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France

A coagulation of anger

- IV Online magazine - 2019 - IV539 - December 2019 -

Publication date: Monday 9 December 2019

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France has once again entered a phase of large-scale social confrontation.

A year ago, in November 2018, it was the Yellow Jacket movement that broke out on roundabouts and city streets across the country. Provoked by the government's decision to introduce a new fuel tax, the movement very quickly highlighted the need for an increase in buying power, particularly the minimum wage, the rejection of a society managed by and for the richest, the restoration of the wealth tax on the richest, the need for a democracy in which the working classes could be heard. The Macron government was facing the social exasperation created by the austerity policies suffered since the 1980s.

This exasperation had led to the corrosion and collapse in the 2017 presidential election of the two parties managing the system since the 1960s, the Gaullist (LR - Les Républicains) and Socialist (PS - Parti Socialiste) party. Taking over the reins of capitalist management, Macron thought he had his hands free to show arrogance and class insolence and undertake systemic capitalist counter-reforms: to accentuate the intervention of a strong state and a liberal economic policy for the benefit of the large capitalist groups. He also thought he had his hands free to make reforms "Thatcher-style", where all previous governments had failed, without fear of social confrontation, in order to bring France into unison with its neighbours in terms of regressing labour law and social protection.

In the aftermath of his election in the fall of 2017, with too weak a response from the unions, five ordinances were issued. One of them broke the system of employee representation in companies, in particular by dividing the number of representatives in half. Another definitively broke the rule of priority to be given to branch agreements in companies, favouring social dumping. Another facilitated the use of dismissals by making it more difficult for employees to bring cases to the industrial courts.

A few months later, in the spring of 2018, it was the status of the SNCF and that of the railway workers that was broken by the National Assembly. In 2020, SNCF was split into several public limited companies, the rail network opened to competition with the planned elimination of thousands of kilometres of lines. The status of railway workers dating back more than a century was abolished for new hires on 1 January 2020. This status, giving in particular the guarantee of employment, and a recognition of hard and difficult nature of railway work by a retirement age of 52 for mobile workers and 57 for sedentary workers. The 2/5 tactic imposed by the interunion (CGT, FO, UNSA), 18 strikes of 2 consecutive days over 3 months wore out a strong combativity without creating a balance of power against Macron. On the strength of its successes, it was unemployment insurance that was attacked in autumn 2019, making it more difficult to obtain the right to access unemployment benefits. In addition, there has been a major attack on the national education system, reforming the last two years of secondary education and increasing social selection at the entrance to higher education.

Moreover, the French trade union movement essentially refused to recognize the yellow vest movement in autumn 2018 as an important step for the working classes and was therefore unable to seek, from the outset, to make a joint effort to organize a powerful movement against social injustice and austerity. This separation, even if it was then corrected by the most combative parts of the trade union movement, could also lead the government to believe that social oppositions would not be able to unite to block its offensives any more than political oppositions.

Macron and his government also considered that he could open work on a project still postponed by the French capitalists: the questioning of the pension system built in 1945.

The balance of power established by the working classes in France over decades of social struggle means public

A coagulation of anger

spending still represented 56% of GDP in 2018. In France, public social expenditure represents 31.2% of GDP, the highest figure in the OECD (the average is 20.1%), even if it has fallen by almost 1% since 2016. This concerns mainly pensions (13.9%) and health (8.7%), for which France is among the leaders in Europe, despite numerous attacks on these two systems. The OECD average for public pension expenditure is 7.5% of GDP, with the Spanish government spending 11%, Germany 10.1%, the United Kingdom and Switzerland 6.5% and the Netherlands 5.4%. In the latter countries, only employees who have had the means (through their companies or their own savings) to subscribe to private pension funds maintain a decent standard of living.

This level of public spending makes France, together with the Spanish State and Italy, one of the three countries with the highest life expectancy in Europe (82.7%).

In France, according to Eurostat, even if one million pensioners live below the poverty line, only 7% of pensioners are in danger of poverty (i.e. an income below 60% of the median wage) compared to 19% in Germany and the United Kingdom.

Thus, France is still out of step with the level of social regression achieved in the main European countries.

It is a new aspect of this social model that Macron wants to attack head-on, where all his predecessors failed.

The recipe is simple: keep the share of pensions in public spending at the current level, at less than 14% of GDP, while the number of pensioners will increase by 1.5% by 2050. Mathematically, this would result, at constant euro, in the distribution of the same money supply among a growing number of pensioners, thus reducing pensions and impoverishing pensioners.

To achieve this goal, the government has put forward a project that destroys all current pension systems, denounced as unfair, unequal, with "special schemes" that cost billions.

Today, more than 84% of the working population belongs roughly to two pension schemes:

- ▶ The private sector employees (19 million employees) who today receive 50% of their average reference salary as a pension from a public pay-as-you-go pension fund, calculated in annual instalments, and around 20% from a national supplementary pension system (ARRCO-AGIRC) in a points system. [\[1\]](#)
- ▶ The civil servants of the State and local authorities (4 million employees) paid directly by the State and by a local authorities' pension fund.

In these two schemes the calculation of the reference salary is not the same, but have similar replacement rates of 72 to 74 %.

In addition, around 500,000 employees belong to a dozen "special regimes", inherited from very specific professions and conventions often predating the Second World War (railway workers, gas electricians, notaries' clerks, Parisian transport workers, Paris Opera workers, etc.).

All these distribution plans have guaranteed benefits: an employee knows as his or her career progresses how much his or her pension will be. This is in contrast to point systems, with guaranteed contributions, where all you know is how much you contribute, not how much your pension will be!

In addition, 3.4 million working people are self-employed, with or without fully autonomous systems to prepare for retirement.

The project is therefore that of a single, point-by-point pension scheme replacing all pension systems, both salaried and non-salaried, basic and supplementary schemes. With the argument that "one euro contributed must give everyone the same right to a pension". A system in which no one knows what their point will be worth in retirement, or even what it will be worth from one year to the next.

Sweden implemented such a "defined contribution" system in the 1990s to reduce the share of pensions in GDP. Macron refers to it as the example to follow. Year after year, Swedish pensioners are seeing their replacement rate decrease and women are suffering from increased inequalities.

To justify the urgency of its project, the government had to dramatize the situation

The Macron government launched a major propaganda battle with the support of all the major media to denounce "the profiteers of a retirement system on the brink".

This meant wiping out what Macron himself had said on his campaign site in 2017:

"After more than twenty years of successive reforms, the pension problem is no longer a financial problem... For the first time in decades, the financial perspectives allow us to look to the future with reasonable serenity".

To create a climate of tension and urgency, the government therefore expressly commissioned a new report from the official joint pension structure, the Pension Orientation Council (COR). This organization had issued a report last June that was not alarmist and recorded (like candidate Macron) that, unfortunately, by 2017, the level of pensions paid would fall as a result of the attacks already made since 1993 on pensions, and that the system was in no way in danger.

The new COR report, published in November, having been forced to incorporate assumptions of large reductions in government payments by 2025, introduces a possible deficit of 17 billion (out of a budget of over 300 billion). The government and the media seized this hypothetical deficit as if it reflected an explosion in spending!

The problem is that Macron's project quickly generated growing hostility among employed workers...and non-employed!

Because, to prepare its draft law, after having discussed it with wary trade union and professional interlocutors, a report was issued in July by J.P. Delevoye, High Commissioner for Pensions.

When reading this report, week after week, lawyers, flight attendants, railway workers, gas electricians and teachers understood that they had everything to lose. In addition, many studies have very quickly undermined government propaganda, praising the merits of this new system, particularly for small pensions and women. On the contrary, the points system further widens the wage and career gaps experienced by women and precarious workers.

The trades benefiting from special provisions (railway workers, firefighters) quickly understood that the proposed

system would destroy all the advantages obtained with regard to their working conditions. Even the police threatened the government with a strike

The organization of the mobilization of railway workers

Eager not to suffer yet another defeat and learning from the failure of 2018, as early as September 2019 SUD Rail and UNSA Rail launched a call for a renewable strike from 5 December against the Delevoye project, followed by FO and the CGT. Even the CFDT railway workers called for a strike on 5 December. In parallel with the calls in the energy sector, in all sectors of the civil service, lawyers' unions and youth organizations launched calls for strikes and demonstrations. Even police unions announced "a symbolic closure of police stations". A national inter-professional call for 5 December was launched by all trade union confederations (except CFDT and CFTC).

The government, on the strength of its previous successes, hoped that 5 December would be a kind of "stormy passage", inevitable, but without a follow up, a day of strikes by the "special regimes", SNCF and RATP.

He was quickly disappointed. With 800,000 demonstrators according to the police and 1.5 million according to the CGT, the strength of the demonstrators and strikes reminded us of the strongest days of strikes and demonstrations in all sectors, especially 1995... But on 5 December 2019, there were more demonstrators in the streets than on the first day of demonstrations on 24 November 1995.

An impressive strike rate at the SNCF, 90% of the trains cancelled, only the automatic metro lines operating in Paris, an equally impressive rate among teachers (70% strikers in the first and second levels) who quickly understood that they would be the main losers of this reform.

But above all, the government did not expect railway workers everywhere to vote to extend the strike until Monday, 9 December inclusive, breaking with previous union tactics.

To put out the fire, the Prime Minister tried to advance several counter-shots on Friday:

- ▶ Convince current employees of "special schemes" that they would not be "immediately" affected by the reform;
- ▶ Assure police officers that their benefits would not be touched because they "risk their lives every day";
- ▶ Ensure that teachers are assured that they will (...in 2021!) have salary increases so that there will be no reduction in pensions.

The problem is that the government has still not released a bill. It wanted to wait until Thursday, 5 December to see if it could not budge by a millimetre, letting a storm blow over. It now wants to wait until Wednesday to release his bill, hoping to see a lull in teachers' strikes on Tuesday, signs of recovery in transport and no extension in other sectors.

In all sectors, militant activists have understood that it is necessary to build a real balance of power now, not to let go of what it has for promises, and to extend the strike beyond the transport sectors. The objective in the coming days is of course a convergence of sectors around the same demand, the withdrawal of the Macron project against our pensions. The pressure organized by the grassroots forced the confederal leadership of CGT and FO to call together,

A coagulation of anger

with Solidaires and the FSU, for a new day of strike and demonstrations on Tuesday 10 December. The rate at which RATP and SNCF workers have voted to continue the strike, the cross-sectoral dates, should encourage the continuation of the strike in the civil service sectors and the extension to the private sector, which was very present in the streets on 5 December.

Whatever the extension in the coming days, this movement benefits from the gains in fighting spirit achieved in recent months. Over the past year, yellow jackets have boosted the entire social movement with dozens of dynamic, combative demonstrations, breaking with the routine nature of many previous marches. Moreover, this movement has been the only one in recent times to quickly obtain concessions from the government. By announcing, barely a month after the start of the movement, 10 billion following spontaneous demonstrations and the offensive demonstrations of 1 December 2018, a breath of fresh air has blown through the social movement. [2] A social movement that does not feel that it has reached the end of its demands. All categories of hospital workers, particularly in emergency services, have also mobilized massively and over the past year, without the government being able to extinguish a movement that is still present today, with numerous demonstrations on 14 November, with 10,000 people in Paris. In recent weeks, in many high schools and faculties, students have also mobilized against the precariousness of their situation - dramatically manifested in the attempt of immolation by fire of a student from Lyon, Anas K. on 8 November.

On several occasions, the convergence of climate mobilizations and those against violence against women has also been expressed. On 23 November, demonstrations against gender violence brought together more than 100,000 people. Over the months, new generations have mobilized, crossed paths, with many young people and especially young women. Thus, over the past year, the protean social movement has shown a political dynamism that can also remind the elders of the 1990s, when struggles for women's rights, against racism, for the right to housing and the rights of the unemployed coexisted. It was at the dawn of the anti-globalization movement.

The notable difference today, not only in France, is the great difficulty of bringing these social movements together with common and offensive political perspectives.

The SP and the Republicans react with maximum silence to the current movement. They hope will Macron would fail, but at the same time, his project obviously meets with their approval. The National Rally (RN - Rassemblement National, formerly FN - Front National) proceeds with the same attempt to ride two horses as during the yellow jacket movement: wanting to garner popular discontent while trying to hide that their programme is in accord with Macron's.

To the left of the SP, forces have gathered several times in recent months in calls against security policies to denounce Islamophobia and support the movement against pension reform. The NPA has been at the heart of all these unitary initiatives.

But we are still far from a common anti-capitalist response that is forged in the heat of social movements and is not the reconstruction of an electoral mechanic. There may be an opportunity to move forward in this direction in many local initiatives within the current social movement, which is at the heart of the mobilization. The pension movement directly raises the question of the society in which we want to live, free from exploitation and oppression, democratically organized to meet social needs. Advancing this perspective will depend in the coming days on the strength of the social movement.

7 December 2019

PS:

A coagulation of anger

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[1] A "pay as you go" system means that current pensions are paid from current contributions and thus is a form of intergenerational solidarity. It is opposed to a "capitalization" method where each individual accumulates their own pension fund.

[2] See "[The yellow jackets' movement destabilizes Macron](#)".