machinery workers now on short-work. Large numbers of layoffs and greatly increased short-work have been withheld from the official registers. (In West Germany, companies must pre-announce layoffs or short-work.) But the crisis even extends to short-term bailouts of firms that are ready to close their doors at a moment's notice. In Ludwigshafen, for example, one of the few quasi-industrial cities in Chancellor Helmut Kohl's home state of Rhineland-Pfalz, the state government has agreed to subsidize electricity supply to the Alcan aluminum smelting plant because Alcan announced that, although its order books still look good, it can no longer afford the costs of drawing electricity from non-nuclear power plants. Shutting down a 5,000-worker plant would not "look good" for Kohl.

For the purpose of the elections, the bankruptcy of the Klöckner Steel Company has been forestalled. The only question for the Ruhr under the International Monetary Fund's world monetary dictatorship is death with a "bang" or in a "hospice" through death-with-dignity financial cartelization. Steel companies are still losing 100 DM per ton of steel produced, and will lose more when the German auto sector (which is 58 percent export dependent) finds out that the collapse of exports that began in October 1982 is continuing. Steel foundries are now facing production cutbacks due to the 1981 to 1982 collapse of orders for construction steel (minus 22.8 percent), steel structures (minus 31.1 percent), machinery (minus 8.2 percent), and vehicles—which have just begun to collapse (minus 5.9 percent)—for a total contraction of minus 12 percent.

One of the chief problems here is that steel foundries, like aluminum smelters, cannot afford electricity produced by means other than nuclear power plants. The only factors allowing a brief pause before the dam breaks are the current CDU government policy of subsidizing interest rates on housing by 2.5 percent and the fact that firms rushed at the end of 1982 to collect the grants on investments initiated by the Schmidt government.

Since the German construction sector has collapsed by more than 55 percent since 1974, a little activity here will not do any harm, but hardly any good for the economy as a whole. The Bonn government and the German Bundesbank are praying like Indian medicine men that Third World debt does not blow up in their faces. That is why the German government has adopted the incredible policy of only providing additional export-credit insurance to Third World countries that have totally submitted to the IMF—the best guarantee that immense losses like those of the Hermes credit insurance company will expand. The drop of the price of oil might indeed save West Germany 7 billion DM, but at this time the benefit is like that of the "Hoover moratorium" of 1930—the rate of bankruptcies in West Germany is still increasing. In 1982 West Germany had 15,877 bankruptcies (*EIR* had expected 16,000). These bankruptcies alone represented a loss of 160,000 to 200,000 jobs, according to the offical calculations of the Bundesbank.

France casts ballots against zero growth

by Dana Sloan

After casting his own vote in the first round of the nationwide municipal elections March 6, French President François Mitterrand told reporters that he would go back to the Elysée Palace and watch the election results come in "with interest, but without apprehension." However, it was widely expected that Mitterrand's Socialist Party and its coalition partners would suffer some heavy losses in the elections to elect the mayors of French cities. When the results came in, the combined pro-government parties had polled only 39.74 percent of the vote, compared with nearly 52 percent when they constituted the opposition in 1977, the last time such elections were held.

If President Mitterrand had nothing to worry about from the standpoint of his immediate survival in office, the implications of the vote should have given him reason to reflect on his policies and advisers. The constitution of the Fifth Republic was written by Charles de Gaulle precisely in order to guard against a system, as exemplified by the Fourth Republic, in which the President was a mere figurehead, carrying out the whims and designs of the political parties and their controllers. During the summer months of 1982, Mitterrand, a politician of the Fourth Republic, after being in office nearly a year began to grow into the shoes of the Fifth Republic, and took the first steps in the direction of cleaning out the mess of utopians, zero-growthers, and "post-industrial" fanatics who were running the show in his party and government. The municipal elections have given Mitterrand a clear and urgent mandate to make further moves in that direction.

The results of the first round of the elections, which will be confirmed by the second round of runoffs March 13, were not so much a defeat for the entire Socialist Party, as they were a defeat for the clique of Malthusians that has been given control over economic policy.

The environmentalist candidates (who have just made it into the West German Bundestag) and the extreme-right National Front were kept under the 1-percent mark on the national average. But in areas of extreme economic hardship, they made significant breakthroughs, notably in new urban centers like Besançon, where the greens got 9 percent, and in one Paris district where the National Front's Jean-Marie Le Pen came in third with over 11 percent. Le Pen's campaign was run entirely on the basis of the "big lie" that immigrant workers, heavily concentrated in that district, take away French jobs. This xenophobia, and the irrationalist anti-technology belief structure fostered by the greens, are the stuff of which fascism is made.

The overall results for the city of Paris, however, should give Mitterrand something else to think about. In 18 out of the 20 districts (*arrondissements*) of the city, the Socialist Party-led slate was swept aside as though by a tidal wave by the supporters of the incumbent Jacques Chirac, leader of the Gaullist Party. Chirac garnered an average of 55 to 75 percent of the vote per district, compared with the 15 to 30 percent of the Socialists, who were led by Paul Quiles. Quiles, an avowed opponent of nuclear energy and technological advance, came in second even in his own district.

The second or third most powerful figure in the Socialist Party in terms of official status, Quiles exemplifies the problem that surrounds Mitterrand. Whether they are considered "leftist," as in the case of Quiles, or "moderate," as in the case of Finance Minister Jacques Delors and Planning Minister Michel Rocard, the Malthusians have too much power. During the final weeks before the elections, Delors and Rocard—aided on the outside by the head of France's second largest trade union, the CFDT's social-fascist Edmond Maire—deliberately sabotaged the government's standing in the eyes of the electorate by stating that the solution to France's economic woes is austerity and "rigor."

Cabinet shake-up

The pressure is now intensifying for Mitterrand to reshuffle his cabinet, and possibly oust Prime Minister Pierre Mauroy—whose position is not helped by the fact that he did not win his seat as mayor of Lille in the first round, and will have to face the test of the runoffs. Political mouthpieces as seemingly diverse as the *Financial Times* of London and the "radical" French daily *Libération* are calling for a cabinet shake-up to eliminate the old boys, such as Prime Minister Mauroy and Interior Minister Gaston Defferre.

The case of *Libération* is worth examining in more detail for what it indicates about what is really going on behind the scenes in French politics. Some months ago, a consortium headed by Jean Riboud, chairman of Schlumberger, Ltd., took financial control over the newspaper. A longstanding adviser to François Mitterrand, Jean Riboud has so far rejected every official post that has been offered him, including that of France's ambassador to Washington, on the grounds that none would give him anywhere near the power and influence that he now wields as head of a giant financial and political empire. The editorials in *Libération* in the two days following the elections all called for Mauroy's head to roll, and on March 9 specified that the cabinet should be streamlined and headed by a "super minister." Jean Riboud, who was the first of Mitterrand's associates to sound the trumpet for economic austerity, has frequently been named as a possible candidate to succeed Mauroy.

Le Matin de Paris, which is pro-socialist, has called for the constitution of a "third-force" cabinet, with Edmond Maire taking over the position of minister of labor. This "third force" began taking shape when Mitterrand fired Minister of Cooperation Jean-Pierre Cot, a factional ally of Planning Minister Rocard. Cot's links to Amnesty International, the terrorist support group, and his rejection of high-technology transfers to the developing sector countries made him the chief wrecker of Mitterrand's Africa policies. Cot, Maire, Delors, and Rocard, with Jean Riboud behind the scenes, have declared war on Mitterrand—and now demand to get promoted.

Together the Malthusians, whether considered moderates or radicals, threaten to bring into being mass movements of the environmentalist left and extreme right. For the moment, President Mitterrand has all the cards in his hand, but he will have to move quickly and ruthlessly to drive out his enemies, and he may not be given a second chance once the international monetary and financial dam breaks.

The tug of war for Mitterrand's mind

by Laurent Murawiec in Paris

Addressing the House of Parliament of India some weeks ago, French President François Mitterrand left a lasting, positive impression upon his audience as he underscored "the necessity of creating a new international monetary system" and "inaugurating a new world economic order." Staffers at the presidential headquarters in Paris, the Elysée Palace, however, will explain to visitors that "we know that the International Monetary Fund policies inflicted on developing countries just aggravate their plight and further contract the world economy—but since France does not rule the world, we're just trying to strengthen the IMF and alleviate its conditionality."

In the gaping difference between these two opposite viewpoints rages a violent and world-historical struggle in Paris, with massive foreign interferance and implications for the rest of the world. The fight is for control of the French president's policy and his very mind.

The Malthusian parasites

Ensconced in the powerful presidential staff and the even more powerful finance ministry, an alliance of monetarist practitioners and Malthusian ideologues is pressing the pres-