France: social cuts announced over Christmas holidays

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The French government's announcement of a raft of social cuts over the Christmas holidays is a stark warning to workers: the million-strong protest marches and strikes in October and November against pension cuts have not weakened the government's determination to push through its "reforms." Instead, it seeks to broaden them—gutting pensions, workweek limitations and the right to strike.

On December 26, Labor Minister Xavier Bertrand published a draft decree reforming the *régime spéciaux* pensions—accorded to rail, energy and other public sector workers—accompanied by a report to Prime Minister François Fillon specifying how the draft decree would carry out the planned cuts.

The government has not given in on any points of its reform. Employees will have to pay into the system for 40 instead of 37.5 years, losing 5 percent of their pensions for each year less than 40. The *régimes spéciaux* pension amounts will be indexed on official government inflation figures, not wage increases for current *régime spéciaux* workers—which is expected to reduce the pensions' purchasing power. The decree installs a two-tier system, with workers hired after January 1, 2009 denied early pension rights for physically demanding jobs.

The decree incorporates the attacks on the *régime spéciaux* pensions into a broader attack on the pension rights of the entire working class.

It attaches the pay-in period of the *régime spéciaux* to that of the general public servant pension fund, whose pay-in period, fixed by the 2003 pension reforms of then-Prime Minister Jean-Pierre Raffarin, will rise to 41 years by 2016. In a December 27 article, "Pension Reform: the Government Accelerates," the conservative daily *Le Figaro* quoted Bertrand: "There's no reason to be surprised. I always said that if the public and private [pension funds] went to 41 years, the *régime spéciaux* pensions would not stay at 40."

Upcoming negotiations on pensions, scheduled for early 2008 by the 2003 law, will doubtless lead to further reductions. In a December 26 article, the center-left daily *Le Monde* wrote that "the intention to lengthen working lives ... must be confirmed at the renegotiation of the entire reform with employers' and trade union organizations planned for the first semester of 2008. These discussions will deal with other essential parameters, like the pay-in amounts and 'replacement salaries,' i.e., the sums actually paid out by the pensions."

On December 27 the government also announced plans to allow employers to pass from a 35- to a 48-hour workweek and cutting—or even eliminating—overtime pay. In a letter to the main trade union confederations, Prime Minister Fillon asked them "what conditions would a contract negotiation have to satisfy in order to be able to freely determine the rules governing the duration of work: when overtime pay begins to be accorded, and what the overtime rate is."

Were French laws to be scrapped, the only remaining restriction would then be a European Union (EU) maximum of a 48-hour workweek. Fillon thus echoed a November 21 request by Laurence Parisot, head of the Medef employers' federation, to "put on the table the question of the suppression of restrictions on the legal duration of work."

The government's plans underline the political bankruptcy of the pressure politics espoused by the trade unions. After huge demonstrations and weeks-long strikes by large proportions of workers in affected industries, the government has not only yielded nothing—it is seeking to squeeze more out of workers.

The fundamental issue is not the greed of the leading bourgeois politicians, although this has recently attracted substantial public commentary. President Nicolas Sarkozy borrowed billionaire financier Vincent Bolloré's private jet to fly to Luxor, Egypt and spend the Christmas

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holidays—and the 140 percent pay raise he granted himself in October—shopping with his new, ex-supermodel girlfriend, Carla Bruni.

The French bourgeoisie's main goal in attacking workers' living standards is to reestablish its position on the world market, which has eroded significantly in recent years, as its competitors boost their profitability by slashing wages and benefits. France has fallen behind its European rivals, notably behind Britain and Germany, where social-democratic governments have more resolutely attacked the welfare state. To give one statistical illustration, France's trade deficit has been steadily widening—from €2.4 billion in 2003 to €5.3 billion in 2004, €21.2 in 2005, €28 billion in 2006 and a projection of over €30 billion for 2007.

Sarkozy ascended to power in no small part because French business was convinced he would more aggressively attack workers' living standards. His political strength in the eyes of the ruling elite and favorable press coverage depend on continuing these attacks against the workers. As one bourgeois journalist, Eric Le Boucher of *Le Monde*, wrote before the November strikes, business circles "know that the president has no choice. If he yields, he'll be Chiraquised [a reference to former President Jacques Chirac]."

In such a context, trade union proclamations that they will use strikes to influence negotiations with the government—including some calls for one-day strikes in late January—are worthless. Having fought to keep the October-November strikes limited to brief actions and then having negotiated with the government in December, the main trade union federations have now fulfilled the role Sarkozy assigned them: isolating and holding back the mass movement and, once the mass strikes finished, giving the government a free hand to impose whatever conditions it wanted.

The conversion of the trade union bureaucracy into a corporatist tool of state influence over the working class is proceeding apace. January 2008 is the first month in which the "minimum service" law, limiting participation in public transport strikes, will take effect. The law mandates a minimum notification period before workers can strike (thus essentially outlawing wildcat strikes), forces workers to publicly and individually declare their support for strikes to employers and mandates financial penalties for transportation authorities that fail to meet their prescribed level of minimum service.

Commenting on the Paris transportation authority's "social alarm plan" on which the minimum service law was based, the right-wing daily *Le Figaro* wrote, "the [RATP's] procedure has led to a noticeable decrease in the number of job conflicts: 90 percent of disagreements are resolved through dialog" between employers and the trade unions.

There is also the possibility of what amounts to legal bribery of trade union officials by the state. On December 27, news broke of a letter written by Sarkozy to select trade union leaders in which he linked plans to officially grant the unions state financing to their acceptance of the workweek reforms.

With such measures, the French state is attempting to shut off strikes as an avenue for the struggles of the working class; high unemployment levels and employer intimidation have already caused a sharp decline in private sector strikes in recent years.

The government's turn towards attacking the living standards of the entire working population will expose Sarkozy's real goals—which have until now largely been presented to the public as a question of equalizing conditions between different sectors of the workforce.

Already Sarkozy's economic policies are largely discredited, according to an IFOP poll published in *Dimanche Ouest France*. On the issue of purchasing power—the subject of one of his more widely publicized campaign slogans, "Work more to earn more"—three-quarters of those polled did not expect the government to increase their purchasing power, a trend which will only be strengthened by state efforts to eliminate overtime pay. Only 42 percent and 31 percent expect Sarkozy to reduce unemployment and poverty, respectively, down 11 and 14 percent from August 2007.

Due to the essential agreement of the established political parties, including the official Left, with Sarkozy's policies, however, such discontent has not yet coalesced into a movement capable of overturning the government's planned reforms. This only raises more clearly, however, the need for a political struggle to bring down the government, based on a socialist and internationalist perspective.

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