

# Mass layoffs mount under Socialist Party government in France

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The mass destruction of jobs is proceeding rapidly under the French Socialist Party (PS) government of President François Hollande.

Steelmaker ArcelorMittal announced on October 1 the definitive closure of its two blast furnaces at Florange in the Moselle area of eastern France, costing 629 workers their jobs out of the 2,500 workforce. The furnaces at Florange have been at a standstill for fourteen months, while different governments led the workers to believe that ArcelorMittal would remain in the region. The company is also set to close its blast furnaces at Liège in Belgium, with the loss of 795 jobs.

The company has two remaining plants in France, at Fos-sur-Mer near Marseille and Dunkirk.

The PS Minister for Industrial Recovery Arnaud Montebourg reassured big business that nationalisation of the plant was definitely not an option. He declared, “every time we have nationalised, the state has not been a very good manager”. This refers to the capitalist PS government’s nationalisation of the steel industry in the 1980s, when the PS pushed through tens of thousands of layoffs, devastating the region.

Today unemployment stands at 15 percent in Florange—well above the national figure of 10 percent—and the legacy of the previous PS government has given rise to the influence of the fascist National Front (FN) in the region.

Montebourg instead claimed to have a promise from the CEO Lakshmi Mittal to postpone the closure for two months while the government tries to find a buyer for the blast furnaces, leaving the rolling mills in ArcelorMittals hands. Any takeover is considered highly unlikely in the current recession, which has seen a 25 percent reduction in demand for steel in France since the 2008 crisis.

The PS government’s so-called industrial recovery is

to be based on a new law presented to parliament next week by Montebourg, which will oblige companies seeking to shut down production facilities to accept offers from potential buyers. This is, however, only political cover for the PS to continue attacking jobs and workers’ living standards. New buyers of distressed industrial facilities will seek to cut wages and benefits, in line with the PS’ pursuit of industrial “competitiveness” with super-exploited labour in low-wage countries.

The PS government is continuing the basic lines of the industrial policy as its predecessor, President Nicolas Sarkozy. He promised to keep ArcelorMittal’s Gandrange steel plant open, only to let it shut with 1,000 layoffs in Moselle.

President François Hollande has already given the green light for the shutdown of PSA Peugeot-Citroën car plant at Aulnay near Paris and the layoff of 8,000 workers nationally. It is calling for an alliance with General Motors which has slashed wages and jobs on a massive scale in the US, aided by the United Auto Workers (UAW) union.

French-owned car makers’ sales plummeted in September by 18 percent, and an annual drop of 12 percent is forecast. Sales fell 5 percent for PSA and 33.4 percent for Renault; the two auto manufacturers currently have only 53.5 percent of the French market.

On September 27, the opening day of the International Automobile Show in Paris, Carlos Ghosn the head of Renault demanded sacrifices from workers: “The improvement of French competitiveness is a question of survival for Renault”. Workers at Renault’s Sevelnord plant in northern France have been forced to accept a wage freeze and the worsening of working conditions.

Another dire warning came from PSA CEO Philippe

Varin in *Les Echos* business newspaper, who said that after the closure of the Aulnay plant, “Other auto makers will have to shut factories” in Europe.

Fiat CEO Sergio Marchionne has called for a reduction in European car production capacity.

Prior to the Automobile Show opening, Montebourg issued a nationalist diatribe against South Korean car makers Hyundai and Kia, accusing them of “social dumping”. The French government wants the EU Commission to halt the penetration of Korean cars into the EU, although the most of their production takes place in Eastern Europe under the type of working conditions Montebourg would like to see adopted in France.

Last Monday Brittany Ferries, the biggest company operating the English Channel crossings, called off its lockout lasting ten days of its 1,300 employees. The CGT (General Confederation of Labour) and CFTD (French Democratic Labour Confederation) unions had organised a ballot to force acceptance of cost-cutting measures.

The company’s eight ferries remained in port during the lockout. The unions called a one-day strike against company plans to cut labour costs, and the company responded with a lockout. While only 900 workers participated in the phone-in vote, 58.68 percent voted for the return-to-work protocol. *Le Monde* reported that “management has tied the resumption of ferry traffic to the signature of the unions to the plan for a return to competitiveness”.

Junior Minister for Transport and Maritime Economy Frédéric Cuvillier hailed “this initiative and recognises the results of the consultation of the personnel as creating the conditions of an early return to work.”

The co-operation of the unions and the petty-bourgeois “left” forces such as the New Anti-Capitalist Party (NPA) is crucial to these cost cutting plans by employers. Having supported the election of Hollande, they are now opposing any attempt to mobilize the working class for a mass industrial struggle against the cuts, arguing for a strategy of pressuring the PS government through minor protests or legal action. This strategy is ineffective and politically bankrupt, reflecting the support of the unions and the NPA for Hollande.

Another victim of employers, government and trade union collusion are the 52 women workers at the

Sodimédical plant in the Aube department of southern France, who lost their legal battle to keep their jobs after 30 months of struggle.

The trade unions and “left” groups promoted illusions that the incoming PS government would intervene with a law forbidding profitable companies from firing workers. They invented the term “stock market layoffs” to designate companies laying off workers to boost profits. On October 1, however, the courts ruled in the company’s favour.

The company is part of the profitable Lohmann and Rauscher corporation, which specializes in textiles for medical uses. It switched its production orders from France to its Chinese plant, closing the Aube plant.

The courts initially instructed the company to pay the women’s salaries held back since October 2011 and to re-employ them. Catherine Berlin, the deputy secretary of the women’s factory committee summed up the women’s anger: “The Justice Minister, the Minister for Industrial Recovery, François Hollande, all of them told us this summer that they would support us to get that decision enforced. But we got nothing. Under the right wing [President Sarkozy] we suffered. Under the left [i.e., the PS] it is worse, because we have lost our jobs. We are disgusted, we have a feeling of injustice”.



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