

Amid jobs collapse, French President Hollande backs austerity in Europe

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With jobless figures at all-time historic highs in Spain and France, French President François Hollande of the Socialist Party (PS) has signaled that he will continue supporting austerity policies in France and throughout Europe.

Fully 26 million European workers are unemployed, including six million workers in Spain and three million in France. With large sections of the European economy in free-fall and Hollande's poll ratings collapsing to 26 percent, the ruling class is demonstrating that it is committed to its policy of austerity and impervious to popular opposition.

On Saturday, anonymous Hollande aides told the French business daily *Les Echos*: “Those who say that we must stop everything, stop the budgetary effort, they are proposing nothing besides a short-term political victory. We're not simply going to overturn the table. It is more subtle than that, there are constraints which we must modify. That is what reorientation is, it is not changing our economic model.”

The “model” has produced an economic meltdown that is historically unprecedented since the previous great failure of world capitalism, the Great Depression, which led to World War II. In Greece, Portugal and Spain, the economy has contracted by over 20 percent, 7 percent, and 6 percent since 2008, respectively, while youth unemployment has risen to 59 percent, 38 percent, and 57 percent. In Italy, according to a recent central bank report, disposable income is down 9.5 percent since 2007 and industrial production has fallen by one quarter.

Nonetheless, the aides stressed that Hollande would continue supporting European Union (EU) austerity policies imposed on southern European countries under the leadership of Germany. The aides said, “France in this European concert has the choice of two roles: being

the constructive ally of Germany, [or] the ambassador of the southern countries. The second role does not get us anywhere.”

The support of the French and other European bourgeoisies for EU austerity policies directed from Berlin is of a piece with their drive to attack the working class.

Hollande signaled that while budget cuts would continue, the PS would oppose any effort to make business contribute a share of the costs—thus placing the full financial burden of the crisis on the backs of the working class. Yesterday, the Hollande government announced that it would slash capital gains taxes, undoing an increase passed to finance part of last year's €30 billion deficit-cutting package.

Small Business Minister Fleur Pellerin said, “The big picture is to give a strong sign that France is a good place to invest and we are business-friendly.”

The openly pro-business position of bourgeois “left” governments is a sharp expression of the revolutionary implications of the crisis shaking European and world capitalism. Beholden to predatory financial interests, these governments and their supporters in the trade union bureaucracy and the petty-bourgeois pseudo-left arrogantly defend failed EU policies that are designed purely to enrich parasitic financial elites. This signifies that the only effective opposition will emerge outside of and against the entire political establishment.

In sections of the European press, comparisons are openly being drawn between the situation in Europe and that which existed in Egypt prior to the outbreak of the mass revolutionary struggles that toppled President Hosni Mubarak in 2011.

In an interview discussing southern European joblessness with the *Süddeutsche Zeitung*, sociologist Günter Voss commented: “There is no definite level of

joblessness beyond which the situation becomes dangerous. A society can continue to exist for a long time with extreme social inequality and also with authoritarian structures. And then, suddenly there is a bang and something happens. So it was recently in North Africa.”

The eruption of revolutionary working class struggles throughout Europe, whose ultimate aim can only be to take state power and seize control of economic life from the hands of the financial aristocracy, is posed as the only practical way forward for the working class. These struggles would be directed against forces like the Hollande government and its supporters in the pseudo-left parties.

Jean-Luc Mélenchon—the leader of the Left Front, a coalition between the Stalinist French Communist Party (PCF), the Left Party (PG, a PS split-off), and split-offs of the New Anti-capitalist Party (NPA)—has already declared his hostility to such struggles. Calling for a “tranquil relationship of forces” with advocates of austerity in Berlin, Mélenchon said, “I fear that the clash would not take place between reasonable people, but that it could start from below, in which case everything would be lost.”

Mélenchon speaks as a true representative of the reactionary petty-bourgeois pseudo-left, which sees in any independent political initiative of the working masses a cause for fear and dread. Instead, these forces insist that political life remain under the suffocating grip of so-called “reasonable people” in the bourgeois “left” and the union bureaucracy who have negotiated austerity policies that are destroying the economy in France and throughout Europe.

Mélenchon has offered to become prime minister, should Hollande decide to reshuffle his government in an attempt to halt his collapse in the polls. This testifies to his understanding of his role as serving as the last line of defense for a regime of capitalist austerity.

In the meantime, the PS is imploding into warring factions over the issue of austerity, as the party continues its collapse in the polls. Sections of the PS are attempting to hide the party’s anti-working class policies behind a chauvinist campaign blaming austerity policies on Germany. They rely on the massive unpopularity of German Chancellor Angela Merkel. Other PS officials openly defend austerity.

A controversy erupted late last week when a draft PS

document on European policy was leaked. It denounced Merkel as an “austerity chancellor” characterized by “egotistical intransigence.”

The president of the PS group in the National Assembly, Claude Bartolone, gave an extensive interview in *Le Monde* calling for a “confrontation” with Germany. Pointing to the risk of a PS rout in upcoming municipal and European elections, he said, “We must say now how we can increase purchasing power without unbalancing the state budget.”

This amounts to a proposal to square the circle, under conditions where Hollande is slashing spending to balance the budget and protect the wealth of the super-rich.

Interior Minister Manuel Valls and Labor Minister Michel Sapin promptly intervened to maintain Hollande’s policy alignment with Merkel. While Valls denounced Bartolone’s comments as “demagogic and harmful,” Sapin called for an agreement with the German government so “all of Europe can return to growth and put its finances in order.”



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