

French President Hollande moves to end universality of family benefits

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The French government, yesterday, made a last-minute change to the Family Benefits section of the 2015 budget, introducing means-testing for family benefits. This is part of a broader package that deepens the cuts in Family Benefits from 700 million euros to 800 million.

The introduction of means-testing breaks the guiding principle of social benefits in France since the Second World War: that of “universality”. This principle says that everyone should receive the same social benefits in the form of services or money, whatever their income.

This represents yet another violation by President François Hollande of his campaign promises. In March 2012, during his presidential campaign, he said: “I remain very attached to the universality of family benefits, which are also a means to extend the recognition of the nation to all forms of families. They will therefore not be means-tested.”

Hollande had already floated the idea of a means test in March of this year. He retreated, however, when the right-wing Union for a Popular Majority, the French Communist Party, and the Nation Union of Family Associations opposed means-testing. This time, the government used the lobbying of a group of deputies from the Socialist Party (PS) to justify its late amendment.

In the government's amendment, if a monthly income of a family with two children is in excess of 6,000 euros, Family Benefits will be cut by 50 percent. If there are three children the ceiling is 6,500 euros; four children 7,000 euros, etc. There is a second ceiling at 8,000 euros for a family with two children (with the ceiling being 500 euros extra for each extra child as in the previous ceiling) where the Family Benefit will be reduced by 75 percent.

The government's championing of these new cuts has

much wider implications than simply the attack on those French households that actually have revenues over 6,000 euros per month.

It is designed to weaken support for family benefits and other social programs of the welfare state in layers of the affluent middle class, as a prelude to the destruction of welfare spending and the social rights won by workers in France since the end of the war. The cuts will make Family Benefits almost meaningless for better-off layers of the population, encouraging them to support the elimination of Family Benefits altogether.

The 100 million euro cut to Family Benefits is a small gesture to the European Commission (EC), which is currently examining the French budget after criticisms from European officials who attacked it for not cutting spending deeply enough.

The current version of the French Budget plans to run a deficit equal to 4.3 percent of France's Gross Domestic Product (GDP), while the EU's Maastricht Treaty demands that budget deficits be no more than three percent of GDP.

The extra 100 million euros in family benefits cuts represent a very small percentage of French GDP, however, and therefore seem unlikely to influence Brussels' decision on the budget.

With the new powers it received earlier this year, the EC could force Paris to revise the budget to make even deeper cuts; if Paris refuses, the EC could impose sanctions totaling billions of euros.

The attack on the universality of family benefits by the PS' Hollande—who was elected with the endorsement of France's main pseudo-left groups, such as the Left Front and the New Anti-capitalist Party—has broad historical and political significance. It represents the failure of European capitalism, which can find no money for working people despite the billions and even

trillions of euros it hands over to the banks, and is instead moving to attack workers' basic social rights.

Universality of benefits was part of the 1944 program of the National Resistance Council (CNR), which brought together the political forces which founded a bourgeois French Fourth Republic when the Nazi Occupation and the collaborationist Vichy regime had been overthrown. The CNR included the French Communist Party (PCF), as well as right-wing and social-democratic forces loyal to General Charles de Gaulle.

Thus CNR's program pledged for post-war French capitalism “the creation of a true economic and social democracy, entailing the eviction of the great economic and financial feudalities from leadership of the economy.”

This program was formulated when capitalism had been thoroughly discredited by the crimes of fascism, both in France and throughout Europe. The capitalists were therefore compelled to include many concessions such as the social security system for health care, family benefits, and pensions, and it was on the basis of these concessions that the Stalinists suppressed a social revolution after World War II.

Today, after decades in which bourgeois parties of all stripes gradually cut back these benefits, the fundamental incompatibility of such social rights with capitalist rule is ever more evident. To defend them, the working class again faces a struggle against the new “great economic and financial feudalities” that sets the agenda in France and throughout Europe.



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