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STRIKES, WELFARE POLICY AND UNION STRATEGIES IN FRANCE

by Monique Borrel

Since the beginning of the industrial era, the French social situation has been characterized by recurrent movements of strike waves and generalized disputes of great magnitude. *The Contentious French* by C. Tilly, among other scholarly works, refers to what seems to be a national feature.

Strike waves and generalized disputes in France occurred at any time and were usually set off spontaneously by workers. Labor unions got involved in strikes after these movements had started and tried to negotiate the outcome of the conflicts. This contrasts with the United States where most strikes result from a union's call after labor and management agreements break-down. Strike waves affected all sectors of the economy at the same time, and brought the economy to a virtual standstill for several months. Generalized disputes affected either one or several branches of the economy at the national or regional levels, or only all establishments of a firm. The strikers' objective was to create permanent mechanisms that would guarantee steady and institutionalized improvements in their working and living conditions, such as the minimum wage, health insurance, security of employment, and pensions.

My interest in understanding and analyzing French social and political disturbances was sparked by my having experienced the 1968 student movements and then, observed radical changes that reshaped the country. I focused my research on the impact of strikes on the fabric of French society from 1950 to the mid-1980s.

Until May 1981, this period was characterized by right or center-right governments. Then, a socialist-communist coalition ran the country until July 1984 when the coalition broke off and was replaced by a socialist government. As a result of the March 1993 elections, the Socialists have been widely swept out of the Parliament, which is now dominated by a center-left to center-right coalition. The results of my research, supported by an econometric model,* show that strike waves

and generalized disputes were a powerful weapon in workers' hand, bringing about a broad social welfare system.

Strikes Improve Working Conditions for French Workers

Strike waves and generalized disputes have significantly influenced three components of French social policy: minimum wage, social welfare benefits, and working hours.

- The purchasing power of the guaranteed minimum wage increased by 20.3% in 1968, 4.7% on average annually from 1970-82 and 1.7% from 1983 to 1987. The hourly minimum wage, inflation adjusted, went up to about \$5.70 in 1987, from \$2.15 in 1967.
- The purchasing power of welfare benefits increased by 7.4% on average annually from 1951 to 1977, and by 3.8% from 1978 to 1985. As a result, social benefits accounted for 37% of national net income in 1985, up from 17% in 1950. Welfare benefits include health benefits, unemployment compensations, pensions, family allowances, paid maternity leave, and compensations for job injuries and vocational training.
- As a result of social legislation, average weekly working hours decreased from 38 hours in 1970 to 33 hours in 1985.

In addition to general strikes, the state of the power relation-

*"The Impact of Labor Disputes on the Fabric of French Society",
Monique Borrel, Working Paper #50, Institute of Industrial Relations
at U.C. Berkeley, October 1992.

ship between the left and the right also affected the government social policy. This "politicization" of social policy started with de Gaulle's accession to power in 1958. Whenever rightist parties made gains in legislative elections, smaller increases or even decreases in social benefits and the minimum wage followed. Conversely, when leftist parties won elections, the government increased these benefits.

Strikes Contributed to Increased Unionization

Strike waves and, to a lesser extent, generalized disputes, had a significant impact on the growing following of French unions and their mounting power within firms from 1968 to the late 1970s.

There are five main unions in France: Two of them are usually referred to as "revolutionary" organizations because they always put their objective of helping the left to gain political power well before their concerns for workers' immediate economic interests; the other three are referred to as "reformist" organizations. There is no exclusive right for one organization to collective bargaining. Each union is represented in collective bargaining structures according to its following based on the results of labor elections.

The number of union members in the five main unions increased by more than 12% in 1968 and then, by 1.3% on average annually, until 1977. In 1968, union members as a percentage of labor force were up to about 17%, from 15% in 1967, and remained stable until 1977. [The estimate of total union members, including the other unions, is about 20% of labor force for the period 1968-77].

However, since union following was also dependent on the workers' expectation of the left to take power, union membership decreased sharply after the Communists and the Socialists broke off negotiations on the updating of their government program in September 1977. This decline accelerated after 1982, as the government was forced to take actions contrary to workers' interests.

The Role of Strikes in the Left's Rise to Power

Until the late 1960s, French leftist political parties and unions were deeply divided by doctrinal quarrels, with a spectrum of ideologies ranging from moderate socialism to communism and far-left.

However, the magnitude of strike waves and generalized disputes from 1950 to 1968 gradually strengthened the determination of leftist unions and parties to use this combativeness to achieve political power. They started to convene in an attempt to overcome their ideological differences and to achieve the coordination of their strategies. Once their coordination was under way, they were in a better position to orchestrate mass demonstrations called national action days.

National action days were both planned demonstrations and strikes organized by leftist unions and parties one or several times each year between 1966 and 1977. These mass demonstrations made workers aware of the strength in their numbers, so that the idea that the left could win presidential and legislative elections grew increasingly strong among workers.

This resulted in the emergence of a left-oriented electoral majority and, ultimately, the victory of the socialist-communist coalition in 1981.

It is worth noting that whereas national action days were boosted by the coordination of leftist strategies, they declined when the state of national collective bargaining (estimated by the significance and the number of national contracts signed each year) improved. This suggests that had collective bargaining grown stronger, national action days would not have reached such magnitude, and the left might not have won the 1981 elections.

From 1982 to mid-1983, far-reaching labor legislation was implemented by the socialist-communist government, mainly in two areas, working hours and union rights:

- Governmental ordinances reduced working hours significantly, extended paid vacation to five weeks, and restricted overtime.
- A series of measures extended workers' freedoms within firms, especially the freedom of speech, strengthened union rights and, in the nationalized sector, required the election of employees' representatives to boards of directors and allowed the creation of works councils.

However, because the radical socialist-communist policy threatened capitalist interests, the economic situation deteriorated rapidly, which forced the government to devalue the French currency and to freeze prices and incomes only one year after their coming to power. A second devaluation followed in March 1983, and a year later, a series of measures aimed at restructuring the French industrial sector resulted in significant cutbacks in the workforce. The purchasing power of welfare benefits and the minimum wage increased by only 2% from 1983 to 1985. During the 1980s, mounting financial difficulties started to undermine the entire social welfare system.

What Can be Learned from the French Experience?

The following analysis mirrors the author's assessment of the French experience. A first series of comments is related to the question of whether the conditions that brought about a broad social welfare system in France are likely to be repeated in the contemporary United States. The two main conditions were general strikes of great magnitude and strong radical leftist parties, including a strong communist party. Among the main factors that explained the success of radical proletarian movements in France, and especially the success of the socialist-communist strategy during the 1970s, were its relatively small territory with a strong national identity and a highly centralized state, the aftermaths of World Wars I and II and, above all, an ideology of class struggle widely shared and deeply rooted among workers.

To some extent, similar conditions, such as movements of spontaneous strikes of great magnitude that began in the depression of 1873 and the important role of the Communist Party in the 1930s, prevailed in the United States prior to World War II. These conditions contributed to creating the impetus

that led up to the labor legislation and social security measures of the Progressive Era and the New Deal period. Most of the research on strikes in the United States has shown that, whereas prior to World War II, strike activity was explained mainly by political determinants, economic factors have prevailed since then. This reversal has been usually explained by the trend toward the increased size and stability of union membership, the institutionalization of collective bargaining and the political integration of labor. To what extent this trend is still operating at the present time and will hold over the next decades is an important question.

A second series of comments is related to the following question: Should the French way toward achieving a broad social welfare system be considered a model for the United States? Although in the early stage of capitalism (19th century in Europe and the United States particularly), miserable working and living conditions of workers made outbreaks of strikes inevitable, it is the author's opinion that, as these conditions gradually improve, and because of the perverse effects of general strikes, outbreaks of spontaneous strikes should remain the weapon of the last resort.

Recurrent movements of general strikes in France regularly and significantly disrupted social and economic life, and they deepened the division of French society along class lines. As a result, a state of chronic dysfunction of the main institutions and public services, such as universities, schools, postal services, hospitals, and transportation, began in 1968 and grew stronger after 1981. This weakened the authority of the state. The fact that general strikes led to the development of national action days had even more far-reaching consequences. It instilled into the French population the idea that the chances for political parties to win presidential and legislative elections were primarily dependent on their ability to organize mass demonstrations of great magnitude, rather than on their expertise and their commitment to solving the country's problems. This is what happened. For the first time in 1981, the government, although legally elected, owed its election mainly to the power of the street. Then it started to be seriously shaken by strikes and mass demonstrations organized by social and professional groups that were the most affected by its policies. Now it seems that center and center-right parties are regaining political power through the same process of mass demonstrations. Therefore, even though the principle of legal elections has never been questioned in France, it is the author's opinion that the victory of the socialist-communist coalition in 1981 initiated a process that have endangered the future of French democracy.

The other perverse effect of general strike is related to the notion of security versus risks facing individuals in industrial societies. The ultimate objective of general strikes in France was to obtain a social welfare system which would protect workers against all the risks inherent to their professional lives

and some aspects of their personal lives. This goal has been achieved mainly for workers in large companies, and to a lesser extent, for workers in small businesses. But is this goal fully compatible with democracy? Communist and, to a lesser extent, socialist regimes have proven to have a profound impact on peoples' mentality: Under these regimes, individuals tend to become unable to exercise enterprise and initiative. One of the most difficult challenges facing social welfare systems is striking a balance between economic security and individual responsibility. It is the author's opinion that democracy requires that social welfare systems guarantee at least some kind of economic security for all without suppressing individuals' ability and desire to take risks. This principle applies to employees and employers alike.

The Limits of the French Way for the U.S. Labor Movement

Until now, and contrary to most European countries, the ideology of class struggle has been much weaker in the United States, which explains part of the imbalance in the power relationship between labor and management. This imbalance has resulted in the declining influence of the American labor movement and a social welfare system less developed than in many European countries.

Although a great deal can be learned from European social history, especially the role of unions and social welfare systems in these countries, it is the author's opinion that the United States should find its own path toward stronger unions supported by a legal system that fully protects workers' rights to organize and participate in union activities, including the right to strike, which at the present time does not seem to be the case. It should also find its own way toward a comprehensive welfare system compatible both with competitive performance and the requirements of democracy.

The main issue is what strategies can efficiently offset weaker radical leftist organizations and spontaneous movements of general strikes to attain these goals. The United States has a history of social welfare programs. Analyzing the strategies used by some groups which successfully pressured the federal or state governments into implementing social programs may be one way to help design new strategies. The United States also has an asset that can offset its weaker class struggle ideology: It can rely on the genuine humanitarian spirit of its people, which once inspired social measures during the Progressive era and the New Deal period, to build a comprehensive welfare system that enhanced democracy.

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