages to rises in the cost of living (literally, the moving staircase).

the role of the trade unions and the Confindustria,¹¹ Japanese competition, European integration... These questions are covered with extreme parsimony to avoid their absorbing an excessive part of the argument.

It was also natural, and perhaps of interest to the reader, to create a minimum of “atmosphere” with a description of some aspects of customs in the world of the great firm: the headquarters building in Turin’s Corso Marconi (which the press at the time treated as legendary), ceremonial at the court of the Agnellis, corruption in purchasing, off-the-books work, the interrogations held during the legal inquiries...

I realize that the diverse subjects (highly sensitive themes within Fiat, themes of industrial management, themes of external relevance, aspects of custom and personal episodes) might encounter some difficulty in coexisting. But I think that coexistence is essential in order to convey the real sense of the way an industrial manager is expected to do his job. I have always been so fascinated by the points of convergence, often curious and random, between my destiny, that of other people of the past and present, and events of local or general importance, that I would not have been able to tell in a different way what happened to me and what I saw happening around me. Contrary to what happens in other trades, arts, or professions, there is little written evidence regarding the “condition” both in work and in life of managers with big companies in Italy and this lacuna ensures that events, persons, and complexes of enormous importance to the country are almost unknown, except for those few who have first-hand experience of them. From this overall point of view I think it would enhance Italian culture if its managers or workers were to recount their personal experiences more frequently, as happens in countries within the Anglo-American industrial tradition.

I decided to include an abundant mass of “historical” or “economic” notes (dates, names, numbers), both to give concrete support to my account and to leave documentation of possible academic interest to future historians of industry. I believe it is extremely important to be able to provide such information. Existing literature on this subject can seldom do the same and is obliged to trust in information in the public domain, some of which was carefully and subtly distorted from the start to correspond with one-sided interests (Fiat press releases, statements by trade unions and parties, records of judicial questioning, the self-justification of the main players...). Such not-always-perfect versions have become a part of commonly accepted lore and have been transmitted, from one reprint to another, to books on Fiat. For this reason, I have seldom made reference to books already published on the argument, basing myself exclusively on first-hand information or documents. Alternatively, and this is something that no expert has so far undertaken, it would be interesting, albeit tiring, to delve through the Fiat archives, but even in that case you would run the risk of getting your hands, to a certain extent, on “official” information, even if it is internal, and therefore also in some way

¹¹ Translator’s note: the General Confederation of Italian Industry.

distorted for the benefit of the Board, balance reports, internal communications or, sometimes, top management. To preserve the readability of the text, I have transferred most of the analytical information to the notes or to monographic appendices that may be of interest from the point of view of management theory and industrial history (and of my own work), but reading them is a little more demanding: notes and appendices can therefore be skipped by the hasty reader without losing the sense of the events.

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Fiat

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