
French Presidential Elections

A candidacy against the nomenklatura

by Jacques Cheminade

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Prime Minister Edouard Balladur finally announced on Jan. 18 what everyone had been expecting for months, namely, that he would be a candidate in the presidential elections. Listening to his declaration, how could any Frenchman be opposed to what he said? He is for “progress,” for “justice,” for “reducing unemployment,” for creating a “prosperous, fair, and influential France” which will stimulate progress in Europe and serve the cause of peace. One can only applaud and approve the man whom the opinion polls have already elected.

That is at least the fairy-tale version being told to us. Balladur says he will govern and rally the country without getting involved in partisan politics, as if he were really the only “reasonable” choice.

The feverish agitation of his main rival in the RPR party, Jacques Chirac, the suicidal attitude of the Socialist Party, the failure of the ecologist movement to respond to the economic crisis, and the absence of any new ideas elsewhere all mean that the French will vote for Balladur because there is no one else.

But the fact of the matter is that the policy followed by Balladur has been very clear and certainly one of the most destructive France has known in a long time: Domestically and internationally, he has subjugated France to the whim of the “markets,” at a time when these financial markets are about to collapse.

Let's begin by looking at the real faces behind these “markets.” There we find people who form the inner circle around Balladur, those he likes to receive at La Lanterne, the prime minister's official residence in the park of the Versailles palace. You have Charles de Croisset, president of the Crédit Commercial de France (CCF) bank; Philippe Jaffré, chairman of the Elf Oil Co.; Jean-Marie Messier and Bruno Roger, from the Lazard bank; Jean-Claude Trichet, director of the Banque de France (central bank); and Christian Noyer, head of the Treasury. Almost all of them have come up through the Inspection Division of the Finance

Ministry, the Treasury, and investment banking circles. This inner circle is surrounded by other advisers, such as Jean-Marc Vernes, chairman of the Vernes Bank and of the Central Investment Bank; and Edouard de Ribes, who heads the Rivaud Group and the Rothschild family, with whom Balladur has been close since the time of the presidency of Georges Pompidou (1969-74).

Behind these names, there is a policy: the deregulation of the monetary and financial system, which is controlled from London.

Their ideology is very aptly reflected in the “France in 2000” report to the prime minister prepared by the Planning Commission headed by Alain Minc. This report is important because it shows the opinion which prevails throughout the nomenklatura. The authors of the report include businessmen (the president of Axa Insurance Co. and Balladur friend Claude Bébéar, and Saint Gobain chairman Jean-Louis Befa), as well as fashionable technocrats (Christian Noyer, Budget Director Isabelle Bouillot, National Employment Agency head Michel Bon), and certain resident intellectuals (Edgar Morin, Alain Touraine, and René Rémond).

This report states in very clear terms what Balladur only whispers: “We have no choice. International reality hovers over us with a greater force every day and unless we dream of controlling it, much as the Little Prince of St. Exupéry hoped to do with the stars, we must adapt to it.” And further on: “Considering the challenges to be met in the coming years, it is obvious for the [Planning] Commission that France will only be able to ease the constraints weighing on it insofar as it continues to have credibility for the markets. This especially involves opting irrevocably for a stable currency and reducing public deficits.”

Jean-Jacques Dupeyroux, director of the magazine *Droit Social* (*Social Law*), has pointed out the bad faith of the “experts” and the factual errors of the report. More fundamentally, he shows how untrue it is to claim, as is now the fashion, that France, having accepted unemployment, plays on the “selfishness of those who are lucky enough to have a job.” In fact, low-paid workers contribute a lot to solidarity. I would add that the “mixture of famous signatures and lamentable untruths” represented by the Minc Report has been the very basis, implicitly or explicitly, of the policies followed since 1983-84 by both socialist and right-wing governments, that is, by the French nomenklatura, whatever their outward differences.

A ruling against labor and production

Another proof of submission to the “law of the marketplace” is given in a decree issued on Jan. 3 in the *Journal Officiel*, which eases regulations on state use of financial derivatives products (swaps, options, futures). This specifies, for the first time, the ways in which the Treasury can intervene on the markets. In plain language, the French state is allowing its own economic branch to sit down and play

at the tables of the worldwide financial casino! That is the "secret" behind the Minc Report: a ruling in favor of the markets and against labor and production. Leading circles hope that the French will simply be too stupid to understand, and hope to confuse them with figures, letters, and charts in order to prevent them from trying to. It is proclaimed that this policy is necessary, unavoidable, and that's that.

The Minc Report concludes its introduction: "Made up of leading figures from different backgrounds, the commission has essentially come to a common view of the issues

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at stake. Its members hope that the majority agreement they have reached foreshadows a collective consciousness of problems. It is within such a framework that the natural debate on solutions to those problems should develop in a democracy."

Like Balladur himself, these "experts" have the incredible conceitedness to state within what limits democratic debate can go on, the limits being those set by the major financial interests, as if everything outside of themselves were irrelevant and stupid. Minc said it clearly in a statement in the Spanish magazine *Cambio 16* on Dec. 4, 1994: "Capitalism cannot collapse, it is the natural state of society. Democracy is not the natural state of society. But the market is." An astonishing confession, and an astonishing error—because, in fact, industry has only developed in parallel with the rise of democracy, and with a capitalism that would never tag along behind the "signals" of the financial markets.

Balladur, his friends, and the entire French nomenclatura have chosen sides. In contrast with the vague generalities spouted by the prime minister, they side with monied and financial interests against the party of labor and production. It is not so much against Balladur as against this more general choice that I will run my presidential campaign. Because the friends of Chirac and of President François Mitterrand did the same thing before Balladur, who should not be considered as a scapegoat but rather as the consenting figurehead of a corrupted and impotent caste which is incapable of meeting the challenges of today and which finds itself at opposites with the ideas of Charles de Gaulle and Jean

Jaurès who, coming from different paths, moved forward in the same direction.

In short, it is because the opposition to what Balladur represents is so empty and so weak that I have decided to run.

First of all, let us consider Balladur's hypocrisy: Enjoying all the media coverage he could want, he claims he will separate his functions as prime minister from his activities as presidential candidate. As if that were possible, and as if anyone would swallow it! It is true, of course, that Mitterrand had the same approach. Balladur has agreed to an increase in doctors' fees as of March 1, and said he is against any increase in the minimum wage. Are we to believe that he took this decision in his capacity as prime minister and that, once he is elected President, he will have a more generous policy toward the middle class? Let us not even mention the despicable French policy in Bosnia, where, faced with genocide, the *raison d'état* triumphs over reason itself.

The other candidates

What about the adversaries of Balladur? Both Philippe de Villiers, a so-called conservative religious family man, and Jean-Marie Le Pen, head of the extreme right-wing National Front, have repeatedly stated that they find the prime minister "courteous" and "a man of esteem."

Le Pen is trying hard to regain some of his past popularity (in 1988, he got about 15% in the presidential elections) but his proposals no longer seem very different from those of the other candidates—which shows how much the political scene has degenerated. It was after all Le Pen who, before the Conservative Revolution gained a foothold in the United States, blaringly introduced into France the themes of national-liberalism which were quietly taken over by the others. It was after all Le Pen who, in his book *Militer au Front*, claimed to be a follower of Friedrich von Hayek, the guiding force of advisers to Margaret Thatcher and George Bush, whose works were translated into French by Raymond Barre (the presidential hopeful of the UDF) and are touted today by Economics Minister Alain Madelin who, by the way, supports the candidacy of Paris Mayor Chirac. The political world is indeed very small.

As for de Villiers, who is himself a parliamentarian from the UDF, a government coalition partner, he is talking himself hoarse about "traditional values" and demanding a "Clean Hands" operation in France to fight political corruption. Apparently respectable demands, but he would be more credible if he were not being financed by the hot money and speculative profits of Jimmy Goldsmith (who was number two on de Villiers's slate for the European Parliament)! He, too, proposes the recipes of the Conservative Revolution crowd and of the ultra-liberal von Hayek. He wants to privatize everything: Air France, the atomic industry, the oil companies Elf and Total, Renault, and the electricity utility

EDF. Under the pretext of values, he supports dismantling the public sector, but doesn't say a word about the deregulation of international financial markets—where Jimmy Goldsmith made his fortune.

So, the “climate” in which de Villiers and Le Pen act, does not disturb in any fundamental way the views of Balladur's friends; which explains why “courtesy” and “good manners” dominate their relations.

Let's consider now Jacques Chirac, who views himself as the “natural candidate” of the majority and feels betrayed by Balladur, his “friend of 30 years” and member of the same party, the RPR. He is campaigning against the “politically irresponsible and inherently conservative technostructures” of the state, and denounces the “bulldozer effects” of running a country financially. We might be prone to believe him, if he himself had not built his career on these very same technocratic structures, and if he had not held very high posts for many long years without ever once trying to challenge them. It is never too late to have a change of heart, some might say, but then you must present convincing arguments.

Chirac, however, notwithstanding all his appeals to the people, does not attack the financial markets or their representatives. On the contrary, he would like to have their support. Madelin, a follower of von Hayek and an open enemy of the great projects proposed by former European Commission President Jacques Delors, supports Chirac, and has gotten him to espouse some of his free-trade proposals. This is dangerous. Indeed, any attack on the “technostructures” of the state which does not take simultaneous aim at the financial markets can in fact only strengthen those markets and their London-based controllers. This is a point which Chirac has never understood, contrary to General de Gaulle.

The left wing

As for the Socialist Party, their three candidates for the primary—Lionel Jospin, former Culture Minister Jack Lang, and party head Henri Emmanuelli—are all headed for defeat. They have all endorsed the “social-monetarism” of the Mitterrand era, of which Balladur's policy is only an extreme expression. Mitterrand himself admitted, in his New Year's message to the press, that he had been unable to do anything about the money flowing freely around the world. His disciples have done nothing to convince us they would act differently, contrary to Delors, whose policy of great projects was a challenge to the international monetarist malthusian order.

The generalized impotence of our elites was amply illustrated by Alain Minc in an interview in the London *Times*. “If you choose a day, and make a total of the movement of money that has taken place that day, and you then calculate the sum of all the transfer of merchandise that has taken place, you will find it represents only one-thousandth part

of monetary movement. This is terrifying! What can be done about this? Nothing. It is a phenomenon, like the weather. Where there is a storm, there is a storm,” he said.

There you have, in a nutshell, an expression of the absolute impotence of the French nomenklatura. At odds with de Gaulle or Jaurès, they consider every outside phenomenon to be an “unavoidable” given, as something “we must adapt to.” Our nomenklatura is able to identify the destructive phenomenon—the financial bubble which absorbs everything, leaving nothing for the real economy, preventing great projects, preventing a real economic recovery—but only to grovel before it!

Why I am a candidate

It is against these institutions, against this evil way of thinking, and against their very matrix, which is located in London in the policy of the British oligarchy and those who accept destructive policy orientations everywhere in the world, that I am running my campaign. For that, my candidacy is unique and justified. Because any candidate who does not deal with this basic question, and attack this main enemy, is condemned to idle prattling and impotence.

Unemployment, security, old age pensions, social security, the emptying of the countryside, drugs, AIDS, all of these important issues can be solved, and we will propose measures to take, but none of them can truly be solved within the order dictated by the “markets,” from London, and accepted in France by Minc, our elites, and the other presidential candidates.

We must break with this order and shrug off the yoke. A small group of politicians, graduates of the same schools and sometimes members of the same families, control French policy. This is not only anti-democratic, but worse still, they are slaves to outside dictates.

What we really need today, is an imaginative policy, and a daring one.

Emmanuel Todd, a well-known French sociologist, had an interesting analysis in a memo sent to the Saint Simon Foundation. He concludes thusly (quoted by the magazine of *Libération* on Jan. 7): “If a presidential candidate really wants to convince popular constituencies, he is going to have to challenge the entire economic policy. If he admits that our economic management is unreasonable, that our elites are bankrupt, he could be recognized as proposing something new.”

I think that this is a lawful challenge that deserves to be met. But to do so wisely and undemagogically, it must be done from outside the present nomenklatura, whatever its tendencies. After the collapse of communism and the coming fall of free trade liberalism, it is time to redefine our policy based upon the real issues, and not on habits, personal allegiances, or rat packs.

In the absence of any competitors, I thought it was reasonable that I should take up this challenge.