

# French establishment promotes IMF director as presidential candidate

Kumaran Ira  
2 June 2010

The decision by French media and political circles to promote the International Monetary Fund managing director and leading *Parti Socialiste* (PS) member Dominique Strauss-Kahn as a potential presidential candidate is a stark warning to the working class. Though presented as a “left” party to the public, the PS supports the IMF’s anti-working class policies, such as the cuts carried out by Greek Prime Minister George Papandreou.

Strauss-Kahn is seen as a major potential contender against the incumbent, conservative President Nicolas Sarkozy in the 2012 presidential election. He has given prominent interviews on television and in the print media. An Ipsos-Le Point poll published on May 25 found that 76 percent of right-wing voters and 66 percent of Socialist Party voters back Strauss-Kahn for the presidency. The nomination of the PS candidate for the presidential elections will be decided at a PS-organized primary election to be held in 2011.

In the years prior to the outbreak of the economic crisis in 2008, the IMF developed a fearsome reputation for slashing public spending in countries across the Third World. Since the 2008 crisis, it has imposed massive austerity packages on Eastern European countries like Latvia, Hungary and Romania, and most recently in Greece.

Strauss-Kahn defended the draconian measures being implemented by the IMF. On France 2 television on May 20 he said: “I think that the IMF’s role since the beginning of the subprime crisis is recognized by everyone. It’s doubtless thanks to the IMF, not only to the IMF but notably to the IMF, that it was possible to avoid a crisis as serious as that of 1929.”

In fact, the IMF and Strauss-Kahn personally are responsible for gutting entire economies in the interest of the major international banks and the financial

aristocracy. Their bailouts have transferred trillions of euros in public wealth to the financial elite, while imposing wage and pension cuts of 20, 30 or 40 percent on broad layers of the working class in IMF-supervised countries.

An economist, Strauss-Kahn has served as managing director of the IMF since 2007 and is a prominent representative of the layer of corporate thugs that leads France’s bourgeois “left.” He was minister of industry and foreign trade in 1991-1993 in the PS government, and then a lobbyist in the EU capital, Brussels, for carmaker Renault and multibillionaire financier Vincent Bolloré.

In 1997-99, he occupied top positions as a minister for economy, finance and industry in the Plural Left government of PS Prime Minister Lionel Jospin. During this period, he helped privatize firms such as France Télécom, the Crédit Lyonnais bank, defense firm Thomson-CSF and Air France. He played a major role in preparing the launch of the euro. He resigned in 1999 amid a bribery scandal and since then has functioned as a major figure in the PS and as a deputy in the National Assembly.

Strauss-Kahn’s politics broadly mirror those of the entire PS. Socialist Party deputies voted with the government deputies in the National Assembly in favor of the IMF-European bailout package for Greece. A PS deputy and close ally of Strauss-Kahn, Pierre Moscovici, defended the EU-IMF bailout for Greece to the daily *Le Figaro*: “If Greece today must carry out austerity policies, it’s not the IMF’s fault or Europe’s fault, it’s the fault of the Greeks. When the public debt is 150 percent [of gross domestic product], when public finances are made up, one must deal with the situation.”

The PS supports austerity measures at home as well

as abroad. As part of reducing the budget deficit from 8 percent to 3 percent by 2013, as required by the EU, the Sarkozy government is preparing new pension cuts. These include raising the retirement age from 60 to 63 and lengthening the pay-in period beyond 41 years.

Broad masses oppose the austerity policies of Sarkozy, whose popularity is plummeting. A May 29 Ifop poll found that six in ten French people oppose the pension cuts.

However, citing fears that credit rating agencies might downgrade France's sovereign debt rating, the French ruling elite is determined to implement savage cuts. In its 2010 evaluation of state finances, the *Cour des Comptes* (France's top audit body) warned that the government must urgently cut its public debt and deficit levels.

On May 26, the *Financial Times* noted, "Officials fear that without drastic action France's precious AAA credit rating could one day be in jeopardy, with potential consequences for borrowing costs, particularly in a febrile market buffeted by wild rumours of government defaults in the wake of the Greek crisis."

The *Financial Times* cited a comment by the Moody's rating agency in a recent investor's note: "If the upward trend in debt continues, the government's distance to downgrade could erode to the point where it generates ratings implications."

In January, PS First Secretary Martine Aubry declared her support for cutting pensions and increasing the retirement age by two years. While Aubry later withdrew her comments to hide her support for social austerity, Strauss-Kahn still openly supports Sarkozy's plans for pension cuts.

On the France 2 program, Strauss-Kahn said: "If life expectancy tends towards 100, we will not continue retiring at 60, there will have to be some type of adjustment. In many countries, that is the path being chosen." He added that many people "can continue working until they are quite old, much older than one might have imagined 10 or 20 years ago, because today one is in good shape until much later in life."

The PS retains its false public image as a "left" party, allowing the ruling class to set up an election in which Strauss-Kahn might win support while preparing massive cuts, only because no established organization in France exposes its anti-working class policies.

Among the organizations participating in this political fraud, one of the most prominent is the petty-bourgeois *Nouveau Parti Anticapitaliste* (NPA) of Olivier Besancenot.

In response to Sarkozy's pension cuts, the NPA has proclaimed that a common alliance with the PS is the only viable way to defend pensions. On May 6, the NPA held a joint meeting with the PS and other bourgeois "left" parties.

In its May 14 statement reporting on the May 6 meeting, the NPA declared, "The first unitary meeting bringing together personalities of the social, trade union and political left was a real success." Listing the unions, student unions, the Greens, the *Parti communiste français* (PCF), the PS, Left Party (*Parti de Gauche*, PG), and the NPA, it asserted: "Everyone was there to commit themselves to a real united political and social campaign until victory."

On May 27, France's main trade unions organized a demonstration—supported by the bourgeois left parties including the PS, the PCF, the PG and the NPA—against Sarkozy's pension measures. In reality, this demonstration was a political fraud, aiming to contain popular anger and tie it politically to the PS.

In the aftermath of the demonstration, speaking to *Le Monde*, Besancenot provided a cover-up for the PS's policies: "The PS has finally decided it wants to defend keeping the retirement age at 60. Very good.... We need the largest possible front and, for that, the PS must participate in unitary mobilizations."

Besancenot's statements are shameless lies. The PS does not defend pension rights any more than the bankers working under Strauss-Kahn at the IMF. What Besancenot's comment does show, however, is that the NPA and the alphabet soup of other "left" parties in France stand politically with the IMF against the working class.



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**