

French elections: start of a new phase

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The French elections were a 'first' in modern history in one respect that has not been acknowledged or perhaps even noticed. It is the first time the candidates have taken overtly different positions on how their country should handle its response to the global competitive market. Normally, both contending parties take as given that the global market is 'a fact of life', and each claims they will do a better job of making their economy more competitive to cope with it.

In other words, it is the first recent occasion that an electorate has been presented with a real choice. Sarkozy offered, in effect, structural adjustment of the economy. That means reduced social services; and changes in employment law – fewer restrictions on wages and conditions of work, easier terms of hiring and firing, longer working hours – in order to lower labour costs, make enterprise cheaper and more competitive, increase exports and attract capital. Sarkozy was presented as modern, realistic, the father of a new French renaissance.

Royal offered, in effect, a programme to protect employment standards and promote a more national economy, which would substitute French production for imports. We know little about the details of Royal's programme, because it was reported in the mainstream media, if at all, as kind of wacky: old-fashioned feather-bedding of workers, a nightmare for employers, so a recipe for decline in France.

One result of being presented with real alternatives was an 85% turnout at the polls. Contrast that with a secular downward trend in voter turnout for two decades in Europe and America. And the difference between the votes for the two parties was only some 3%. Of the 85% that voted, just under half voted against the father of the new French renaissance.

This offer of real alternatives - rather than apparent bickering between people offering much the same – is what brought out the voters. Blair's economics is much the same as Cameron's; so are those of Bush and Clinton; the ANC and the DA; the rival German parties, as well as the Italians. And so on. This is not to say there are no dividing issues: Iraq is clearly one, and so are various ethnic rivalries.

But the political *economy* was, until modern times, the stuff of political debate. Clinton's '*It's the economy, stupid*' did not mean, sadly, that his economic policies were very different from those of his Republican rivals – only that his party was running it better. Royal and Sarkozy showed that there are two opposing approaches within the free market system.

'*The people of France have chosen change*', Sarkozy said. He is mistaken. Just under half of the people (those who voted for him) have chosen more of the same - only more punitive for those of their number who work for wages and salaries.

He is quite right that short of a change in the rules of the global market, every country in Europe – perhaps first, but not only, the French – will have to adjust their standards of living to compete with the new industrial giants of the East. Already there are areas in Europe and the US that constitute deserts, bereft of economic activity, undercut by the Chinese and others' prices. This is noted in mainstream economics as a necessary adjustment before new and modern activity springs up.

Occasionally, it does, helped by government subsidy. But on the whole, nothing springs up in those areas: they become broken, derelict, vandalised, burglar-barred remnants of shops and miserable roofs for homeless people and addicted wrecks.

Royal said: '*Something has risen up that will not stop.*' I reckon she is right. Her vote – indeed her very platform – is a sign of a political trend that 'will not stop'. At the time of the referenda for the EU constitution, there were actual riots in France – and elsewhere. They were interpreted as race-based and/or signifying typical French xenophobia. They were in fact a rejection of an economic system that ruthlessly and relentlessly makes working people pay the full price for a country's economic success. Voters rejected the EU constitution because they saw it as representing the current global dispensation.

What is happening is that ordinary European, and American, voters are beginning to make common cause with the victims of that dispensation in poor countries. First world workers are not starving or deprived of water and electricity because of recent privatisation; but they are poorer than they were, their work is more casualised, their incomes less predictable and their access to education and other services now disputed. They do not have to be doctrinaire politicians or Marxist fundamentals to realise they do not like it.

Royal, it seems, tapped into that. She didn't win, but very nearly. She will certainly not be the last to take that direction.

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