

French Budget Minister Cahuzac resigns over hidden bank account

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On April 2, Jérôme Cahuzac, the ex-Minister for the Budget in President François Hollande's government, admitted to investigating judges that he had lied when denying he had a hidden bank account in Switzerland.

He resigned his post on March 19, after a judicial investigation had been opened into the matter following revelations published by the internet news site *Médiapart* last December. According to *Médiapart*, Cahuzac had hidden the existence of this bank account, thus defrauding tax authorities, up until 2010, before investing this money in Singapore. This account reportedly contained hundreds of thousands of euros.

A surgeon by profession, and having worked for the Health Minister Claude Evin from 1988 to 1991 before creating a private "consultancy" firm for pharmaceutical companies, Cahuzac is also accused as "a member of the medical profession of benefitting from perks obtained from companies whose products were paid for by the Social Security system".

Cahuzac was famous for being able to answer the most technical questions concerning tax law at the National Assembly from memory. He is also known as being close to Pierre Farbre, founder of a giant French pharmaceutical group, since his passage through the Health Ministry.

From December to March 19, Cahuzac enjoyed the confidence of Hollande and his government, swearing to the National Assembly that he had nothing to hide. Prime Minister Jean-Marc Ayrault maintained that he had "full confidence" in Cahuzac.

The Socialist Party (PS) government took up his defence after the investigations began. Jérôme Guedj said he "asked [him]self about the gradual downward spiral of jurisprudence policy in public scandals. If all mayors or local elected officials are supposed to resign in the event of the slightest legal enquiry.....This

emotional dictatorship is problematical."

The latest twists in the Cahuzac affair are devastating for Hollande, who is already deeply unpopular due to the anti-worker and imperialist policies he has carried out during his first year in office.

His government is hated for its austerity measures costing billions of euros to workers, including its reform of the labour laws, mass layoffs notably in the automobile industry, and the wars in Syria and Mali. Cahuzac's lies give an indication at a personal level of the reactionary class interests which dictate the policy of the Socialist Party (PS) ministers.

The scandal underlines yet again the corrupt and anti-working class politics of the petty bourgeois pseudo-left parties, such as the French Communist Party, and the New Anti-capitalist Party, who called for a vote for Hollande during the presidential election. Their support for the PS and Hollande's austerity policies show the need for a working class movement against the bourgeois "left", which is totally hostile to the workers.

Cahuzac comes from a generation of PS leaders who joined the party at the end of the 1970s, at a time when the bourgeoisie was preparing to use the PS to attack the working class. Cahuzac's political career, like Hollande's, developed after the "austerity turn" carried out by PS President François Mitterrand in 1983. These are organically bourgeois politicians, whose political records are entirely bound up with austerity imposed under free-market governments.

Cahuzac is a member of the exclusive *Cercle de l'union interalliée* (Circle of the Interallied Union) club, with an entry fee of €3,900. There, he rubs shoulders with businessmen such as Claude Béabar (founder of the largest French insurance group, AXA), right-wing politicians (former president Valéry Giscard d'Estaing, former prime minister Edouard Balladur), and

rightwing intellectuals like the anti-communist historian H el ene Carr ere d'Encausse and neo-liberal essayist Guy Sorman.

He recently summed up his political trajectory thus: "I've never been a Marxist and I neither believe in a great revolution nor a great reform. My choices have been dictated by my conscience."

In other words, like the whole of the Hollande government, Cahuzac is a firm supporter of the austerity being imposed on the working class in Greece, in France and throughout Europe.

The media furore and the denunciations of Cahuzac by his former PS colleagues and also by right-wing politicians and the neo-fascist National Front, are profoundly hypocritical. They all have links with the state and a ruling class which is corrupt to the marrow.

Three years after the Bettencourt scandal hit right-wing minister Eric Woerth, suspected of having used funding from the billionaireess Liliane Bettencourt to finance President Nicolas Sarkozy's accounts, the French government is once again shaken by a financial scandal.

Broad sections of the bourgeoisie fear the discredit that the Cahuzac scandal will bring on the institutions of the bourgeois Republic, and the risk of a movement of the working class against austerity and capitalism, shaken as it is by the deepest economic crisis since the 1930s. The question of what knowledge Hollande and Ayrault had of this scandal is now being raised openly in the press.

Writing in the right-wing *Le Figaro*, Paul-Henri du Limbert states: "at a time when France is getting mired ever more deeply in the crisis, nothing is worse than the general atmosphere of suspicion which the Cahuzac affair will create."



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