

French unions open for business with new pro-austerity government

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After last week's resignation of the Socialist Party (PS) government of Prime Minister Manuel Valls and the firing of three ministers for publicly criticising its austerity policies, Valls spared no time in reassuring business he would deepen attacks on the working class. After installing his second government with a new Economy minister, Emmanuel Macron, an unelected multimillionaire banker from the Finance Ministry, Valls attended the annual Employers' Federation (Medef) summer gathering.

This constitutes a political indictment of France's trade union bureaucracy, which endorsed the election of the PS' François Hollande as president in 2012, leading to the formation of a series of PS governments. They bear political responsibility for the even sharper turn to the right the new PS government is preparing.

At the weekend, Valls revealed one more attack on living standards by removing all rent controls on housing except for the Paris area, along with a 30 percent tax reduction on profits from building land development.

Valls delivered a speech to rapturous applause from the business elite. "France needs its companies, all its companies...because it's the companies which, by innovating, by risking their shareholders' capital, by mobilising their workers, by meeting the expectations of their customers, create value, generate the wealth which must profit everyone. And me, I love business."

In fact, the business leaders Valls praised are overseeing an economic disaster, looting France and exploiting workers around the world. July's unemployment figures jumped a massive 40,600. Well over 5 million are now unemployed, with 42.7 percent being registered for over a year, an annual increase of 9.4 percent.

France's CAC-40 stock market index of France's top

40 enterprises, on the other hand, has increased its dividends to shareholders by 5 percent on 2013, reaching €39.9 billion.

The reaction of the unions to the Valls government's austerity agenda and continued handouts to business was to cynically simulate astonishment, as if there was a misunderstanding on the government's part. CGT (General Confederation of Labour) union leader Thierry Lepaon called the prime minister's visit to the the Medef meeting as "scandalous," declaring there was "a confusion of common interests between the state and the Medef".

As Lepaon is well aware, there is no "confusion." The state and the Social and Economic council on which he sat with the employers and ministers carries out the "social dialogue" through which businesses secure attacks on workers living standards from the union bureaucracy.

The claim of Thierry Lepaon that the CGT will "refuse the politics of austerity which is leading us into an impasse" is a cynical fraud.

The CGT, along with all of France's unions, attended the recent "social conference" with employers where they accepted the "responsibility pact" mandating €50 billion in cuts to public spending, in exchange for "negotiating" job creation. The unions are part of the state apparatus, financed by big business to the tune of billions in order to suppress the working class.

The CGT's response to the new government is to call for another harmless "day of action" in October, in order that "this government now hears the voice of workers". The trade union bureaucracy is terrified of calling any significant strike action to challenge the deeply unpopular Valls government, lest it fall.

Pierre Laurent—the leader of the Stalinist French Communist Party (PCF), a long-time ally of the PS, and

which is close to the CGT—rushed to the PS summer school at the weekend. He complained that the “contract of 2012 [the PS' government manifesto in the presidential elections] has been torn up this week.”

Laurent was trying to promote the political lie that the Hollande administration came to power on a left-wing program and that there remains opposition to attacks on the working class inside the PS. In fact, the PS came to power with the support of the PCF and the union bureaucracy on a pro-austerity platform.

Hollande famously declared in London in February 2012, before the election, “The left has governed for 15 years during which time it liberalised the economy and opened the markets to finance and privatisation. There is no need to worry. Today there are no communists in France.”

This is a fitting comment on the role of the PCF and its union allies—loyal defenders of capitalism, functioning as props of a violently reactionary and anti-working class government.



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