

# The French resistance to the pension reform

Questions to Robert Pelletier (NPA)

Tuesday 4 February 2020, by [PELLETIER Robert](#) (Date first published: 19 January 2020).

**The French resistance to the pension reform has lasted a month. How significant and effective is this strike ? And what is the connection between the yellow vest and this strike ?**

While the reform of the pension system must apply to all employees and workers, it is mainly workers in the public transport sector (trains, metro in Paris) who have been on strike for more than a month. Other sectors are on strike or participate in demonstrations (teachers, other public services, Paris Opera, refinery, dockers) at the time of national inter-union calls, as well as employees from the industrial, commercial, banking private sector. The yellow vests movement, which is very weak today, has put the government in trouble and shown that it is possible to put a stop to its policy. In addition, many yellow vests take part in the demonstrations and blocking actions implemented by the strikers

**The government claimed that France could no longer afford to pay for the kind of pension it has previously so a reform is necessary . How do you respond to that position / explanation ?**

The funding of the pension system is not actually in deficit even according to the forecasts of para-governmental organizations. The financing is only put in difficulty because of the exemptions from social contributions which the various governments made profit the employers as well as of job cuts and the freezing of the wages in the public sector (which limit the contributions of the public agents to the pension system). In addition, the government wants to limit the pension budget to 14% of GDP while the number of retirees is steadily increasing, in particular due to the increase in life expectancy. To cope with possible financing difficulties, a limited increase in social security contributions would be sufficient, but employers, supported by the government, refuse any increase in contributions to the pension system. Equal remuneration for men and women and the reduction of unemployment, in particular with a massive reduction in working time, would provide important additional resources.

The current retirement system in France is far from perfection, but at least everyone knows roughly what they will receive when they retire. With the new system, there is no guarantee. Such a system has already resulted in a marked impoverishment of pensioners in Sweden. The government wants to get those who can put money into private pension funds.

**Now that the Prime Minister had expressed to make some concession on the pension reform , yet the unions are split among themselves. What is the essence of the concession and what are the different positions of different unions like the CGT, CFDT, CFTC and also Solidaires ?**

In fact, there are only concessions limited to train and metro workers already on the job for a few years. There are promises to teachers and good words for others.

A pivotal age must determine the age below which a worker would see the amount of his pension reduced by a discount of 5% and increased by a surcharge also equal to 5% in the event of departure beyond this pivot. The government presents it as an age of equilibrium of the system under the conditions it sets: no increase in the share of the retirement budget compared to GDP and refusal to increase social contributions. This equilibrium age would be set by the board of directors of the manager of the universal pension system and would change by default at the rate of two thirds of life expectancy gains. The actual starting ages will therefore probably be greater than 62 years.

It is, in reality, impossible to give an idea at present of the amount of these pensions. This is the principle of this new system which is defined contribution and no longer defined benefit. In other words, we know how much we contribute, not how much we will receive at the end. Future pensions will mainly depend on two rates: the point acquisition rate and the conversion rate ("service rate"). These rates will be set by the government, after deliberation by the board of directors of the National Universal Pension Fund. Between 2022 and 2045, these two rates will have to move between the inflation rate and the growth rate of average per capita income. After 2045, it will default by default to parallel average income per capita, unless the government decides otherwise (the bill does not offer any guarantees here).

The possibility offered to the "social partners" (employers and unions of employees) to propose an alternative transitional is an illusion in view of the conditions set by the government which reserves the right to take the final decisions in case the "social partners" do not agree on an alternative within the framework set by the government. The CGT, Solidaires, FO and CFE-CGC denounce this pseudo concession and maintain their requirement to withdraw from the The CFDT, the UNSA and the CFTC welcome this pseudo withdrawal and engage in a commission supposed to reflect on the financing of the system.

### **What explain the 60 percent public support of the strike ?**

Since the beginning of his presidency, Macron and his government have demonstrated that they are at the service of employers and the yellow vests movement has shown this wide popular discontent which is reflected in the polls. A majority of the population is convinced that the reform will significantly reduce pensions. The weakness of the strike movement in the private sector is due to the restructuring which has hit this sector with the consequence of the existence of mass unemployment allowing blackmail for employment and a generalized job insecurity. This makes it difficult to go on strike but does not contradict the rejection of projects and government policy.

### **How far student movement has supported the strike ?**

Student mobilization only started to gain momentum in early January. Assemblies are held in universities with a growing number of students and active participation in demonstrations and blocking operations implemented by interprofessional coordination. In the same way, a movement of high school students is taking shape with walkouts, blockages, growing participation in demonstrations. And this is reinforced by the mobilization of teachers with variations between those of primary education, upper secondary and among researchers.

### **How does left parties like the SP and the CP in general make intervention in the strike and now the negotiation ? And how effective is the far left like the NPA's intervention ?**

The Socialist Party affirms its opposition to the government's counter-reform project. But it is not audible insofar as a certain number of elected officials or even ministers of the party "La République en Marche" de Macron come from the Socialist Party and also because a number of attacks against the current system have been implemented by governments led by this party in previous decades. At

the same time, its weakening and its divisions lead it to prepare in the least bad way possible the municipal elections which will take place next March with the objective of saving some institutional positions.

The Communist Party as well as “La France insoumise” of Jean Luc Mélenchon display unambiguous support for the movement but with rather limited participation in mobilizations and demonstrations. Rather, these organizations have at the heart of their concerns the preparation of municipal elections with the aim of safeguarding some positions for the Communist Party. For these organizations, it is indeed the best, if not the only, way to materialize popular opposition to the policy of the Macron-Philippe government.

NPA activists are very active in the public transportation sectors but also among teachers and youth . Their intervention consists on one hand in favoring the self-organization of the mobilization in order to develop the assumption by the strikers themselves of the struggle allowing leaps in the political conscience and to avoid being completely dependent on the directions of the unions. On the other hand the activists try to extend the movement outside the sectors on strike since December 5. To do this, they are active in setting up interprofessional groupings on the basis of cities or districts or activity zones. More generally, the NPA defends the idea of the generalization of the strike with the aim not only of abandoning the counter-reform of pensions but also of rejecting the whole neo-liberal policy of a government entirely devoted to the cause of the employers.

### **Has Macron and his party much weakened by the yellow vest and the strike ? and how this strike will affect next year presidential election ?**

The “La République en Marche” party is not quite a classic bourgeois party. It developed as part of a decomposition of the traditional bourgeois parties and the Socialist Party. It is therefore very heterogeneous ideologically and on many political questions internal contradictions have appeared. On the specific issue of pensions, he must navigate between those who are above all in favor of rigor in economic management (the 14% of GDP rule for the pension budget) and those who in the name of a long-term reform would be tempted by time-limited concessions. Just as the mobilization of yellow vests had helped to confirm that this power is at the service of the wealthy, the pension reform risks leading to a narrowing of its electoral base on the side of executives, liberal professions, teachers. The violence of the police repression of the demonstrators is increasingly denounced. In the absence of a somewhat credible alternative on the left, the extreme right with the Rassemblement National of Marine Le Pen could be, once again, the main beneficiary of the discredit striking a party which presented itself as new, different. Its main strength could be limited, as in the previous presidential election, to presenting itself as the only bulwark against the Rassemblement National. The municipal elections in March, in an atmosphere partly conditioned by the result of the ongoing mobilization, should provide some answers.

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### **P.S.**

• Interview from Robert Pelletier (NPA) posted in Chinese on the Hong Kong blog Borderless Movement.

Translation from the French version to the English version : Henri Wilno

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