

France: For an international movement to defend pension rights

13 May 2003

The following statement is being distributed in French by supporters of the World Socialist Web Site at demonstrations Tuesday, May 13 in France in defence of pension rights.

If any further proof were needed, the current offensive of the Chirac-Raffarin government on the pensions of working people in France demonstrates the entirely fraudulent nature of Chirac's brief opposition to the Bush administration's predatory invasion and occupation of Iraq. Both phenomena are expressions of the government's devotion to the requirements of French big business at home and abroad.

Both Chirac and Schröder are falling over themselves to remove all obstacles to the permanent occupation of Iraq by the American military in the hope of Bush and other gangsters in the White House throwing them at least one or two juicy reconstruction contracts. As French Foreign Minister Dominique de Villepin said in Ankara: "The 'should we have war or not phase' is over.... France wants to show its openness and pragmatism."

It is now transparent that Chirac's opposition to the war was nothing more than a tactic aimed at defending France's own imperialist interests in Iraq (Total Fina Elf's oil rights worth billions and the \$7 billion owed to French banks). Now that the brutal and bloody invasion has ended quickly, the hour of the imperialist carve-up of the spoils of war has arrived.

The war and occupation of Iraq are intimately bound up with the ongoing assault on the conditions of working people throughout the world. Since the mid-1970s, this offensive has been led first and foremost by the ruling elite in the United States.

The terrible destruction of living standards imposed by succeeding Democrat and Republican administrations and sanctioned by the AFL-CIO has been complemented by greater and greater tax breaks for the rich. In the 1990s, with the ensuing stock market boom, a thin layer of the already immensely rich vastly increased their wealth by outright theft—as such recent scandals as the phony bookkeeping at Enron have demonstrated.

Despite the enormous accumulation of wealth by the wealthiest, the US economy is teetering on the brink of collapse. It has been the intractable problems of the American economy that have driven the bandits and con men of the Bush administration to international plunder, beginning with Iraq.

This, however, is by no means an exclusively American phenomenon. Thatcher, Major and Blair have followed the same road in Britain. Similar attacks were made in the rest of Europe, notably by Mitterrand in France and Kohl in Germany.

But the ruling elites throughout Europe—and Chirac and Schröder in particular—know that they must catch up to be "competitive" and impose the same terrible conditions that exist in America, and in even the most oppressed countries, in order to cheapen the price of labour in Europe.

Herein lies the significance of legislation being prepared by French Prime Minister Raffarin that will massively reduce the money paid to pensioners in the coming years. It is the importation of the same

conditions that the Bush administration and its predecessors have imposed on American workers over the last 20 years.

François Fillon, minister of social affairs, made this very clear when he stated on TV, "It's no longer 1995. We've run out of time. The private-sector pension scheme will be in deficit in two or three years" (*Le Monde*, 26 April 2003). Along with other experts and politicians, he is asserting that the maintenance of pension levels as longevity increases will break the pension system.

While attempting to stampede trade union bureaucrats, this is a covert expression of a real panic felt by French ruling circles that they will lose out against their rivals in the global economy if profitability is diminished.

When Fillon unveiled some of the details of the government's proposals for public-sector pensions in the TV programme "Cent minutes pour convaincre" ("100 minutes to convince"), Ségolène Royal, former minister in Jospin's government, demagogically attacked the 20 percent reductions in pension rights that were introduced by the right-wing government of Edouard Balladur in 1993 and are now having their full impact on pensioners in the private sector.

Fillon made the unanswerable retort, "I would like in reply to Mme. Royal to state that she was in government for five years ... she had all the time in the world to revise the Balladur reform ... if the Jospin government did not do it, doubtless it thought that the reform was right."

But the most significant expression of the impotence of the left in the face of the imperatives of global competition was the exchange between Fillon and Bernard Thibault, the leader of the CGT, who, when asked by Fillon what alternative he had to his proposals to keep down pension costs by reducing rights, hesitated to reply.

Fillon prompted him by saying that he had already heard Thibault suggesting that the rise in the number of pensioners should be financed from company profits, and that this was impossible because it would reduce French businesses' ability to compete and to attract investment. This was an argument that Thibault found unanswerable.

These exchanges make it quite clear that the trade unions and the French left, despite all their protests to the contrary, share the same national orientation as the present government and agree that French business must be defended in the world market by destroying the living standards of working people and pensioners. Their intention is to make sure that the present movement does not go beyond a formal protest.

In other words, whilst officially leading the demonstrations, the French trade unions, the Socialist Party, the French Communist Party, the Greens, et al, are poised yet again to sell out and continue the betrayals of workers' struggles for which they have been responsible for the last 20 years.

Thus, it is no surprise that the question of squaring the defence of workers' rights and conditions with "compétitivité" and "attractivité" is strictly taboo in left and trade union circles in France. It is also considered politically incorrect to remind people of Jospin's famous declaration over the Michelin sackings: that nothing could be done against the laws of the market.

Indeed, the Copernic Foundation, a French think tank with links to Attac, reveals in a recent book, *Les retraites au péril du libéralisme* [Pensions under threat from the free market], that the first stage of the assault on pensions was prepared by Michel Rocard, Socialist Party prime minister from 1988 to 1991: Balladur's reform was "directly inspired by the recommendations of the Rocard government's white paper." Flushed with his triumph over Bernard Thibault and Ségolène Royal on "100 minutes to convince," Fillon declared, "There are folks like Michel Rocard phoning me every week to tell me 'stick to it'" (*Le Monde*, 26 April 2003).

Jospin's administration left the assaults on the private sector in place and commissioned studies that proposed changes along the lines of the Raffarin government.

With the exception of FO, all the unions, including the CGT, tried to impose the "list of conclusions," which they had worked out with the employers and the government as a prelude to privatisation of their industries, on the gas and electricity workers. A significant reason for their rejection of the deal being urged on them by their main unions was that it involved a reform of their pension scheme and a 50 percent rise in contributions for workers.

All the seven main unions, including FO, signed a platform for the February 1 pensions demonstration in which the key demand of 37.5 annuities for all was omitted.

The unions' complete integration into the state and defence of the national economy and the nation-state make them quite incapable of defending the interests of the workers. The "far" left "Trotskyist" groups—the LCR (Ligue Communiste Révolutionnaire), the PT (Parti des Travailleurs) and LO (Lutte ouvrière)—are tireless apologists for the trade union bureaucracies.

Daniel Gluckstein's editorial in the May 2 edition of the PT newspaper *Informations Ouvrières* tells workers: "We'll only oblige the government to back down by a united movement, united and at all levels, the workers, their unions, their federations, their confederations in a general strike across the board, with common slogans: Withdraw the Fillon Raffarin plan, 37.5 for all."

Such urgings play to and reinforce illusions that with pressure from the streets the Medef and Chirac-Raffarin can be made to devote another 6 percent of the PIB to finance pensions. In reality, Gluckstein knows full well that the trade unions have no intention of leading such a struggle because, as we saw above, they basically agree with the government.

The plans to halt the rise in the cost of pensions for all workers in France involve four phases: first the reform of private sector workers' pensions already set in motion in 1993 (Balladur) and 1996 (supplementary pensions), and now the civil servants, to be followed in 2008 by a renewed deterioration of both private and public sector pensions.

Through isolation—and the tried and trusted method known as salami tactics—the government hopes to diminish through isolation the "special pension regimes" such as those of the railway workers, whose combativeness and industrial power were demonstrated against the Juppé plan in 1995. "Forewarned by this experience, Jean-Pierre Raffarin has decided to put off until later the reform of the special pension regimes and to deal with each industry singly" (*Le Monde*, 20 April 03). This also involves gas and electricity workers and the RATP—Paris public transport.

The gradual implementation of the private-sector reforms (the change from 37.5 years of contributions to 40 for a full pension only comes into full effect in 2004)—and the refusal of the left governments to touch them and of the unions to put up a fight against them—have created a low level of awareness among workers of the enormity of the counterrevolution in social rights being put in place. A permanent fine of 10 percent loss of pension is levied for every year not worked.

The brutal reduction in pension rights for the 5 million public-sector

workers will be achieved by this penalty, "la décote," which will rise from 3 to 6 percent by 2008. Also their obligatory pension period, now at 37.5 years, will rise to 40 years by 2008. At this point, public and private sectors will rise together, reaching 42 years by 2012. A teacher who qualified at 25 will have to work until he is 67. If he retires at 60, he will incur a 42 percent penalty.

The target pension of 66 percent of the reference salary, down from the present 78 percent, the deterioration of the reference salary itself, plus the growing trend of employers to replace more costly older workers with young people, making the average retirement age around 57, means a savage cut in pensions.

Measures to promote individual pension funds based on investments in shares, with demagogic invocations of freedom and individual choice, in fact undermine the conception of the provision of pensions being a social right rather than an individual responsibility, from which the Medef would like to disengage the employers completely. Grotesque appeals to "equity," "equality" and "justice" are common coin from this millionaires club to cover their attempts to despoil the working class. They cast the retired as a burden on the young worker in an attempt to whip up ageist prejudice.

Fillon's attacks fall far short of the aspirations of the employers of the Medef; and indeed, Alain Madelin, one of the deputies of the ruling party, the UMP (Union for a Popular Movement), dismissed it as "mere tinkering," while François Sauvadet, spokesman for the UDF centrist group, declared it lacking in "audacity".

The attacks on pensions in France can only be understood as part of the ongoing international offensive of ruling circles in countries throughout the world to make working people pay for the growing economic breakdown of their system. As the Bush administration has shown, their crisis not only drives them to attack working people in their own country but also pushes them to war and world war, enslaving working people in oppressed countries such as Iraq and plundering their resources. The French intervention into the Ivory Coast has shown that this is not limited to the United States.

Working people cannot resolve these issues within the narrow framework of their own countries. The old Social Democratic and Communist parties along with the trade unions have shown that their backward national outlook leads them to support and impose these attacks in the name of defending France's international competitiveness.

In last year's presidential elections, working people passed judgement on five years of the Jospin government, giving him fewer votes than Le Pen. The Socialist, Communist and Green parties then directly opened the doors to the present attacks by calling for a vote for Chirac.

They were followed loyally by the LCR, the PT and LO, which all rejected the WSWS's call for an active boycott of the second round. All of these parties thus demonstrated their impotence and unwillingness to defend working people from this international offensive, participated in by Chirac and Raffarin. On the contrary, they handed Chirac an 82 percent mandate for his program.

Furthermore, working people cannot resist these attacks, which are part of an international offensive, on the basis of purely spontaneous struggles. What is needed is a new international program to overturn capitalism, whose crisis is at the origin of the social and economic attacks on all workers. Only in this way can workers in America, Europe and the rest of the world wage a united struggle for international socialism.

We invite you to be a regular reader of the *World Socialist Web Site*, which fights for such an international socialist perspective. For more information, or to participate in the building of this movement, please contact us.





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