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France

First wave of mobilization around wages in France

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Since 29 September, France has seen a first wave of strikes and demonstrations against inflation and the high cost of living, and for wage increases. There was a national day of strike action on 29 September, another on 18 October, and a national march against the cost of living and climate inaction on 16 October.

Inflation and the cost of living have clearly become the first concerns of the working classes and the population in general, with firstly the explosion of energy bills, but also food prices, rent and all basic necessities. And through these mobilizations, once again, the reality of French capitalism has been illuminated.

Total Energies

It was the TotalEnergies group that crystallized popular anger in this period, for several reasons. This group emerged from two nationalized companies (Elf and Total) privatized in 1994. It is now the biggest French company in terms of turnover but hardly ever pays corporation tax in France, having paid nothing since 2019. Developed with state support since its inception, it is the fifth largest company in the world in the energy sector, one of the main contributors to GHG emissions, with an international development policy that accommodates the Putin regime, dictatorships such as Burma and devastating projects for the environment and populations such as the oil project on the shores of Lake Albert, with a 50° heated pipeline through Uganda and Tanzania and the deep water gas exploration pipeline off South Africa. All this while it claims to be developing exclusively towards renewable energies.

It has largely stood out for its superprofits: 18.8 billion euros in the first half of 2022 (multiplied by 3 compared to the 1st half of 2021), while the 70% of employees who use a car to go to work have seen fuel prices increase by 20% since January 2020. It also emerged that Total CEO Patrick Pouyanné had seen his salary increase by 52% in 2022. Champion of French capitalism, the company has also paid out around 2.62 billion euros in exceptional dividends this autumn and its boss will receive 1 million euros in dividends in 2022. And many CEOs of the CAC40 companies far exceed the 5.9 million of Pouyanné, including Bernard Charles (Dassault Systèmes) with more than 44 million euros received in 2021, or Carlos Tavares (PSA / Stellantis), with 19.5 million euros!

In any case, the remuneration of the bosses of the CAC 40 doubled between 2020 and 2021 to reach 8.7 million on average and Pouyanné has become the symbol of a system where each crisis sees inequalities worsen and the "trickle-down" of the wealth produced goes from the exploited to the exploiters. And the salaries of the big French bosses are often much lower than those of their German counterparts, 15.4 million (+83%) on average for the bosses of the Dax (the German equivalent of the CAC 40). In England, 13.5 million euros (+143%) for the 100 FTSE bosses.

The day of 29 September

As a reminder, in a note of 23 September from DARES, the Ministry of Labour announced that over one year, the basic monthly wage "had increased by 3.1% for the tertiary sector, 3.0% for industry, and 2.6% for construction". And therefore, with inflation "#in constant euros and over the same period, [the basic monthly wage] fell by 2.9%, 3.0% and 3.4% respectively for each of these sectors (tertiary, industry and construction)."

Similarly, for civil servants, with an increase of 3.5% in the index point (which is used to calculate remuneration) in July 2022, the total increases from 2010 to 2022 were 4.7% in the face of cumulative inflation of 20.4%. – a 15.7% decrease compared to the 2010 wage!

29 September was a day of national strike action, with a strong mobilization especially in energy, nuclear power, transport, national education, car manufacturing, agri-food and social services. The CGT trade union federation demanded a minimum wage of 2,000 euros gross, wage increases at the level of inflation, the reintroduction of the sliding scale of wages, the indexation of wages and pensions to inflation and real wage equality between women and men. Solidaires, another federation, had a similar platform. A more precise translation in many strikes of wage increases and no bonuses, of 10% or better 300 to 400 euros for all wages.

Demonstrations were much more numerous than the previous days of January and March 2022. The unions announced 250,000 people in the streets.

From 27 September, the employees of five Total and two Exxon refineries went on strike. A very well supported strike at more than 70%, called by the CGT, the biggest union federation in the refineries at Total and Exxon followed by the FO federation among the 3000 operators, for increases of 7.5% at Exxon, 10% at Total. The strike was renewed every day by general meetings of the strikers and became the reference point for the movement for wages. This renewable strike movement had been prepared by the union, a member of the FNIC (National Federation of Chemical Industries), an oppositional union in the CGT affiliated to the WFTU (World Federation of Trade Unions).

Faced with the issue of wages and the refinery strike, the government tried to play several cards. First, saying that large companies and Total in particular should negotiate increases. Exxon agreed to negotiate and on October 10 obtained agreement from the CFDT and the CGC for a 5% general increase and a 3,000 euros bonus. Stuck on an inflexible position (no negotiation before November for the 2023 obligatoey annual negotiations (NOA), then no new negotiations without stopping the strike), under pressure from the government, the management of Total advanced the 2023 NOA. On 14 October, it obtained the signing of an agreement by the CFDT and the CGC, which had never called for a strike. Finally, the management granted 5% on 1 November plus a bonus of at least 3000 euros and 2% individual measures. The striking operators and the CGT have rejected this agreement and continue the movement.

Refiners have the ability to block supplies to depots and gas stations. In a few days, partial paralysis set in and the management of Total and the government have done everything to break the strike. First, by claiming that the agreements are in the majority (which is true at the level of the whole of TotalEnergies, but not at all in the striking refineries) to allege that the CGT is trying to continue a minority strike. Then, by claiming that operators earn 4-5,000 euros and are privileged. Fake news relayed extensively by the media while, outside the refineries, operators working staggered hours 7/7, often with decades of seniority, displayed their pay slips of between 2,500 and 3,000 euros. After having waged a media campaign to set motorists against strikers, prime minister Borne, with the opposition Républicains party criticizing the inaction of the government, launched the weapon of the requisition of the strikers. Symbolically, several Exxon and Total operators will be requisitioned to "unblock" the refineries. If resumption is voted for at Exxon, the strike will continue in all Total refineries until October 20.

The 18 October

The problem is that, after 29 September, the refineries were the only sector on ongoing strike and the inter-union has not set any new date to continue and amplify the mobilization on wages. This was due to several factors: union fragmentation, with only the CGT, Solidaires and the FSU involved in the appeal for the 29th; the orientation of the CGT confederal leadership which initially wanted to prioritize the search for a common front against the pension

reform and the search for an alliance with the CFDT and the UNSA.

The trigger for a new day on 18 October by the CGT, Solidaires, FSU and FO was finally determined by the continuation of the strike in the refineries and the provocation of the government with the requisitions of the strikers of the refineries. Although announced less than a week in advance, this new day of strike action involved as big a mobilization as that of the 29th with often bigger demonstrations in the cities and a more combative atmosphere, even if the teachers were not mobilized much in such a short period of time.

Similarly, many SNCF centres were on strike despite the lack of preparation and reporting obligations before going on strike. But the attempts to renew Sud Rail militants and combative CGT activists were not followed beyond 48 hours. Only the energy sector, with the employees of 10 nuclear power plants, launched a renewable strike the day after the 29th. Remaining isolated, the refinery strikers returned to work on 20 October.

But it is clear that a slow fuse has been lit on wages and purchasing power. CGT, Solidaires, FSU and FO have called for a new day of strike action on 10 November (spanning the All Saints' Day school holidays) and Solidaires, CGT for an intermediate day of mobilization on 27 October.

What next?

Many inter-union appeals have been set up, particularly in transport and vocational education. Albeit in a chaotic way, a central mobilization can be built on wages and purchasing power. But this will impose strong unitary pressure for grassroots mobilization and popular mobilization initiatives linking wage demands to all other purchasing power issues. There are already axes in this direction in the platforms of the CGT and Solidaires: reduction to 5.5% or abolition of VAT on basic necessities, increases and indexation to inflation of pensions and all replacement income, including unemployment benefits, downward control of rents and so on. the reduction of fuel and energy prices by abolishing taxes and draining the revenues of public transport companies, development of public transport networks and free access to local and regional networks.

In addition, the question of a different distribution of wealth produced is obviously and massively raised in society. This concerns wages and all social incomes, but also the entire tax system and redistribution. On this issue, while the budgets for Health and Education are cut to the bone, a group of economists in Lille has just precisely calculated the total amount of public aid to companies: in 2019, it amounted to 157 billion euros, the biggest budget item, i.e., 1/3 of the state budget, twice as much as the national education budget. Moreover, while employers protest against the "crushing" weight of compulsory levies, it appears that each year the increase in aid to companies is accompanied by a reduction in all compulsory levies. This obviously does not include legal "tax optimization"" and the use of tax havens, nor tax evasion itself.

The 16 October march

The fight over wages and social incomes is therefore directly linked to an anti-capitalist struggle against the high cost of living. In this sense, the march initiated on 16 October 16 by the NUPES ("Nouvelle Union populaire écologique et sociale", an alliance of left wing parties) goes in the direction of this indispensable popular regrouping linking the battles for wages and all other demands concerning the cost of living, the fight against higher rents and increases in transport, energy and food prices, all these items that make the increase in the cost of living for ordinary households much higher than inflation as calculated by INSEE.

First wave of mobilization around wages in France

The 16 October march brought together tens of thousands of demonstrators in Paris, at the call of the parties of the NUPES (la France insoumise, the Greens, the Socialist and Communist parties), the Nouveau parti anticapitaliste and many associations, and despite the refusal of the CGT, the FSU and Solidaires to join, many activists and union flags were present and a call by several hundred union officials for participation testified to the positive reception of this initiative in activist circles of trade unionism. The coming weeks and months must, especially locally, converge all these initiatives, obviously avoiding the positions of "dominant power" that la France insoumise may have taken for the preparation of 16 October. But it would be salutary if unitary initiatives of a common social and political front could be built in the cities.

Because, alongside the conflicts over wages, the return of parliament has confirmed both the pressure of the far right and the will of the Macron-Borne government to push through, considering itself as a de facto majority that can impose its policy despite its failure in the legislative elections last June.

In many European countries, institutional parties are forced to form parliamentary alliances, making compromises to form a government majority. For opposed reasons, Macron's party (Renaissance) and les Républicains, despite their neoliberal proximity, have not sought the formation of such an alliance. Thus, any parliamentary vote ends with a diktat from the government, requiring the other parties either to let the bill pass, or ally to force the resignation of the government.

The French Constitution, with its article 49.3, allows the government to pass without a vote each year the Finance Bill (PLF), the Social Security Financing Bill (PLFSS) and one bill per parliamentary session. The minority government of Elisabeth Borne has already used its two jokers for the PLF and the PLFSS by not integrating amendments voted for by the majority of deputies (for example that of a tax on superprofits). Both the NUPES and the Rassemblement national have presented motions of censure of the government that are destined to be voted down. In any case, the defeat of the government and its employers' policy can only come from social mobilizations that must continue to be developed in the coming weeks.

21 October 2022

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