Worker Democracy in Socialist France

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Worker participation hardly existed in French enterprise before the victory of the Left in 1981. Enterprise committees ("comités d'entreprise"), created after World War II, were concerned almost entirely with external activities (travel, holiday, cultural and educational programs). Trade unions competed vigorously for control of enterprise committees, whose sizable budgets offered opportunities for employment of union militants and shaping of working-class attitudes. But enterprise committees did not share meaningfully in management.

It was the intention of the Left government in 1981 to transform authority relations within enterprises. The stated goal was eventually to achieve economic democracy, summed up in the slogan "autogestion" (literally, self-management). Roundly condemning both capitalism (Socialists agreed with Communists on the need to break with this evil system) and Russian-style communism (Communists agreed with Socialists that the Soviet Union represented a form of authoritarian socialism that had to be transcended), the united Left pledged to enable workers to become masters and shapers of their own destinies.¹

In the summer and fall of 1982 a series of four laws was enacted by the National Assembly creating "new rights for workers," known popularly thereafter by the name of the Socialist Minister of Labor, Jean Auroux. The lois Auroux, or Auroux laws, mandated the creation in all enterprises employing over 200 people of "groupes d'expression directe" (expression groups), in which workers would be able to speak up directly and collectively on any aspect of their workday life. Important new powers were also devolved upon the enterprise committees, whose members are elected only by workers. Management was required to inform enterprise committees ahead of time concerning any important decisions—including production and pricing strategy, intro-
duction of new technology, and investment policies. And enterprises were also required to bargain collectively with unions every year. What happened? Did the French Left find a "third way" between grasping capitalism and authoritarian socialism?

To judge by the accounts that have appeared so far outside of France, very little of consequence has happened. Foreign observers have tended to downgrade the changes introduced by the Auroux laws. W. Rand Smith demonstrates convincingly that the laws have not enabled workers to challenge the basic power of private (and, we may add, public) employers to make decisions. Hence, autogestion (defined as the exercise of control over workplace decisions), he says, has not been achieved. Indeed, employers have turned the Auroux laws to their advantage, so that worker control is farther away than ever. The laws are an attempt to "modernize" labor-management relations, Smith concludes, "by giving workers an opportunity to express themselves and by encouraging collective bargaining." Hence, French practice has merely been brought into line with practice elsewhere.

Bernard Moss affirms also that the Auroux laws have failed to bring about a change in the balance of power. He sees continuity in labor-management relations as the major feature of the modern period in France, described as "the cycle of managerial supremacy interrupted by waves of radical protest which have characterized its industrial past." Similarly, Duncan Gallie concludes that the laws did little to modify the traditional structure of French industrial relations. A slight difference of emphasis may be noted in the appraisals of these observers. "Modernized" managerial supremacy presumably is not the same as an immutable traditional structure.

Why didn't the French Left break with capitalism? The reasons mentioned by Smith and Moss include: the inherent ambiguity of the notion of autogestion, the rivalry between Socialists and Communists, divisions among the unions, and government-sponsored austerity measures. "Under these conditions," Moss observes, "it was not surprising that managerial adversaries rather than union supporters derived the greatest satisfaction from the application of the new laws." In addition to the unfavorable circumstances, Smith adds, the Socialist party was not able to adopt a program capable of translating its aspirations into reality. The implication is that under favorable conditions—unity of the Left parties and of the working class, a period of economic growth
and prosperity, and a firm political will to break with capitalism—the goal of autogestion would be within reach. As the French would say, "Vouloir, c'est pouvoir" (where there is a will, there is a way).

These critics are thoroughly familiar with labor-management relations in France, and with the excellent studies by French labor sociologists on the implementation of the Auroux laws. Each point in their argument is well taken. But they have underestimated the importance of changes in the climate of labor-management relations and have drawn partial conclusions. The purpose of this essay is to call attention to new developments in industrial relations in France since the adoption of the Auroux laws, and to show that the failure to achieve the stated goal of the French Left sheds precious light on the theory of economic democracy.

**Managerial Supremacy—But Why?**

Agreement may be registered at the outset on one key point: the participative structures created by the Auroux laws have come under the domination of management. To understand why, let us take a closer look at these structures. Between 1983 and 1985, when the Auroux laws were reviewed, amended, and reenacted by the National Assembly, some 6,000 agreements were reached between management and the representatives of workers (either unions or enterprise committees), leading to the creation of about 100,000 expression groups. Typically, an expression group consists of 15 to 20 people who meet two or three times a year and have the right to "express" themselves on any aspect of their working conditions.

Some major trends were immediately evident. Better educated workers tended to speak up and monopolize the time of most groups; only skilled leadership was able to prevent this from happening. As predicted by the skeptics, apathy set in after the initial period of enthusiasm. Workers generally lost interest in attending meetings, even though they were on company time. Within two years, about one-third of the expression groups had ceased to meet altogether, and another one-third met only intermittently.
Expression groups that meet regularly share a crucial characteristic: their worker-members are mobilized and actively supported by management. As one French sociologist put it, successful expression groups have been a creation of "the Prince." This development resulted from a turnaround of business policy on workforce participation. Immediately after the adoption of the Auroux laws, the Conseil National du Patronat Français (CNPF)—which had fought their adoption tooth and nail—encouraged its members to play the game according to the changed rules in order to prevent the Communist-led Confédération Générale du Travail (CGT) from taking over. An Estates-General of the CNPF in 1983 urged managers to train foremen and supervisory employees (cadres) as discussion leaders and to throw their resources and energies into the struggle to control the new groups.

Managers were advised through the business press to take the following steps: set up training courses for cadres; reward cadres for taking the lead in groups; make sure that questions and criticism receive the attention of the hierarchy; rapidly resolve problems thus called to the attention of superiors; and communicate this information to the groups. When managers were reluctant to take these measures (either because they were unconvinced of the need, had too much difficulty with cadres who wished to preserve their traditional prerogatives, or were harassed by a strong union leadership), expression groups faded away or were easily contained.

It was virtually impossible for the CGT or Confédération Française Démocratique du Travail (CFDT) to displace management in giving a firm lead to the groups. Most militants were formed in the school of class conflict, and were not ready for instant conversion into apostles of class cooperation. Nor did their training prepare them to be adept at two-way communication between rank-and-file at one end and management at the other. In rare cases where unions were able to mobilize and guide workers, management was able to contain unruly expression groups by ignoring them. After a while, discouraged workers simply gave up.

An unforeseen development after 1982 was the phenomenal expansion, not of expression groups but rather of all things, quality circles. A handful of French businessmen, inspired by Japanese production methods during an Asian tour, had founded the Association Française des Cercles de Qualité (AFCERQ) a year before the passage of the Auroux
laws. The attempt to introduce Japanese-style quality circles was a failure—considered by workers to be the latest of many business-sponsored schemes to intensify class exploitation. It was only after the passage of the Auroux laws that the quality circle movement took off. As of 1988, AFCERQ had presided over the creation of some 40,000 quality circles, and the principle was extended by the Chirac government to the civil service.

How did it happen? Managers were advised to consider the expression group as a useful technique for involving workers in their enterprise and identifying problems. In a second step, workers were to be encouraged to help resolve problems—through quality circles. AFCERQ consultants warned that quality circles would wither unless substantial resources, time, and energy were invested in them. Successful quality circles, according to AFCERQ, would require: commitment from top management; organization of study groups for travel to the United States or Japan; weekend seminars for all managers and cadres in order to consider the recommendations of the consultants; discussion by all employees of the new procedures; and, finally and only then, creation and constant care of the quality circles.

The pressure on workers to enter and participate in the quality movement was irresistible. The unions, including even the CGT, gave up their boycott. Alas (for management), quality circles are subject to the same trends of apathy that wreaked such havoc with expression groups. The most recent development is to make emphasis on quality part of the productive process through work teams, suggestion boxes, and collective participation in definition of goals for the enterprise, along with expression groups and quality circles.9

Equally disappointing to advocates of worker control has been the performance of enterprise committees. In the original conception, delegates elected by workers are to give an opinion on all important decisions by management before they are taken. Management is also required to submit annual reports to enterprise committees, which are permitted to hire specialists (such as accountants, lawyers, or engineers)—at company expense—to help them understand these reports. Great hopes were placed in enterprise committees, suitably aided by outside experts, union headquarters, and political parties, to counter management proposals with their own. Enterprise committees were to constitute a rival power within the structure of enterprise, and perhaps
prepare the way for the assumption of managerial prerogatives by workers. The Communist party planned to use enterprise committees to impose its celebrated “new criteria of management”—production for use rather than for profit—throughout the economy.

Enterprise committees suffered the same fate as expression groups, and for much the same reasons. Management could ignore recommendations from hostile enterprise committees with relative ease. More positively, management made the agreeable discovery that it could communicate more effectively with workers through their elected delegates, and with delegates through their hired experts. Instead of challenging capitalism, enterprise committees and expression groups for the most part were enrolled in a vast campaign to strengthen it—in order to protect jobs and raise salaries.

The fate of participative structures thus points up the inherent difficulty of maintaining worker autonomy against the formidable pressure that can be brought to bear by the concentrated power of management. Only one effective counterforce can be envisaged: the unions. But worker autonomy has meant, in France, independence of workers from all external constraints, including that of unions, which are bureaucratized and linked to potentially domineering political parties and the State. Worker control is not the same as control by unions and parties in the name of workers.10

The failure of enterprise committees to offer a feasible alternative to management policies is highly instructive. Almost immediately after the passage of the Auroux laws, the CFDT found that its resources were stretched too thin to be able to take on managerial functions as well, and it stopped submitting counterproposals. The CGT, on the other hand, drew up a number of counterproposals, particularly in industries threatened by layoffs or plant closings.

Invariably, the CGT counterproposal consisted of a detailed inventory of customer needs, and of functions performed by each work post, all leading to the triumphant conclusion that the enterprise is viable and not a single job need be lost. What if there is no longer a market? That is because management is thinking in terms of short-term profit instead of social use. Plenty of customers are out there, in the Third World and in Eastern Europe. How those customers would be able to pay for goods without subsidies from French taxpayers is never explained. Part of the standard counterproposal was also elimination of
bothersome imports, while foreigners presumably would be happy to go on buying French goods without any thought of retaliation. CGT proposals were considered unconnected to reality, not only by management of private enterprises, but also (perhaps even more forcefully) by the Socialist State responsible for the nationalized industries.11

Why has it been impossible to maintain worker autonomy against bureaucratic pressure? For Edmond Maire, perhaps the most important advocate of autogestion in the 1970s, the reasons go beyond the contingent factors mentioned by Smith and Moss (unemployment, austerity, lack of political will). It is the very notion of worker autonomy that he calls into question. For a long time, Maire concedes, the labor movement contrasted monarchical enterprise (where the boss wields absolute power) with models reflecting the belief that workers can decide everything. But now we must go further, declares the former general secretary of the CFDT, and recognize the specificity and legitimacy of the managerial function, which cannot be the result of collective deliberation. Autogestion, he concludes, remains a valid ideal, but is not a model for enterprise. The need today is not for a "break with capitalism" (termed by Maire "a dangerous illusion and nonoperative") but vigorous defense of workers' interests and "logic" within enterprises. In effect, virtually every plank of the CFDT's radical program of the 1970s has been discarded since the adoption of the Auroux laws.12

"Capitalism Ain't What It Used to Be"

A new model of enterprise has emerged in France, and it has become dominant within the large, professionally managed sector of the economy (both public and private). Before 1981, it was taken for granted that management made all decisions, which were then transmitted downward to employees. Negotiations with unions took place mainly at the branch or industry level (not within individual enterprises), following guidelines set by the State. In turn, business was expected to follow the lead of the State, whose top functionaries were presumed to have a sense of national interest. This patriarchal model reflected the prevailing belief within the French political class after the
Liberation that French capitalism was backward, and that only a dynamic State, served by specially trained civil servants, could accomplish the task of rapid modernization.

"Le capitalisme n'est plus ce qu'il était," exclaimed Edmond Maire, who can hardly be accused of special sympathy for the profit motive. Capitalism has undergone a "cultural revolution," observes Pierre Rosanvallon, not an admirer of capitalism in the past. And Henri Weber, former Trotskyist and now close collaborator of Laurent Fabius, speaks of a "mutation" of French capitalism. What they all refer to is the new model of the dynamic sector, based on a freer flow of information throughout enterprises oriented to the market rather than to the State. A significant portion of the budget of a modern French enterprise (about 5 percent of the total payroll) is now devoted to securing information from the base, circulating it through the hierarchy, and ensuring collaboration of employees, cadres, and managers in the achievement of agreed-upon goals. This emphasis on permanent dialogue, two-way communication, and service to customers rather than carrying out the commands of the State is a break with past practice.

However, management's very success in creating participative structures opens the way for a possible counterattack by unions and workers from within the citadel. The process of dialogue changes attitudes and affects power relationships. In an enterprise fully committed to participation, managers must eventually recognize the legitimacy of a "workers' logic," to use Edmond Maire's term, and the importance of workers' contribution to production. Absolute monarchy is converted into at least a rechtstaat, or rule of law, with democracy perhaps in the offing. But industrial democracy in this sense means interaction between managers (who retain their prerogatives) and workers, not the absorption of elites into a self-governing community.

The new model enterprise poses a formidable problem for unions, which lost half of their members between 1976 and 1988. Pierre Rosanvallon estimates union membership as of 1988 as follows: 600,000 for the CGT; 400,000 each for the CFDT and the Force-Ouvrière (FO); and 200,000 for the teachers' union. The virtual collapse of unions, says Rosanvallon, is due to their inability so far to cope with the cultural revolution that has taken place in enterprise. Unions traditionally represent workers in negotiations with business
and the State, and also in social security and welfare councils. They have not been oriented towards participation in an "informational" enterprise in which workers, cadres, and managers are in direct communication with each other and collectively regulate daily life. To meet this immense challenge, unions must recast their structures and create a new culture based on communication rather than either confrontation or meek submission. Only CFDT leaders have thought through the problem, but so far they have not been able to gain the support of their own militants in bringing about the necessary reforms.

**Primacy of the Political**

Political factors have been and remain crucial determinants of the nature of labor-management relations in France. Paradoxically, it was the victory of the Left that led to an expansion of managerial power. Before 1981 all attempts by business and parties of the Right to integrate workers into enterprise were rejected by unions and the parties of the Left. But when the Left, in power, vowed to "break with capitalism," workers and unions were carried into new structures of participation on a wave of enthusiasm. Radicalization of the Socialist party was a deliberate tactic by François Mitterrand to outflank the Communist party on its Left, and to demonstrate to workers that they could have socialism of a democratic rather than an authoritarian variety. Autogestion was an integral part of a Socialist program designed to reduce the Communist party's appeal; it was a useful fiction. But, as it turned out, once workers entered into the structures created by the Auroux laws they could not resist domination by cadres and managers.

When the Socialists returned to power after the legislative elections of 1988, they did not revive the ideological battle cries of 1981. On the contrary, Prime Minister Michel Rocard fully accepted the principle of worker participation and free flow of information within enterprise. He embraced quality circles, instructed every ministry to draw up plans for improving quality, and called for constant dialogue between workers and managers as a top Socialist priority—thus trying to appropriate the quality movement for the Left. The Socialists are seeking ways to push the balance of power back in the direction of workers and unions—an
extraordinarily difficult task. The experience of the Auroux laws so far demonstrates that management enjoys an inherent advantage in the contest for control of decisionmaking within enterprise.

To further complicate matters, the Socialist party did not have an absolute majority in the National Assembly. The Communist party made a slight comeback, gaining enough representation in the National Assembly to command respect. The strategy of both the Communist party and the CGT was to take a militant line, resort to confrontational tactics, and compel the Socialists to turn toward the Left instead of opening to the Center. Class collaboration may prove to be as elusive as the Socialist commonwealth.

Were the Auroux laws, in the final analysis, a failure? I suggest that this attempt to create a worker democracy was actually an extraordinary success, because it permitted François Mitterrand to attain his supreme goal: to reduce the influence of both the Communist party and the CGT. Many workers were now persuaded that the Socialist party indeed had their interests at heart. They responded by turning away from the Communists, enabling Socialists to dominate the Left; the way was thus cleared for genuine alternation in power between the Right and a now respectable Left. As a result, the climate of labor-management relations in France has changed significantly.

Worker democracy was always an unrealistic goal; but giving workers a say in enterprise is a major progressive development. Only the victory of the Left in 1981 and the Auroux laws made it possible to break down working-class and trade union resistance to participation in enterprise. Management was able to dominate participatory structures easily enough in a first step. But French business is beginning to realize that there is a distinctive and valuable workers' logic (as Edmond Maire put it). For French enterprises to compete effectively, it is now currently accepted, they must convert to models in which information flow is circular rather than merely from the top down. The battle between labor and management, and between Left and Right, is now being redefined within a transformed economy.

The social base of French politics is no longer what it was before the passage of the Auroux laws. The major actors within the system—business and labor—have in the past decade undergone at least the beginning of a mutation. Labor-management relations in France have not reverted to their pre-1981 status; nor have they become a copy of for-
eign models. Traditions of Jacobinism, business paternalism, revolutionary syndicalism, and mass communism have produced unique conditions for the ongoing experiment in workforce participation. Industrial relations surely will continue to evolve and to reflect a distinctively French political culture somewhere this side of Utopia.

NOTES

1. I have dealt with the conversion of the Parti Socialiste and the Parti Communiste Français into parties of “autogestion” in Socialism of a Different Kind: The Reshaping of the French Left (Westport, CT: Greenwood Press, 1982), chaps. 4 and 5.


4. Moss, op. cit., p. 78.


7. The literature on the implementation of the Auroux laws is a treasure trove for students of workforce participation. See in particular: Annie Borzeix, Danièle Linhart, and Denis Segrestin, Sur les traces du droit d'expression, 2 vols. (Paris: CNAM, 1985); Philippe Bernoux et al., De l'expression à la négociation (Ministère de la Recherche et de l'Industrie, 1985); Jean Bunel, Le triangle de l'entreprise (Ministère de la Recherche et de l'Industrie, 1985); and Daniel Mothé-Gautrat, Pour une nouvelle culture de l'entreprise (Editions de la Découverte, 1986).


9. AFCERQ, apparently in need of expert advice itself, declared bankruptcy in August 1989. But support for the quality circle movement is continuing through management, government, and other consulting firms.


