

France's Political Landscape: Trade Unions and Left Parties Confront Macron's Attacks on Rail Services and Jobs

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France is once again on the brink of an all-out industrial war – and its outcome could transform the country's political landscape. The showdown is over the plans that President Emmanuel Macron and Prime Minister Edouard Philippe have for the state-owned National Railway Company (SNCF), which have been described by Le Monde as "the biggest change for the SNCF since its founding in 1937."

The stakes in the fight are huge: France's 150,000 rail workers could suffer a defeat like that of Britain's miners under Margaret Thatcher. On the other hand, Philippe could suffer the same fate as former PM Alain Juppe, whose 1995 economic "reform" was trashed by a vast wave of industrial action and popular revolt.

As an initial response, rail worker unions led a Paris demonstration on March 22 in defence of public services that also involved workers from Air France, air traffic control centres, Paris regional public transport, public hospitals and retirement homes and other services. The demonstration was one of 150 across the country. The country's four rail unions have also announced that they will launch 36 days of strikes over a three-month period beginning on April 3, alternating 48-hour stoppages with 72 hours of normal work.

Previously, in an extremely rare display of unity, 13 left organizations issued a joint statement calling for participation in the demonstration. The call was initiated by former New Anti-Capitalist Party presidential candidate Olivier Besancenot, taken up by Communist Party of France general secretary Pierre Laurent and eventually supported by the other main forces of the left, France Unbowed and the Socialist Party (PS), as well as by the Greens and smaller left forces.



The March 22 mobilization attracted 400,000 across the whole of France, with 65,000 in Paris, 55,000 in Marseilles, 35,000 in La Rochelle, 20,000 in Toulouse and 15,000 in Lyon. Forty per cent of high-speed trains and 50 per cent of regional services were cancelled on the day.

Trial of Strength

The government's plan for the SNCF covers all aspects: train operations, the rail network, infrastructure, finances, and company structure and legal form. However, for Macron and Philippe, the plan's immediate target is the collective agreement that has covered rail employees since 1920 (when the rail companies were private). Defeating the rail workers in a fight over their contract is the key to unlocking the plan's other aspects. Focussing public attention on "rail worker privilege" also has the advantage of diverting attention from the pile of unanswered questions the plan provokes: for example, how exactly will increased competition lead to lower fares and a reduction in accumulated debt?

Rail workers realised they were Macron's primary target on February 24, when he announced at the annual Agriculture Show that, "I can't have on one side farmers without any retirement plan and on the other a rail worker collective agreement [that includes a retirement package] and not change it."

Macron did not say a word about any SNCF plans in his campaign for president. However, from his behaviour it is clear that he judges that a successful fight with the rail workers would be his 'Thatcher moment' and help boost his authority. It will also give French employers the crushing victory over organized labour that they have been seeking for decades.

Spokesperson for the rail worker division of the radical union Solidarity Unity Democracy

(SUD-Rail) Bruno Poncet said: "The government wants a trial of strength. It's moving to try us out. It wants this test because it knows if it wins, the last resistance will have been overcome."

A 'Lucid and Comprehensive' Diagnosis?

Encouraged by success in November in defeating union opposition to their "reform" of France's labour laws, Macron and Philippe have been acting over the past three weeks like bullies determined to pick a fight. Their first move was to accept the diagnosis and recommendations of the report Philippe had commissioned from Air France CEO Jean-Cyril Spinetta, *The Future of Rail Transport*.

Spinetta's "lucid and comprehensive" (Philippe) report – essentially a *Readers' Digest* summary of long-standing neoliberal wish lists for the SNCF – paints a gloomy picture of a "massively subsidized" operation sinking toward oblivion under a crushing debt burden, politically determined low prices and tariffs, suffocating bureaucracy, torpid management, rent-seeking unions and regional special interests.

According to the document, in a business-as-usual scenario the application by the end of 2018 of the European Union's transport competition policy would see the SNCF's €46 billion debt burden become a French government budget liability: the resultant budget deficit blow-out would force huge spending cuts to meet EU deficit reduction targets.

Spinetta's 43 recommendations include: line closures (up to a third of the network's 30,000 kilometres); increases in ticket prices and freight rates; opening the SNCF network to private operators; offloading the burden of regional line subsidies onto regional governments; opening services to competition; compulsory staff transfers to private operators; and the progressive extinction of the collective agreement via the introduction of worse conditions for new staff.

The report also recommends using costs savings to fund increased investment in maintenance of the shrunken rail network that would emerge from the application of the plan. This infrastructure combines the "shopfront" High Speed Train operations for which France is famous with local and regional rail networks that basically have not changed for up to 80 year – even in the greater Paris region – and on which deteriorating maintenance standards have produced increased accidents and declining punctuality.

Spinetta's proposals continue the application to the SNCF of the neoliberal rail transport directives (the four "railway packages") that have been coming from the European Commission since 2001. These have been applied with missionary zeal by an SNCF management which even before their arrival was turning the company inside out in the name of competition. As a March 22 Mediapart report by Martine Orange noted:

"The image of an archaic, fossilized SNCF totally closed in on itself and which could only benefit from the great breeze of opening up to competition isn't exactly that of the public company's wage-earners. They rather have the feeling of living in a totally unstable universe where reforms happen at an average rate of one every two years without any review of the experience just undergone.

[&]quot;'Competition? In the SNCF we've been living with the ideology of competition

for more than 20 years! The whole business has been re-organized as if it were always going to open tomorrow, even if there no motive for us to do that. Public service has been completely forgotten. The harm has already been done: only now are the conclusions being drawn' (Hervé, former SNCF manager)."

The overall result of over two decades of blind pursuit of competitiveness – turning more and more parts of the SNCF into business units governed by profitability maximization and cost minimization targets – has been to disorganize a very complex, interrelated organism and accumulate huge extra costs that were supposed to be impossible in the magic realm of competitiveness.

Here are two revealing indicators of the impact of this disorganization: the fact, acknowledged by Spinetta himself, that it is now impossible to calculate the average price of a railway ticket in France and the impossibility, due to the division of the SNCF into separate administrative 'silos', of passenger train drivers driving freight trains and station staff helping rail maintenance workers shift material. This experience, visited on the SNCF by its management of neoliberal true believers contrasts with that of the German railways (Deutsche Bahn), whose executives declined to implement important aspects of the "directives" coming from Brussels.

The Spinetta report is also notable for what it does not say: it contains no audit of environmental and social impacts and no cost-benefit analysis: the huge SNCF is treated as a purely commercial operation, a financial closed loop with no impact on ecology or social well-being. Thus, while Macron poses as world leader in the fight against global warming, he accepts a report that ignores that every passenger or tonne of freight lost from rail represents a rise in greenhouse gas emissions, road accidents and noise pollution. As the joint statement of left organizations for March 22 noted:

"Since 1997 ... the SNCF has become increasingly segmented, to break up the railway workforce and to pursue the privatizations recommended by the European "directives." Today Macron is pushing this tendency to its logical conclusion, the break-up of the SNCF itself.

"Throughout Europe the recipes that [Macron] wants to apply are producing line closures, price hikes, rolling stock and infrastructure degeneration and loss of freight. The population as a whole foots the bill in three ways: financially; in terms of inequality between regions; and in deteriorating health due to the extra pollution produced."

Hearts and Minds

Philippe's next step was to stage an ostentatious ritual of meetings with rail unions. One by one, delegations from the rail worker divisions of the General Confederation of Labour (CGT), the National Alliance of Independent Unions (UNSA), SUD-Rail and the French Democratic Labour Confederation (CFDT), had the plan explained to them and were invited to put forward their point of view and make proposals. This, however, was not a negotiation but a show of consultation that would allow the government to say it had more than 20 meetings with rail unions. None of the unions' proposals, nor those of rail transport users groups, were taken into consideration.

The government then announced that the plan would not be set in legislation to be debated in parliament, but instead rammed through as a temporary statute (*ordonnance*) by the Macronite majority, with the aim of launching the "reform" before summer and with as little debate as possible. While the government claimed that Spinetta's proposals in no way envisaged privatizing the SNCF, when the *ordonnance* was published it concentrated on just two points: opening the SNCF to competition and phasing out the rail workers' collective agreement.

The mainstream French media, alert to the presidential attack strategy, lost no time in backing Macron's double goal: to instill the feeling that the plan is "unavoidable" and to make the rest of the working class – which has suffered a steady loss of wages and conditions – envy and hate rail workers. France had to see the fight as a struggle between a brave, reforming government and a tiny minority of recalcitrant and privileged industrial dinosaurs.

It was beside the point that the "reform" of the collective agreement proposed would save the SNCF only €100-€150 million over ten years and received only a brief treatment in Spinetta's report. Obviously, people who have permanency, can retire at 53, have free train travel and a retirement package that pays close to the final wage have no choice but to be brought into line with (falling) community standards. To help the public grasp these truths, important people like IMF head Christine Lagarde spoke out against "sacred cows" while Spinetta himself said: "They have to accept the idea that in a world that is changing, the conditions in which they work also have to change."

TV current affairs shows over the last month have often taken the form of "panel discussions" in which a sole rail union delegate has been besieged by an aggressive majority of plan supporters, with their debate interspersed with interviews with "outraged public transport users" incited to blame rail staff for their missed and late trains. In this hostile atmosphere, rail union spokespeople have had their work cut out explaining their real working conditions – on average only slightly better than the norm for most workers, but in no way privileged.

Olivier Besancenot <u>explained the Macron government game</u> on a France 2 TV appearance:

"We are all of us a 'rail worker' for someone else. Don't fall for the poison of division. We live in a world where those who earn €150,000 a month exploiting others end up convincing those who live on €1500 that the cause of their problem are those that live on €2000. We're on the way to getting jealous about crumbs while those on high must be having a great laugh."

French media watch website Acrimed has been monitoring this operation, which has included totally loaded survey questions like "Should rail workers be able to stop the trains for a month and penalize everyone in France?" and "In what way does the rail workers' collective agreement improve service to the public?" Acrimed noted that during one TV debate, SUD-Rail federal secretary Fabian Dumas was interrupted by his fellow panellists 66 times in eight minutes – once every seven seconds on average.

Winnable

Opinion polls show that the idea that rail workers have to make a sacrifice to help out the SNCF still has majority support – 69%, according to a recent RMC poll. The poll also showed

that 43% would support the rail workers if they went on strike. Clearly, there is still a way to go in winning the battle for hearts and minds. Nonetheless, at the time of writing, signs are emerging that Macron's blitzkrieg is beginning to run into problems.

First, his determination to pick a fight has forced the four rail union confederations, with a history of conflict and rivalry, into a unified response, even though SUD-Rail – the most radical of the confederations – maintains that the rolling stoppage plan will at some point have to become an all-out strike. This unity reflects that willingness to strike is high in all parts of the SNCF workforce. The March 10 edition of the web-based transport industry newsletter Mobilettre stated that 93% of SNCF workers and a similar percentage of SNCF management were ready to strike.

Second, Macron's popularity is down to 41% and his La Republique En Marche! movement has suffered losses in two recent by-elections.

Most importantly, the longer the battle for hearts and minds continues, the more the case against the Spinetta plan will sink in. A big problem for Macron is that his war on the SNCF is coming late in the privatization cycle that began in the 1980s. The evidence has long been in as to the disastrous impact of rail privatization, with two-thirds of people in Britain, for example, supporting rail renationalization. In France itself, many remember that a similar restructuring of France Telecom in 1997 was sworn by the PS government of the day not to open the door to privatization. That giant state firm has since become a gold mine for private interests.

As the fight continues, the most fundamental issue will also start gaining more weight: the need for a comprehensive rail network as part of any project for environmental sustainability. The CGT rail worker division's pamphlet *Together for the Railway*, published on March 9, is an important weapon in this battle for hearts and minds.

It begins by showing with facts and figures that rail is the least polluting, safest and healthiest transport mode. For passenger traffic, trains have nearly seven times less negative impact than private cars, two-and-a-half times less than aircraft and two times less than buses. For freight, the impact for trains is five times less than for trucks and 1.8 times less than for ships.

The document then lays to rest the myth that rail privatization is needed to guarantee greater efficiency and better services, noting that the best rail system in Europe as measured by Boston Consulting Group's European Railway Performance Index is the 100% public Swiss network.

It next reveals the extent of state subsidy to road transport, including expressway construction, the degree of underinvestment in the rail network compared, say, to Germany, as well as the real cost of the partial privatization to date of rail-related services and of restructuring for competitiveness and eventual privatization.

It finishes with a "transitional program" for transport, including the state taking over some part of the SNCF's debt (as happened with Germany and Deutsche Bahn), the renationalization of the expressway system (since 2005 run by private franchises) and the establishment of environmental, social and safety standards for all transport modes.

A vital battle has just begun and is winnable. As "someone very close to Macron," quoted in

the March 15 Liberation, said: "If Macron starts to wobble, the whole show collapses." •

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