

# France girds for a social explosion

by Christine Bierre

“Is France on the eve of a great social explosion?” asks *Le Monde* editorialist Ignacio Ramonet. Such warnings come on the heels of President François Mitterrand’s own statement, in a recent televised speech, concerning the danger of a new “May 1968” upheaval.

The economic crisis has hit France with fury. Official unemployment figures have reached the 3 million mark (10% of the work force), and these figures do not even take into account all the people participating in government make-work projects, nor those who are unemployed and receiving some form of welfare from the state. The total figure reaches some 6 million, of whom 3 million live below the minimum poverty level, with an income of less than 60 francs (\$10) per day. Unemployment has hit managers and salaried workers as well, tripling over the last four years to 6% of that white-collar sector of the work force.

In this context, the austerity package of Prime Minister Edouard Balladur has set the social situation on fire. Balladur made it very clear from the start that rather than attack the speculators and the laissez-faire system responsible for France’s crisis, his government would tax productive labor instead.

In an attempt to reduce its whopping 350 billion franc deficit, the government opted for a policy of selling the “family jewels”—privatizing the public sector companies—raising taxes, and especially lowering social expenditures. New taxes will bring 70 billion francs in surplus revenue per year, while unemployment and retirement compensation, as well as social security reimbursements, have all been cut.

## The ‘Employment Bill’

What really took the lid off, however, was the discussion in the National Assembly in October of the “Employment Bill.” By calling for “greater flexibility” of employment—part-time work, work-sharing schemes, etc.—the law attacks head-on the protection of full-time employment which the unions had fought so hard to obtain. Up to now, laws had been quite tough on preventing layoffs and penalizing a company for hiring part-time employees. There was extensive opposition to the bill from within the government’s ranks, on

the grounds that it did not go far enough in the direction of work-sharing schemes. Parliamentarians from the RPR and UDF parties called for the introduction of a four-day (32 hour) work week, with proportional pay reductions.

While this discussion was going on in the National Assembly, corporate leaders such as Claude Bebear of AXA, the large insurance group, and Antoine Riboud of the food multinational BSN, were publishing newspaper editorials castigating the French population for living “beyond their means” and for resisting wage reduction.

As Ramonet put it in his *Le Monde* editorial, the government is adapting to the free-enterprise logic of the General Agreement on Tariffs and Trade (GATT). “The government is suspected of pursuing an old, ultraliberal aim,” he wrote, “to restore competitiveness by all means, by putting pressure on wages, in order to better confront international competition. The logic of globalization and of worldwide free exchange pushes everybody, as the current GATT debate shows, to bring their wage and social protection policies into alignment with those (very inferior) of the competitive Asian-Pacific countries.”

## Farm protests

How many Frenchmen will accept reduction of their wages? This question undoubtedly poses a nightmare for the government. In September, the Rural Coordination farmers group launched a successful mobilization in the Paris area, aimed at reinforcing the government’s determination to reject any compromise on GATT. For an entire week, starting on Sept. 15, the group used a “Robin Hood” style of political action: decentralized operations coordinated through walkie-talkie, in order to avoid phone taps by the police. Three hundred farmers, divided in groups of 50, set up road barricades, demonstrations, and interventions. In one day alone, the police counted 140 barricades in the Paris area. Meanwhile, in heavily agricultural areas of the southwest—Bayonne, Albi, Pau, Toulouse, and other cities—roads and railways were blocked for a few hours or days.

There is no doubt that this mobilization is one of the factors that accounts for the government’s rejection of U.S. demands for the GATT agreement, which involve cutting subsidies to agriculture.

Other sectors of the working population, such as artisans and artists, supported Rural Coordination, in a pattern which points toward a mass strike phenomenon.

## Trade unions on strike

On Oct. 12, two of the main trade unions (CGT and FO) of the public sector companies—Air France, railways, public utilities—joined forces to organize a national day of demonstrations and work interruptions. Some 20-25,000 workers demonstrated in Paris. Even though the official reason for the demonstrations was to protest against the government’s

privatization policy, the real issue was unemployment. So long as these companies remain public, the workers are, in principle, guaranteed their jobs. According to reports, more workers (75%) joined the strike at the national telephone company, France Telecom, than had been the case in 1968.

On Oct. 18, the Air France workers protested against an austerity package which would result in 4,000 layoffs and wage reductions. Air France is going bankrupt, like most airlines, due to international deregulation policies; it rents its airplanes, and recently even sold its own central office building. It is now taking on the only thing left: its labor force. Its restructuring plan calls not only for people to be laid off through various pre-retirement schemes, but also for cuts in extra pay for overtime night work and cuts in compensation benefits for weekend travel. A worker earning 7,000 francs per month could thus take a wage cut of some 477 francs.

For over a week, workers blocked most domestic Air France flights, in a strike that cost the company nearly 1 billion francs. They went so far as to occupy the runways—a first in the history of air travel. Fearing the spread of the ferment—Rural Coordination and other opponents of GATT had called to support the strike—the government withdrew the restructuring plan entirely, provoking Air France President Bernard Attali to resign.

## French observer warns of 'New Middle Ages'

by Mark Burdman

As the political-economic crisis in France, Europe, and most of the rest of the world worsens by the day, leading spokesmen for the French political class have begun to speak openly about the depths of this crisis and to insist that France launch initiatives to reverse the process of degeneration and decay. One important manifestation of this attitude is a book released in early November, authored by French businessman-intellectual Alain Minc, entitled *The New Middle Ages (Le Nouveau Moyen Age)*. The thesis of the book, in its essence, has received an important endorsement from European Community President Jacques Delors, who is also a Frenchman.

Minc formerly directed the CERUS financial group in Paris. He has assumed the role, in recent years, of the "pen"

for the center-left faction of the French establishment, associated with the daily *Le Monde* and other "trend-setting" publications. What he says reflects less his personal opinion, than the consensus of an influential policy grouping within the French elites.

### Feudalism and tribal warfare

From preliminary accounts available in the French and British press, Minc's main concern is that the world is heading into a new feudalism, similar in its basic features to the most precarious moments of medieval times. The world today is increasingly marked by tribal conflicts, chaos and misery, uncontrolled armed bands, the collapse in the belief in reason as a basis for making judgments, the return of irrational fears and superstitions, and the assertiveness of primitive impulses. We witness the emergence of "gray societies," where authority has broken down and given way to the rule of local warlords, to the "mafia" and to cutthroat economic buccaneers who lay waste under the banner of the "free market." In some cases, matters have so degenerated that entire nations are becoming "black holes," where the classical notions of territory, state, and rules of the game no longer apply, or *terrae incognitae*, as is the case in parts of Africa, Burma, and elsewhere. Also noteworthy, he writes, is the disappearance of the taboo of the inviolability of national borders.

All this, in Minc's view, represents a significant threat to Europe, a situation that is, in some ways, riskier than the kinds of threats which prevailed during the Cold War.

Much of what Minc is talking about echoes the warnings made over years by Lyndon and Helga LaRouche, and by this magazine, that the world is rapidly plunging toward a "New Dark Age," unless the policy axioms and postulates that have prevailed within the transatlantic policy establishment during the greater part of the past three decades are changed.

### France could be a 'civilizing force'

According to Minc, in this situation, France, with its resistance to "law of the jungle economics" and its social cohesion, can be a civilizing force. He calls for a "bold pessimism," an "active" response, to replace the "passive optimism" that might have prevailed in recent years.

Writing in the Nov. 6-7 weekend issue of *Le Monde*, the EC's Delors stated, "I totally share [Minc's] fundamental intuition," especially that the "historical optimism" that might have prevailed in former times, is no longer applicable today.

It is not certain, however, whether either Minc or Delors is willing to enunciate a clear and effective policy to reverse the slide into a "New Middle Ages," along the lines of the LaRouche Paris-Berlin-Vienna "Productive Triangle" of development for Europe. In his review, Delors implicitly re-