

Government and Co-operation in FranceI. THE PRE-ELECTION PERIOD

by

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It is unlikely that many readers of No.41 of the S.C.S. Bulletin which made the subject of Government and Co-operation its special feature, had any suspicion that France was on the brink of a new phase of government-co-operative relations. Yet in the very month of April, when No.41 appeared representatives of the Groupement National de la Coopération and the French Socialist Party had begun to discuss the Party's policy and programme for Co-operation if it won the Presidency and Parliamentary power in the coming elections. The events of the last twelve months, in which the French Socialist Party, led by François Mitterand, outlined its policy and programme before the elections and afterwards proceeded to implement them, with the approval and assistance of the Co-operative Movement, are therefore absorbingly interesting and, what is more, historically important and practically suggestive.

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Changes in Public Administration

These events derive their interest and importance from the fact that the new phase in the relations of Government and Co-operation coincide with, even forms part of, a series of far-reaching changes in the spirit and structure of the French system of public administration. The guillotine, heritage of the great revolution of 200 years ago, no longer figures in the penal code. The prefects, always appointed by central government to rule the 53 provincial "départements" have been pensioned off and their responsibilities transferred to elected councils roughly corresponding to the United Kingdom's County Councils.

In other ways the administrative centralism, so long regarded by jurists and historians as an indestructible element of French government, whether monarchical or republican, since the long reign of Louis XIV in the 17th century, was already, under the Giscard regime, giving way to regionalism, more especially for economic and social planning and development. In fact, it was precisely in order that the Co-operative Movement might be recognised and effectively represented in the new Regional Development Companies that the C.N.C. has underpinned its national organisation with regional groupings in which all forms of Co-operatives and mutual association participate.

The Rôle of Co-operation

At the Paris congress of the International Co-operation Alliance in 1976 President Giscard's address of welcome was inclined to emphasise the value of Co-operation more for the newly-developing regions of the world than for the advanced industrial countries. He did not decline to amend the legislative framework of the Movement when the federations pressed for it, but his government rarely, if ever, fully conceded recognition

of the specific character of co-operative economic organisation. They tended rather to confuse such concessions with privileges which favoured co-operative undertakings in competition with profit-seeking enterprises. When, at a meeting of the Supreme Council for Co-operation, Antoine Antoni, chairman of GNC, protested that the Co-operatives had been excluded from certain advantages e.g. tendering for public contracts, the Prime Minister, Raymond Barre, whom Giscard had chosen from the ranks of the orthodox academic economists, replied that it was necessary that co-operative enterprise should compete "with equal weapons" against other forms. He went on to deny that the government was putting a brake or handicap on co-operative enterprise; what it was doing was to ensure that the weapons were equal for all. So the co-operators knew where they stood when the election campaign opened.

French Co-operators and Politics

The role of French Co-operative federations in political elections is, without attachment to any party, to ascertain and make known to their members what kind of treatment their movement can expect from parties if they win power and what support it can get from candidates, if elected. The Co-operative attitude may be illustrated by the following quotation from an editorial entitled "The Co-operative Choice" by M. Duchalais, President of the French Confederation of Agricultural Co-operation, in its journal "Agriculture et Co-operation":

"The election of the President of the Republic has been an opportunity to reflect on what is called a choice of social systems.... To be a Co-operator is, in fact, first of all, to affirm one's will to take charge of one's own affairs and development. It is definitely

a refusal to allow onself to be incorporated by interests outside our profession or to accept the tutelage of the State. Further, it is the choice of an original form of organisation which blends collective action with individual liberty and responsibility. To be a Co-operator is to put solidarity first, to assert that economic democracy is not an empty word, and to give priority to social and human advancement and not the pursuit of the biggest profit.

The Co-operative choice thus remains a narrow path in a social system which we know to be threatened at one and the same time by economic concentrations which take no account of humanity and by bureaucratic and technocratic tendencies pushing towards centralisation. Let us hope that the President of the Republic, elected by the majority of the French people, will establish by his guidance a political, economic and social environment permitting the whole of the Co-operative Movement to demonstrate its originality and fulfil its missions in the general interest."

Thus the President of the Agricultural Co-operative Confederation to his fellow farmers and their leaders.

The G.N.C. Questionnaire

The G.N.C. questionnaire, circulated to the presidential candidates and answered by four of them: Giscard d'Estaing, Chirac, Debre and Mitterand - comprised four questions:-

1. The Co-operative Movement represents an important kind of socio-economic thinking in our country. What does "to be a Co-operator" mean to you personally today?

2. It has been stated recently that Co-operatives should fight "with equal weapons". Bearing in mind the specific character of co-operative enterprise and the special restrictions imposed upon it, how do you conceive this competition "with equal weapons"?
3. Workers' productive Co-operatives and entrepreneurs' Co-operatives (artisans' retailers', fishermen's, transport firms', etc) create jobs principally and most often in their own localities. What measures would you propose to facilitate this development? In this connection, could the formation of a Co-operative Development Society benefiting from the same conditions as the Regional Development Companies be envisaged?
4. In many newly-developing countries the co-operative form is the only one which permits the indigenous population to take in hand their own development. Taking as examples what is being done in many industrialised countries, would you link the French Co-operative Movement with the practical application of French policy for development aid and in what concrete forms?

The Replies of the Candidates

The answers of the candidates to this rather severe examination paper cannot be summarised, much less analysed, within the compass of this article. They were for the most part positive and appreciative of the functions and possibilities of Co-operative action. But reference must be made to the clash of opinion between Giscard d'Estaing and Mitterand in replying to the second question.

Giscard began by asserting, in terms similar to those employed by M. Barre already quoted, that Co-operatives must be capable of competing "with

equal weapons" against any form of enterprise and his government had provided that the productive Co-operatives should be eligible, under the same conditions as other enterprises, for loans granted by the Regional Development Companies. Mitterand, on the other hand, maintained that the general tendency of Giscard's policy represented a real menace for the Co-operative Movement. The relapse into primitive capitalism under the guise of liberalism would place Co-operation in a position of inferiority vis a vis the big capitalistic groups. The special character of Co-operation, different from both private and state enterprise, was being more and more ignored by the public authorities, and without equality of treatment the Movement could not compete on equal terms.

A Basis of Collaboration

The bases of collaboration between a possible or probable Socialist government and the Co-operative and Mutualist Movements were looked at at a meeting convened by the Socialist Party on 22nd April and attended by four representatives of the Party and the presidents of the national Co-operative and Mutualist federations. Mitterand, prevented from taking part by a last minute change in the time of a television recording, was presented by his colleague with a full report of the proceedings. On the 7th May he addressed a letter to the presidents setting out the main lines of his plan for concerted action by Government and the Movements under six heads:-

1. The machinery of collaboration would be under the direct supervision of the Prime Minister and be serviced by a permanent secretariat. The means at the disposal of the Supreme Council for Co-operation would be reinforced because it would be called upon more often to give advice and take initiative when necessary.

2. To enhance the effectiveness of all forms of democratic participation their leaders and administrators would be able to benefit by 'training leave' in order to devote more time to improving their efficiency.
3. In the context of a broadly decentralised economy, in which all the elements were indispensable to the prosperity of the whole, he was ready to study, in concert with the Co-operative Movement, all the legal and financial measures necessary to facilitate development in agricultural and industrial, trading and non-trading sectors. Special attention would be devoted to the flow of risk capital, in liaison with the financial institutions of the social sector.
4. These last would be actually enabled to expand their activity, correspondingly with their economic and social usefulness, and thrift, credit and insurance policy would be directed to that end.
5. The Mutualist Movement would at last see its place recognised in a social system which tomorrow would lay more emphasis than yesterday on prevention, both social and medical; on the perfect integration of the aged into society; and to equality of access to care for health.
6. The social economy will be an appropriate field of instruction in all universities. A special research programme will be devoted to it.

Mitterand's Message

The concluding paragraph of Mitterand's letter places him in the true line of succession to the great Socialist leaders of an earlier generation. Jean Jaures, who likened Co-operation to a laboratory for investigating the problems of future society; Albert Thomas, who created the Co-operative Service of the International Labour Office; Ernest Poisson, leader of the Consumers' Co-operative Movement in France and Vice-president for 20 years of the International Co-operative Alliance - all of whom recognised that without Co-operation, Socialism would be, as Henry May was wont to say, hollow as a drum.

Here, in translation, is Mitterand's message to the Co-operative federations;

"These guide-lines derive their inspiration from a source we have in common: to create spaces, becoming more and more numerous, where initiative will be able to expand, not motivated by the pursuit of profit but by a spirit of service and an ideal of responsibility. For a long time Co-operators and mutualists have been active propagators of the ideal which harmonises completely with self-governing democratic socialism. That is why I have been happy that you have given us of your time, despite your many responsibilities, for a fruitful working session, as a prelude to close collaboration between the government and the sector of social economy."