

The political-financial scandals in France

Alex Lantier**6 November 2009**

With the indictment of ex-President Jacques Chirac, paving the way for the first-ever trial of a French president, investigations of France's political-financial scandals have developed into a full-blown governmental crisis. Chirac's indictment comes after ex-Interior Minister Charles Pasqua's sentencing to one year in prison without parole in the Angola arms sale scandal and the month-long trial of ex-Prime Minister Dominique de Villepin in the Clearstream affair.

As leading politicians face jail time and public disgrace, the stage is being set for protracted legal battles threatening to discredit the entire political establishment—sufficiently, as convicted oil executive Alfred Sirven commented before his trial in 2001, to “blow up the Republic twenty times over.”

The indictment of a former head of state is only one indication of the explosiveness of the situation. Pasqua reacted to his sentence by stating that his actions were known to Chirac, Edouard Balladur (a one-time ally of current President Nicolas Sarkozy), and the late Socialist Party leader François Mitterrand, who was president from 1981 to 1995. Pasqua demanded the lifting of the state secrets privilege in all investigations of political-financial scandals.

The scandals, emerging in the late 1980s and 1990s, involved a series of massive kickback schemes. They reflected the growing contradictions of the post-war French political order—between public ownership of key industrial concerns and the drive of executives and politicians to amass ever-larger fortunes and finance unpopular, right-wing parties; and between French imperialism and its rivals, notably the US, which were exerting ever greater pressure on France.

The scandals include: the Elf affair, involving kickbacks paid in the early 1990s by oil company Elf (now Total) to French businessmen and politicians as well as pro-French African leaders; the Angolagate scandal, in which proceeds of 1993-1998 weapons sales to Angola

went for payoffs to politicians and mafia figures; the Taiwan frigates affair, in which the inflated price Taiwan paid for French frigates in the early 1990s made fortunes for French and Taiwanese figures and were covered up by a rash of murders and suspicious suicides; and the “fictitious jobs” scandal, in which the city of Paris improperly paid officials of then-Paris Mayor Chirac's party, amid a system of vote-rigging and influence-buying by construction firms.

The Clearstream trial against Villepin evolved from Sarkozy's allegations that Villepin tried to manipulate investigations of the political-financial affairs to slander him.

Until now, serious investigations of these scandals have been blocked, and the few figures found guilty have received light sentences. No politicians were convicted in the 2002-2003 Elf trial. One convicted Elf executive, André Tarallo, left jail two months into his sentence, without ever paying his €2 million fine.

The Taiwan frigates inquiry was blocked by the repeated exercise of the state secrets privilege by governments of the right and left.

Sarkozy came to office in 2007, planning to use these affairs to his advantage against his factional rivals around Chirac. Speaking of the Clearstream affair, he famously told a meeting of Lagardère Group executives in 2005: “There will be blood on the walls. When I come to power, we will hang them all from butchers' meat hooks.”

Sarkozy also hoped to manipulate the scandals to his advantage by ending all further investigations after the end of his presidential term. In January 2009, he announced the elimination of the post of investigating judge, effective next year. These judges have led the investigations into the scandals.

In the political climate created by Sarkozy's targeting of Villepin, the judiciary has responded by escalating the crisis. Sentencing Pasqua to prison without parole,

it went beyond the penalty recommended by the public prosecutor. By indicting Chirac, the judiciary is pushing Sarkozy's campaign towards its logical conclusion: an all-out settling of accounts within the establishment, played out in the courts.

This struggle reflects the powerful imperialist interests at stake in the policy changes carried out by Sarkozy vis-à-vis his predecessor Chirac, who held office from 1995 to 2007.

The 1990s political-financial scandals stemmed from the pursuit of France's traditional Gaullist semi-independence from the US in foreign policy—notably in maintaining an independent defense industry and continuing to promote French influence in the country's former African colonies. In Angola, the Congo and other African countries, France helped regimes facing US-backed oppositional movements—most infamously, the Hutu Power regime that carried out the 1994 Rwandan genocide. The creation in 1999 of the Franco-German defense corporation EADS represented an implicit challenge to US aerospace interests and also involved France in recurring industrial disputes with Germany.

As president, Chirac was widely seen as continuing traditional policies. In 2003, he and then-Foreign Minister de Villepin opposed the Bush administration's drive towards war with Iraq at the UN, organizing a loose anti-US coalition with Germany and Russia. Chirac also resisted pressure to integrate France into NATO's command structure, which it had left in 1966 under then-President Charles de Gaulle.

Chirac met with growing resistance in the working class in the final years of his tenure. The 2005 failure of the European treaty referendum and mass popular demonstrations against Chirac's social cuts provoked opposition to Chirac's rule within the bourgeoisie, which coalesced around Sarkozy. At the same time, the crisis of the global imperialist order, epitomized by the US debacles in Iraq and Afghanistan, prompted the French bourgeoisie to move closer to the US to defend its own imperialist interests abroad.

After his election in 2007, Sarkozy abandoned traditional Gaullist rhetoric about France's universalist appeal, relying on a national-chauvinist appeal to the neofascist vote and a tilt towards Washington in foreign policy. He promoted France's reintegration into NATO and support for the Iraq war, and sent more troops to

Afghanistan and the Persian Gulf. He also worked closely with the unions, successfully imposing broader social cuts against the workers.

The fact that these issues went largely undiscussed in the 2007 election campaign, which was largely devoted to law-and-order demagogic by both Sarkozy and Socialist Party candidate Ségolène Royal, testifies to the profound decay of French democracy.

It is also a serious warning to the working class about the ongoing legal battles. These carefully circumscribed, politically-motivated investigations and trials are primarily an extra-electoral attempt to settle policy differences inside the ruling class and conceal the full extent of its criminality. As such, they have a profoundly antidemocratic and reactionary social content.

To the extent that political struggle remains limited to factional battles within the bourgeoisie, they inevitably tend towards reactionary settlements at the expense of the workers—both in France and in countries targeted by French imperialism.

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