France

Opposition to pensions counter-reform weakens Macron

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Since late January, the social and political situation in France has remained marked by popular opposition to the government's counter-reform targeting the pension system. And, even if it has weakened in recent weeks, the mobilization has had a direct political effect of weakening and destabilizing President Emmanuel Macron and his party, "La République en Marche" (LREM).

Three new national mobilization days have taken place in recent weeks: on 29 January, 6 February and 20 February. Numerically, these days brought fewer people onto the street, because if the determination is still as strong, the movement no longer relies on the strikers of the RATP and the SNCF confronting the government and no other sector has taken over from them.

Even if social mobilization is expressed with less force, we are still witnessing a multiplication of strikes in various sectors, occupations and spectacular actions. The strikes continued in the ports, EDF power stations with power and production cuts, and household waste processing centres in Paris and Marseilles with, in the latter, police interventions to clear access to the centres. Striking firefighters were also violently beaten up by the police, gassed and attacked with sting-ball grenades, with 30 wounded, during a national demonstration on 28 January in Paris. Strikes also took place in the culture sector (the National Library, Eiffel Tower and so on) and teacher-researchers.

The attack on the pension system has brought to light all social injustices, low wages in precarious professions or harsh working conditions. The implementation of the Macron project would further aggravate this situation. The liberal professions, lawyers, doctors, physiotherapists, in particular, also under attack, again demonstrated on 3 February. The lawyers, in particular, have been present in numerous interprofessional demonstrations and are on strike for the past seven weeks.

In parallel with the fight against the Macron bill, before the February holidays, strikes multiplied in educational establishments, led by teachers and students, linking rejection of the pension counter-reform to rejection and even boycotting the continuous baccalaureate exams. These tests were boycotted, blocked or postponed in a third of schools. Here too, the police intervened, often violently, against high school students, with numerous arrests.

The cause of this boycott lies in the implementation of a baccalaureate reform which worsens social and territorial selection and completes the selection reform for access to higher education. Teachers remain all the more mobilized since Macron's bill would cause hundreds of euros to be lost from their pensions, and the only proposal made by the Minister of National Education is an extension of working hours or additional tasks so that some teachers can compensate for this loss.

In addition, thousands of hospital staff were on the street on 14 February. Hospital staff (70% of whom are women) are continuing their strikes launched almost a year ago against closures of services and hospitals, and the general deterioration of public health: in 20 years, 20% of hospital beds have been lost (100,000) and 40% of local maternity hospitals. 1,285 hospital doctors, including many heads of departments, resigned in mid-January demanding negotiations on budgets and salaries for all categories of personnel, while the government has just announced a totally insufficient "emergency plan". Likewise, ski resort workers have also stepped up strikes in recent weeks to protest against the unemployment insurance reform implemented this year, cutting unemployment benefits for seasonal workers by 30%.

Fifteen months after the start of the gilets jaunes movement, France therefore gives the image of a country where the
popular classes are attacked in terms of social rights, wages, pensions and social protection. For three years, the attacks of Macron and his government have continued to open wounds and create more inequalities, without providing the slightest response to the emergencies of inequality and social injustice, climate and ecology, discrimination, or violence against women.

The popular classes are set against a government that thought it had a free hand after neutralizing the other institutional parties in 2017. But Macron's attacks have resulted in further undermining social adherence to the system and reducing resignation among the popular classes. En Marche benefited from the loss of legitimacy of the parties, but it only succeeded in deepening this and becoming itself a victim of this loss of legitimacy. This translates into Macron's isolation in all polls and continuing majority opposition to his pension bill.

Neoliberal capitalism constantly seeks to erase class identities and social gains characterised as corporatist, by promoting the cult of individualism, the culture of precariousness and success "on merit", by praising the successes of the dominant classes justifying their privileges. But, paradoxically, first with the movement of gilets jaunes and now with the fight in defence of pensions, Macron has restored meaning to class identity and collective action and made more visible than ever the need for unity of the exploited. He has also succeeded in making the rejection of the wealthy classes and their political and media servants instinctive, as well as the rejection of police violence. Macron and his acolytes are destabilizing French society by choosing an aggressive policy to defend the interests of capitalist groups, without even worrying about the slightest social compromise necessary to make this policy accepted by the "social partners" of the trade union bureaucracies.

The caricature of this posture appeared in recent days in the National Assembly, when, thinking it was serving the interests of the employers, the LREM group completely opposed a vote proposing to increase from five to twelve days paid leave for employees for the bereavement of a child. In the face of a public outcry, the employers’ organisation MEDEF itself asked the government to change its position and to cast a new vote. This lamentable hiccup is revealing at the same time of the ultra-reactionary mentality of this government and its current political fragility.

No leader of the parliamentary majority really dares to step up to defend the "universal" retirement system. No real simulator has been released and it appears that neither women nor farmers, presented as the big winners from this reform, will benefit from this new system, on the contrary. Each week sees a new analysis of the damaging nature of this project, especially for the most precarious, produced.

By choosing a reform claiming simultaneously to increase the legal retirement age and upset all the balances of the current pension systems, Macron is destabilizing his own majority and further reducing his social base. The coming weeks will be fraught with pitfalls for him.

Since 17 February, the National Assembly has been debating a completely shaky bill. It lacks completely the financial component presenting the balance of the system, its resources and its expenditure in the years to come. This question is all the more thorny as the government has for two months, to avoid an extension of strikes in several sectors, made various promises so that the generations retiring in the coming years will not suffer a reduction in their pensions, this obviously implies maintaining benefits in the face of a fall in contributions. Also lacking is the indicator to change the point liquidation value, the government intends to ask the official statistical services (INSEE) for the creation of a new index less advantageous than the growth in average wages.

At the same time, a social conference is being held with the unions and the employers who are supposed to present a project for financing pensions by 2025, in which it clearly appears that the famous "pivotal age", that is to say the raising by at least two years of retirement age (62 to 64 or 65) remains the option chosen by the government. The CFDT, the government's only real trade union ally, will have to agree to bite on the bullet on this issue, without
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however obtaining any progress on the recognition of arduous jobs allowing early retirement. On the contrary, many trades in the public service will lose the early retirement benefits they enjoyed under the current system (hospitals, garbage collectors and sewer workers, and so on.). This financing conference, which the CGT boycotted, and to which neither Solidaires nor the FSU were invited (although both are representative in the public service) was reduced to a dialogue with a minority of the trade union movement to endorse the choices of the government.

Macron’s LREM movement had to face the departure from the parliamentary group of several deputies (twenty out of 314) and, on the eve of the municipal elections this coming March, in several cities, competing LREM candidacies have emerged, not to mention those who did not want to use the label of the presidential party. So many symptoms of crisis have accumulated in recent weeks, the result of the blows of a social movement, not strong enough until now to block Macron, but strong enough to crack the majority and the government. Moreover, with regard to the municipal elections, Macron’s party appears largely incapable of competing with the Republicans and the PS, or to win town halls other than those of the few cities in which Macronians who were defectors from the PS or Les Républicains were already mayors six years ago.

Les Républicains, severely weakened after the 2017 presidential election and the Fillon fiasco, are taking heart from Macron’s difficulties and positioning several of their leaders for the next presidential elections in 2022. At the same time, they are distancing themselves from this shaky reform which cultivates in particular the animosity of the liberal professions ulcerated by the loss of their particular schemes.

The MEDEF itself, fairly silent until now, is beginning to express its dissatisfaction. The employers’ federation was in no way demanding a global overhaul of the pension system. It only wanted to have the guarantee of no additional expenditure and a reduction in their “charges”, in particular through the raising of the retirement age to 64 or 65. This comprehensive reform is starting to displease them because it offers no visibility on financing and aims to destroy a joint union-management framework that suited MEDEF perfectly, in favour of state control that does not really inspire confidence in business leaders. Indeed, in silence, the joint management of supplementary pensions (ARRCO-AGIRC) has in recent years allowed social setbacks obtained with the consent of the union bureaucracies.

In addition, the employers are not pleased by the reduction of the compulsory scheme to wages below 10,000 euros per month. This will oblige them to participate in the financing of an additional pension (in the form of pension funds) for their senior executives without having for the moment the tax advantages which benefited social security contributions paid by high-wage earners in the current system. MEDEF, while rejecting, of course, any new recognition of arduousness, therefore argues against the proposed ceiling. Above all, it is really asking the government to clarify its financing plan and to clearly decide on the extension of the retirement age. Several neoliberal inspirers of Macron’s reform project (Bozio, Pisani-Ferry) are now openly critical of a wobbly and illegible project. The massive mobilization of the past three months and the rich debate provoked by the social movement are therefore shaking the government.

It is also clear that financing pensions is a political choice, a choice of society. Union activists from the DARES (department for coordinating research, studies and statistics, attached to the Ministry of Employment) have once again demonstrated in a study widely disseminated in recent weeks there is neither a funding problem nor a demographic problem regarding the funding of pensions. It is true that in 1960 there were four working people for every retiree and today there are 1.7. But meanwhile, excluding inflation, GDP has multiplied by 4.9, GDP per capita by 3.4. Thus, in 1960, the four active workers generated 95,000 euros. In 2020, the active 1.7 generated 142,000 euros. Today, therefore, 1.5 times more wealth is produced to finance pensions. The argument of there being too few active workers is therefore completely absurd.

The real problem, of course, is that of the distribution of the wealth produced. From 1960 to today, employers’ participation in the financing of social protection has fallen from 60 to 40%. It is households, through the taxes paid
on alcohol and tobacco, which compensate for this shortfall. The remainder is paid from the state budget, which offsets the relief granted to employers, whereas these sums could finance public services.

The parliamentary debate will continue for several weeks, the various parliamentary opposition groups wanting to take advantage of the destabilization of the Macron majority. But institutional guerrilla warfare cannot, alone, defeat this law. If the parliamentary debates are prolonged, the government will prefer to use article 49-3 which allows a law to be adopted by ending the debate on amendments.

In order to get out of the trap he has built for himself, Macron is trying to make every effort to divert attention from the pensions question. First of all, he sought to project himself as an international head of state, for a common European defence. Then, he went to the Mer de Glace glacier in Chamonix to pose as a defender of the environment and action against global warming, at a time when the Green lists seem poised for some very good results in the municipal elections. Finally, returning to the old foul smelling recipes, he came to Mulhouse to stage an Islamophobic campaign against "Islamist separatism" on which he intends to polarize political life in the coming weeks. It is not certain that all these diversionary gestures will achieve their objectives.

In any case, the only way for a positive outcome of the social movement is always that of a popular mobilization forcing Macron and his government to withdraw their bill. The activist forces can benefit from the assessment of the first phase of the movement in which the strikers of the SNCF and the RATP were the real leadership of the movement. This renewable strike, which started in these two sectors on 5 December 2019, had been prepared three months in advance by in-depth activist work. Many argue that it is that it is necessary to set such a goal in the most important professional sectors to start by the end of March an overall movement, a renewable inter-professional strike. This goes hand in hand with the proposal for a national escalation in Paris prepared by all the trade union and social movement forces. Beyond the radical left, Solidaires has made such a proposal, which until now has not been approved by the national inter-union coordination. For the moment, it has allowed the movement to continue, without giving it a strategy, of an objective capable of breathing new life into bringing Macron to his knees. Neither the energies nor the proposals for fair and solidarity-based pensions are lacking. Tens of thousands of activists are available to build a confrontation that can be victorious.

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