

# French state hands €15 billion bailout to Airbus and Air France

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Last week, French President Emmanuel Macron announced a €15 billion bailout for the aerospace industry, after announcing a €8 billion bailout for the auto industry. Though the COVID-19 pandemic has already cost hundreds of thousands of jobs and placed tens of millions on short-time work in France alone, major corporations are receiving vast sums of public aid to carry out job cuts and restructuring in Europe and internationally.

The government justified the aerospace bailout by claiming it would save thousands of jobs and maintain the international competitiveness of airplane manufacturer Airbus and of Air France. Economy Minister Bruno Le Maire signed the plan into effect on June 9 together with the transport, defense and environment ministers.

The financial support package includes €7 billion for Air France and the rest for the industrial production chain. According to the *Air-Journal* web site, “the €8 billion apart from Air France will cover measures going from loan forgiveness to short-term work financing, to advancing military contracts and investing in a research and development fund, including an investment fund created by the state, Airbus, Dassault Aviation, Safran and Thalès to help small businesses.”

“We will do everything to support this French industry which is so essential to our sovereignty, jobs and economy,” Le Maire said. “If we do not intervene immediately, a third of jobs in this industry could disappear in the next six months, that means 100,000 jobs.”

The goal of this bailout is neither to protect nor to create jobs. The financial aristocracy is using the pandemic as a pretext to restructure industries and slash jobs, wages and benefits to boost profits.

After benefiting from billions of euros in state aid,

plant shutdowns and job cuts are spreading across multiple industries. Automaker Renault received €5 billion from the French government, which also announced a broader €8 billion plan for the automobile industry. Renault then announced 15,000 job cuts worldwide, including 4,600 in France. Now the government is giving billions to the aerospace industry, which will slash wages and benefits internationally.

“We must save our aerospace industry,” he said. “We must avoid any decline in the coming months against the American giant Boeing or the Chinese giant Comac. We will not let China and the United States divide the world aerospace markets between them. France and Europe will conserve their rank.”

Workers must reject the European imperialist powers’ calls to support trade war policies designed to allow businesses to extract the maximum profits from exploiting them. Workers in all countries, including the United States and China, face escalating social attacks. This is why it is critical to unite workers struggles across the world on a socialist program, so workers can take control of the productive forces created by humanity and use them rationally to meet social needs.

As for Airbus, the aerospace giant has not yet revealed what measures it plans to take. Airbus CEO Guillaume Faury indicated that Airbus will announce its decisions at the end of July. He refused to guarantee that there would be no job cuts. Speaking to France Bleu radio, he said that the bailout should allow the company “to resist the coming wave in the short term and to prepare for the future.”

On saving jobs at Airbus, Faury added, “It is very hard to answer this question with certainty. We must give people time to work, there can be no answer at this stage in the game. Airbus must absolutely emerge from this crisis with the capacity to innovate and invest.

There will have to be give and take in the short and the long term, our work is very important.”

Airbus employs around 135,000 workers worldwide, including 13,500 in Britain, 46,000 in Germany and 48,000 in France.

In May, Britain’s *Telegraph* newspaper wrote that Airbus is preparing 10,000 job cuts and cited anonymous corporate sources as saying up to 10 percent of staff could be fired.

The pandemic is yet again exposing the criminal policies of capitalist governments worldwide. The Macron government neglected the struggle against COVID-19 after having imposed deep social austerity and working to isolate and strangle working-class opposition with the complicity of the trade unions. At the high point of the pandemic inside France, it reacted by issuing a plan to hand €300 billion to the banks and big business to make vast profits.

Airbus has already slashed thousands of jobs in recent years. Its last restructuring plan, Power8, for the 2007-2010 period led to 5,000 job cuts at Airbus and its suppliers. In Toulouse there were over 3,000 job cuts.

The unions are playing a key role to support this plan, coordinating closely with the government and corporate management to impose austerity and isolate struggles and strikes against these plans. They back the bailout, impotently asking Airbus to save jobs while negotiating behind closed doors with management how many jobs are to go—as they did in 2007.

After the state announcement, the Workers Force (FO) union, the principal union at Airbus and its French assembly and manufacturing plants, adopted the same line as the state. They insisted that the bailout should save jobs. “With so much state aid, large industries should go easy now on their restructuring plans. Management wants to use the crisis to re-size the corporation, but we will not accept any job cuts imposed on the workers,” said FO’s main delegate at Airbus, Jean-François Knepper.

However, since the 2008 economic crisis, the unions have worked closely with numerous firms, including the auto industry, to implement restructuring plans that shuttered plants and slashed tens of thousands of jobs. They did this while receiving billions of euros in bailouts and public subsidies, while strikes and protests that proceeded against this were isolated by the unions.

Indeed, FO has just agreed to a major concessions

contract at Derichebourg, an Airbus supplier, claiming this was necessary to save jobs. The contract eliminates commuting and meal subsidies, as well as an extra month’s pay as a Christmas bonus for workers making over 2.5 times the minimum wage (€3047 per month). “We chose to save jobs,” claimed FO-Derichebourg official Éric Fabre.

While claiming to save jobs, unions are preparing to accept attacks on workers in countless firms in the name of boosting competitiveness. Workers need to take the struggle out of the hands of the unions, forming action committees independent of the unions and linking up their struggles internationally. The Parti de l’égalité socialiste advances the perspective of nationalizing these transnational companies under workers’ control in each country where they operate, in order to turn them into international public utilities meeting the social needs of humanity.



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