France: 5,000 Moulinex jobs slashed as workers end protest

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On November 23, thousands of workers from the French company Moulinex heard that they had been sacked. This followed two and a half months of protests, demonstrations and other dramatic actions to defend their jobs. Moulinex, a major producer of household appliances, employed nearly 9,000 workers in France and abroad. While most of the Moulinex factories producing irons, microwave ovens, pressure cookers etc are based in Normandy, the company also had subsidiaries in China and Brazil.

At the beginning of September, Moulinex declared bankruptcy. The following weeks saw an unequal conflict between workers intent on saving their jobs in areas already hit by de-industrialisation on the one side, and major banks, rival industrialists, political parties, the government sponsored mediation office and the courts, on the other. The banks and some rival companies were keen to get their hands on the Moulinex carcass, whilst the others endeavoured to help them, especially by ensuring a minimum of opposition from the workers. SEB, the main French producer of large household appliances will now take over Moulinex, considerably increasing its size and prospects on the world market. Some 5, 200 out of about 8, 800 staff are to be cut in the process, with the closure of at least four factories in Normandy resulting in 3, 700 jobs going in France.

The trade unions played an essential role in enabling the gutting of Moulinex. After the company had announced it was bankrupt there was considerable unrest among the workforce. The unions organised blockades at several plants in the Normandy area, but essentially sought to prevent the spread of industrial action, while management, the company's creditors and the French state went looking for suitable new "buyers". The two finally selected were SEB and finance company Fidei, known only for its involvement in the buy-out of the bankrupt AOM airline earlier this year, which also ended up with massive job losses.

The unions threw their energy behind a Fidei take-over, a solution that they claimed would save 1, 000 more jobs than an SEB buy-out. According to press reports this was never a serious option, but the unions advanced this option as a "preferable" alternative that would save jobs. It is worthwhile noting that in 1988, Moulinex had been bought out by its employees, and was run by the unions, management and major shareholders.

On October 23 the Nanterre *Tribunal de Commerce* predictably nominated SEB to act as caretakers of Moulinex. The unions then took certain measures to prevent materials and machinery being moved from various plants, and pickets were reinforced. As workers started to realise that their jobs had been lost and the factories would be closed, protests became angrier and more desperate. On November 14, as thousands demonstrated against the closures in Caen, Normandy's largest town, tyres were piled up in front of official buildings and set on fire and police cars pelted with rotten eggs.

The unions now made obtaining extra redundancy pay the centre of their "struggle". The blockade of the plants, as it was termed, became a means of pressurising the new employers at the negotiating table to this end, but the SEB, supported by the employers' association Medef refused to pay up, saying the government was responsible.

Workers begun tearing up their voting cards, to symbolise that they felt "let down" by the political parties and that they would not vote again. Without an independent political strategy to take forward their struggle, however, the workers' opposition only led to frustration. At one factory threatened with closure in Cormelles-le-Royal near Caen, barrels of explosive substances were placed around the building and threats were made to blow them up.

Management and the unions were desperate to settle the action, and in the last week all the negotiating parties agreed to extra redundancy payments. From 30,000 francs ($4,040) for those with less than two years service, to a maximum of 80,000 francs ($10,770) for those with more than 25 years seniority at Moulinex—barely enough to survive on for one year. The settlement is less than the original demands made by the unions, which signed up to the agreement November 23; the workers received their redundancy letters shortly afterwards.

Despite their sometimes radical posturing, the trade union bureaucracy share the outlook of the employers and government, that it is necessary to defend French capitalism on the world market. The newspaper *l'Humanite*, published by the French Communist Party, which still influences large sections of the CGT, the biggest trade union, commented on the SEB take-over as follows: "Indeed, if SEB abandons the types of products where France was championing innovation, like microwave ovens and large electrical appliances, in favour of a development in the United States, it opens the door to an invasion by the Asian competition". This is done "unfortunately, with the complicity of the French government, who, unlike the United States, refuses to impose customs penalties on products coming from such low cost countries."