France: Strike and occupation at FCI factory in its 45th day

Kumaran Ira, Antoine Lerougetel
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Two hundred workers at the FCI Microconnections factory, in Mantes-la-Jolie in the western suburbs of Paris, have been on strike in defense of their jobs and mounted an occupation for 45 days. They represent half of the 400 workers at the plant.

The threat to jobs at the factory is part of an international cost-cutting exercise involving, in France, the closure in November of FCI's plant at Ferté-Bernard with the loss of over 280 jobs and 90 redundancies at the company's Besançon site.

FCI is a global company, a designer, manufacturer and supplier of electrical and electronic systems, employing 12,500 people in 30 production facilities around the world. It has five plants in France employing 2,000 workers. It was acquired from French energy group Areva in 2005 by US-based Bain Capital, a private investment firm.

Bain Capital was formed by Mitt Romney, contender for the Republican nomination in the 2008 US presidential elections. Bain Capital manages several pools of capital, including private equity, high-yield assets, mezzanine capital, venture capital and public equity, managing more than €20 billion in assets. Since its inception in 1984, Bain Capital has made private equity investments and add-on acquisitions in over 230 companies in a variety of industries around the world. It buys controlling stakes in troubled companies, then revamps them and sells them for a profit.

Such policies have had catastrophic consequences for workers. The takeover of the US automaker Chrysler by the private equity firm Cerberus Capital Management has resulted in plant closures, combined with cuts in wages and benefits for workers and retirees.

Workers launched the strike at Mantes-la-Jolie on February 24. They suspected that the company intends to relocate its production of smart cards to Singapore, where it opened a similar production plant in 2002.

The company has not yet made an announcement about its restructuring plan at the plant in Mantes-la-Jolie. In a statement on March 26, management said, "There is no relocation plan." It promised no job cuts in 2009 and 2010.

However, workers remain highly skeptical. Production at the plant has decreased gradually since 2007. In its projection for the first quarter this year, the company estimated the facility is overstaffed by 34 to 42 employees, depending on the month. On February 16, the company announced further restrictive measures: an employment freeze, the ending of temporary job contracts, and the postponing of wage increases.

According to the CGT (General Confederation of Labour, close to the Communist Party), the main union at the Mantes-la-Jolie plant, production has increased in Singapore since mid-2008. "Two-thirds of the orders that are met in Singapore and one-third in France, which affects the results of the French factory, and should ultimately lead to job cuts," a spokesman said.

On March 30, when their union representatives were negotiating with the bosses at the FCI head office, about 100 Mantes-la-Jolie strikers detained three directors for four hours in an attempt to force them to reveal the company's plans. While reiterating previous statements that jobs at the plant would be safe in 2009 and 2010, they refused to give any guarantees beyond that.

One worker told the directors, "Life can't be reduced to 2009 to 2010. We have our whole lives to live."

A report in *Médiapart* on April 6 revealed an internal management document confirming the workers' worst fears: the company was planning to impose a forced redundancy plan in November and actively preparing to ride out the expected strike that this would provoke. The company was making sure that, by that time, the Singapore plant would be in a position to maintain supplies. The document also revealed that management was planning to remove the CGT delegate Eric Scheltienne, containing the instruction, "Pressure on the unions—Get Eric out."

The explosive situation created by the revelations has led to the government's regional officer, the *préfet*, to call in management and union representatives to mediate between the two sides.

The unions, led by the CGT, are only demanding that they can negotiate redundancy conditions and urging that production be maintained at the Mantes-la-Jolie plant rather than shifting it to Singapore.

On March 23, one month into the strike, Mantes-la-Jolie plant delegate Eric Scheltienne told *Le Monde*, “We want to negotiate large severance compensations in case of a future redundancy plan. Because tomorrow, when Singapore has control of the entire process, we will no longer be in a strong bargaining position to do so.”

The unions leave each site to deal with the company individually. A worker at Mantes-la-Jolie, a CGT supporter, told the *World Socialist Web Site* that the union so far has not attempted to extend the strike to other French sites facing cost-cutting measures because “the Mantes plant is independent and doesn’t do the same work.”

The CGT makes no reference to any attempt to contact FCI workers in Singapore in order to organize a joint struggle and, instead, haggles with the company over which factory will keep the work, thus pitting workers in different plants and countries against one another. This is in line with the economic nationalism put forward by President Nicolas Sarkozy, with the full support of the CGT and other unions, as has been so blatantly shown with the government’s stimulus plan for the French motor industry.

The worker continued, “Our main demand is to increase production at the site to preserve our jobs which risk being transferred to Singapore. We are asking our boss for an assurance to keep our jobs here. We’ve had no response.”

He added, “Even if the plant is working normally, there is no saying jobs won’t be cut. Before that happens, we are demanding a minimum amount with which each of us can leave.”

At the time of acquisition, the company guaranteed the maintenance of its five French sites and jobs for three years. Workers at the Mantes-la-Jolie site told the WSWS this guarantee had been accepted by the trade unions, which had called on workers to accept it. As the three-year period came to an end last November, there have been growing fears as the company begins layoffs in France.

A report in the local newspaper *Le Courrier de Mantes*, dated September 28, 2005, when the sale of FCI by its former owner Areva to Bain Capital was nearing completion, makes clear that the unions were well aware of the future prospects for FCI workers. It quotes a union delegate stating, “In the contract between Areva and Bain Capital, there are clauses to maintain the management team of the FCI group, to continue the current labour relations policies and practices and to keep the French site open for a minimum of three years. That’s very much like buying industrial peace because a conflict could have harmed Areva and the transaction. We have no guarantee on jobs because keeping the plants going does not mean that there will be no redundancy plan or restructuring.”

Libération May 24, 2008, carried interviews with union representatives at the FCI plant at Ferté-Bernard. They were fully aware of Bain Capital’s plans for FCI and the French state’s complicity with them. Nasser Hamrani, the *Force Ouvrière* union delegate, asserted that once the firm had been sold to Bain Capital, “no investment has been made, no workers taken on. They have done everything to make us more profitable, before starting to shift machines to Asia.”

Michel Divaret, of the CGC management personnel union, said, “Areva wanted to get rid of FCI. But as the firm [Areva] is owned by the state, it was necessary to keep up appearances and avoid getting dirty hands. So they decided to pass the hot potato on to an investment fund, a ‘cleaner’, with the guarantee of not selling on for three years.’”

Only a refusal by workers to accept the negotiation by the unions of any job losses, and to fight to defend every worker’s job across localities and national frontiers, can unify the working class. In every factory and workplace workers must develop organisations of class struggle independent of the trade unions and link up with other sections of the working class on the basis of socialist internationalism, the reorganisation of the economy under the democratic control of workers and the rejection of all attempts to divide them and make them pay for the crisis.