France

Macron faced with strikes and mass mobilizations

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

Publication date: Saturday 14 December 2019
All-out strikes have continued in the SNCF and RATP since 5 December, blocking rail transport in the country and urban transport in the Paris region with a commitment to continue until the plan that would dismantle the pension system is dropped.

The dynamic existing from the start around these two sectors has encouraged a strong mobilization by teachers (70% on strike on 5 December), gas-electricians and firefighters, students and high school students and a significant number of walk-outs in the private sector, on both 5 and 10 December. On 10 December, another day of strikes and demonstrations took place, at the call of CGT, FO, Solidaires, FSU and high school and student unions. Prepared in just 4 days, the demonstrations were on average one third to half as large as on 5 December, depending on the city. But with the figure of 400,000 demonstrators announced by the police (800,000 according to the CGT), in all cities, demonstrations exceeded the level of those in 2016 against the Labour Law. All were dynamic and most often reflected interprofessional and interunion unity, with the presence of yellow jackets.

To date, only RATP and SNCF employees are on all-out strike, this has not spread to other sectors, even in the civil service and public sector. It is only in these two sectors that there has been the preparation of employees and their families for a long strike since last September and October, through joint union calls for the mobilization. "It's better to lose a month's salary than to leave this shit to my children," said a railworker from Montparnasse Station in a demonstration. This determination, this willingness to fight to the end to win, and not just a symbolic march, is present among railworkers and RATP employees. It is this determination which, under the pressure of daily mass meetings to vote the continuation of the strike every day, often unanimously, unites all the unions of the SNCF and RATP, including the CFDT. The number of strikers is still very clearly in the majority over the last 10 days. This determination is also based on very strong support from the working classes, even in the Paris region. All the polling firms testify to this, acknowledging the support for the strike of two-thirds of the country's employees, while they spend hours waiting for the few existing trains, suffering traffic jams on the roads or walking long distances to and from work (68% in the Odoxa survey of 12 December). This is the same support that the Yellow Jackets movement has received over the past year, despite media campaigns to discredit and criminalize it.

Beyond the SNCF and RATP, this popular determination is also expressed among the teams of activists who are mobilized every day to extend the strike, organize actions, set up local cross-sectoral assemblies. Even if in other professional sectors 5 December appeared to be mainly a one-off strike day, the need and the possibility to mobilize now and over time is an idea that is gaining ground. Tens of thousands of workers and young people have set to work to build a cross-sectoral movement from below. The experience of the dozens of days of mobilisations around the Yellow Jackets set the tone for the actions of the past few days and many union activists are also taking stock of the actions of recent years: strikers at RATP and SNCF want to take and keep control directly and, more than ever before, the junction takes place in cross-sectoral committees between activist teams from several different sectors. More than usual, strike committees are being formed locally, at RATP, SNCF or in a cross-sectoral framework to organize and boost actions. It is a new relationship that is beginning to develop in some places between strikers, activists and union leaders. Not an antagonistic relationship, but complementary and often handing over the initiative to the grassroots.

Marginal in the yellow jacket movement, the trade union movement has returned to the heart of the action, with a common approach by the CGT, FO, Solidaires and FSU. The vision of 5 December and its aftermath was very diverse, and the point of agreement that appears today is only "support for sectors and workplace that vote to continue the strike". But the combative sections explicitly calling for all-out strike and generalization are active and set the tone for mobilizations. Some sectors are on a repeatable strike, notably in the National Education, Energy and Chemicals sectors. Not enough to make Macron back off, but enough to worry him and force him to manoeuvre. A
new day of strike and demonstration is called by all the unions for 17 December, the date already chosen for national action by all sectors of healthworkers. This day will be decisive in the balance of forces.

Day after day, the political debate around pension reform is changing in nature. The government wanted an obscure technical debate about balancing the books, difficult to understand and allowing it to win popular support using some hollow and demagogic formulas about universality and equality, stigmatizing the "privileged" of special regimes. Today, a social debate is taking over. Because the question of how pensions are calculated highlights all the injustices suffered throughout their lives by workers, first and foremost women, those who live for decades in precarious conditions or in difficult jobs. The majority of employees are worn out and half of them unemployed at retirement age. These situations are highlighted by the pension reform and the vast majority of workers understand that their situation will worsen if the government achieves its goals. Whether strikers or non-strikers, they also understand that the attack on the employees of the so-called special regimes (1.4% of the working population) will serve as a pretext for a widespread attack. The change from calculating pensions on the best years' salaries to the point system will automatically result in a decrease in the amount of pensions. The climate of permanent discussions on methods of calculation, losses to be feared, recalls the intense debates during the 2005 referendum on the European Constitutional Treaty.

One element in particular is emerging. Behind the reform of collective pension systems, pension funds are waiting in the wings to arrive centre stage. Today, in France, investments in pension funds to prepare for retirement are microscopic: around 15 billion euros (0.63% of GDP). The percentage of pension funds of GDP is 6.76% in Germany, 95% in the United Kingdom (2273 billion), 180% in the Netherlands...

Pension funds are therefore on the lookout for a new market. In 2015, Emmanuel Macron, then Minister of Economy, made several statements wishing the arrival of pension funds in France. Upon his arrival at the Elysée in 2017, he received Larry Fink, CEO of BlackRock, the world's leading pension fund manager. A law, the PACTE law, passed a few months ago by Parliament, facilitates the movement of pension funds and reduces their taxation. Moreover, and above all, the draft law on pensions would no longer require contributions for incomes above 120,000Euros per year, compared to 324,000Euros today. The highest incomes, both employed and self-employed, in order to maintain a high pension, would therefore automatically slide towards pension funds, providing the beginning of a goldmine that would obviously be likely to grow as pensions would shrink, like in other European countries. Coincidentally, it has just been revealed that Mr Delevoye, who for two years has been the government minister for the pension bill, has been paid for years by a private insurance company institute.

In the aftermath of 10 December, wrongly believing that the movement was running out of steam, the Prime Minister, Edouard Philippe, finally presented the main lines of the bill.

On the one hand, in an attempt to calm anger and demobilize the movement, he had to step back by postponing the implementation of the reform to generations born after 1975, keeping all others completely within the current system. On the other hand, he maintained, with an ostentatious provocation, all the elements of his plan to change his system, adding a new aggravation by raising the starting age at full rate from 62 to 64 years, by a reduction of 4 months per year applicable from 2022 to all workers (thus, people born in 1960 will have to be 62 years and 4 months to retire at full rate...). His speech did not provide any concrete information to civil servants, and in particular to national education personnel, who would mechanically suffer cuts of several hundred euros per month, nor to transport, RATP and SNCF employees, who were referred to sectoral negotiations to calculate transition periods.

In a demagogic and persistent manner, the government puts forward three fallacious arguments to describe, by antiphrase, its reform as "universal and socially just":

[-] the promise for 2022 of a minimum pension, for a full career, at 1000 euros net (85% of the minimum wage),
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announced as a major social advance... It is in fact a recycling of a legal text, which should have been applied in 2008 and represents, in reality, an increase of 30 euros in what is called the "minimum contribution". Macron had already promised the yellow jackets last April that he would apply it on 1 January 2020. So it is in fact a further postponement of the application of this measure.

[-] the assertion that the most precarious, with interrupted careers, would benefit from the point system, the current system not counting as paid contributions a year with fewer than 150 hours worked. This is demagogy, casualized workers will not escape miserable pensions, quite the contrary, with the calculation of retirement by points. The difficult years will give very few points, and they will all count. The current system allows, at least, to take into account only the best 25 years of wages.

[-] the alleged benefit that women, and especially mothers, would derive from the new system. On the contrary, it would eliminate the attribution 8 months of validated terms per child, and women would suffer the full impact of the two-year delay in full retirement, and a system penalizing interrupted careers. In addition, there are less favourable conditions for the payment of the survivor's pension after the death of the spouse...... All this in exchange for a 5% increase per child, which may benefit the father more than the mother.

Nevertheless, while on the one hand, the government is announcing that everyone will be better off with the new system, at the same time, it is undertaking not to apply it immediately to calm the situation. Moreover, it is refusing to set up any simulator by which employees could calculate and compare their calculations with the current system! Proof, if any, of the deception in government announcements.

So the Prime Minister, through his announcements of 12 December, succeeded in alienating all the strikers... and the CFDT, which had been his silent ally since the beginning of the movement. Not only did the CFDT railway workers maintain their participation in the SNCF strike, but the confederation felt betrayed by the government, since it had demanded not to mix "systemic" and "parametric" reform, in short not to mix the change in the pension system with changes in the "parameters": number of years contributed for a full pension, retirement age, etc. And then, casus belli, the government announced a two-year extension of the full rate age! Obviously, Edouard Philippe wants to load the boat, thinking that the balance of forces makes it possible to make the workers bend and align France with a starting age approaching the average of other European countries.

As expected, the entire trade union movement protested against the government project on 12 December and the strikers' determination was strengthened. All the unions (CGT, FO, FSU, Solidaires, but also CFDT, CFTC and UNSA), are today in a call for a strike and demonstrations for 17 December, a day that promises to be at least as massive as 5 December, with the additional presence of the entire hospital sector that has been fighting for months.

In addition, the announcements, in no way responding to the increased pension loss for teachers, to the questions concerning SNCF and RATP, reinforced the determination of the sectors involved in the strike. As a new element of extension, half the fuel refineries are on strike, starting to create a shortage at petrol stations.

Since these reactions to the Prime Minister's announcements, the government has understood that, far from resolving the crisis, it has taken it to the next level.

An operation to pacify and divideis is therefore underway over the weekend.

First with the police. Even if the proposed regime is "universal", Philippe and the Minister of the Interior have already committed themselves to maintaining the existing conditions for "internal security forces, firefighters, police, gendarmes, prison guards, soldiers". While the issue seems to have been resolved for the military (full retirement
with no age requirement for 17 years of service for soldiers and non-commissioned officers; 27 years for officers...), nothing is clear for the other categories. On Friday, the police obtained the maintenance of their special regime with a retirement age of 57. To put pressure on them, at least 600 CRSs had reported sick earlier this week, before 11 December, and the police began a work to rule, promising further action.

Macron's universal regime therefore suffers from exceptions for the only sector it considers difficult and dangerous, that of the forces of repression and military intervention. On the other hand, the senators will keep their existing system: pensions of more than 2000 euros net after a single 6-year term. As for teachers who would lose hundreds of euros a month, the Minister began to try to renegotiate with them, promising them concrete results... in the coming months! The government has not made any financial commitment to increase their salaries. Worse, hypothetical increases will depend on accepting new responsibilities or an annual increase in working time.

In fact, the government wants to resolve the crisis by engaging union leaders in sectoral discussions in the coming weeks to give them "grain to grind" as one former union leader said and prevent the continuation of a centralized fightback against the project. Concerning the CFDT, the aim would also be to grant it some concessions, on the criteria of hardship for example, which would allow it to withdraw from the conflict. If the government reached these goals the movement would lose its balance of forces and the reform would be endorsed.

Clearly, the government does not want to reverse its decision to extend working life to at least 64 years of age or to introduce the point system for pensions. Its basic objective is to break the contributions system, to gradually move towards a system of point pensions covering only a smaller part of the previous salary, as is the case in many European countries. The objective is not to exceed 14% of GDP for public pension expenditure and to push for the development of an individual insurance element through pension funds. Macron made this reform a political objective which, despite the broad popular rejection from which he continues to suffer, paves the way for his re-election in 2022, appearing to be the best ruler for the right, the employers and the bourgeois classes, permanently locking in the traditional right-wing party (Les Républicains) whose space he now occupies.

The pension counter-reform is an immediate frontal attack, which requires an immediate centralized fightback. The challenge for the movement will be to avoid manoeuvres and divisions in the coming days, to succeed on 17 December, and to ensure that this date is an opportunity to maintain and extend mobilization with increased control by strikers over their movement.

13 December 2019

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