Industrial Conflict, Mass Demonstrations, and Economic and Political Change in Postwar France: An Econometric Model

Monique Borrel

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From the early stages of the industrial era to the end of the twentieth century, French economic and social history has been characterized by recurrent strikes of great magnitude. Contrary to the standard belief that in postwar industrialized countries such strikes ceased to play a key role in economic and political change, the French case presents an important anomaly. This research shows that, from 1950 to the early 1980s, wildcat strikes and mass demonstrations played a much more decisive role in shaping economic and sociopolitical change in France than in many advanced industrial countries in Western Europe and in the United States.

My theoretical analysis is based on the differentiation among four categories of conflict, i.e., localized strikes, generalized strikes, strike waves, and national demonstration strikes. I argue that these four categories are different for two series of reasons. First, these categories were influenced by different factors. Second, strikes’ impact on the economy and on society was different depending on the category, as workers pursued different objectives through each category. I contend that: (i) workers used localized strikes to obtain temporary improvements
of their material working and living conditions, mostly wage increases; (ii) they used generalized strikes and strike waves to gain *steady* and *institutionalized* improvements, such as rapid increases in various social benefits and in the guaranteed minimum wage, and reduced working hours; and (iii) they participated in national demonstration strikes to support leftist parties and unions' strategy aimed at achieving political power. In that case, workers' ultimate objective was to secure *permanent* improvements which would no longer be subject to political vagaries.

The econometric model presented here supports these assumptions. Regarding strikes' determinants, I find that localized strikes were related to price, unemployment, labor mobilization, and the economic crisis of 1974; generalized strikes were affected by real net wages, the wage gap between workers and senior executives, and labor mobilization; and national demonstration strikes were dependent on the coordination in leftist strategies, the economic crisis of 1974, and the prevalent (conservative/liberal) trend in social policy. Regarding strikes' impact on the economy and on society, I show that: (i) industrial conflict at the firm level, not collective bargaining, resulted in significant wage increases; (ii) multi-plant, multi-employer strikes and strike waves brought about the expansion of the welfare state, the rapid increase of the minimum wage, and reduced working hours without loss of pay; and (iii) strike waves and generalized strikes prompted leftist parties and unions to orchestrate national demonstration strikes, which fostered the emergence of a leftist electoral majority in the 1970s. I also show that the 1968 strike waves and the leftist strategy to achieve power contributed to the rise and decline of organized labor from the 1970s to the early 1980s.

This chapter presents the main specifications and results of my econometric model as compared to other theories and models of strikes. First, I present the model briefly and I elaborate on its main characteristics, including the differentiation among several categories of strikes, the various methods and sources I used to compile my own data sets of strikes and unionization, the model's compliance with period-specific time-series regressions, and the quantification of economic and political events and phenomena relevant to this model. Second, I present the main results of the model. I focus successively on localized strikes and wages at the firm level, the impact of strike waves and generalized strikes on wealth redistribution and unionization, and national demonstration strikes and the leftist strategy to achieve political power. Finally, I derive a number of important implications from this research. I
show that perverse effects, which have resulted from the French pattern of sociopolitical development, account for France's difficulties in the economic and political arenas since the 1980s. I consider the rapid decline of the labor movement, the government's largely unsuccessful efforts to overhaul the system of social protection, France's political instability, and the weakening of enterprise spirit. I also mention some broader implications, including the importance of introducing political and non-institutional variables into models forecasting economic trends; the fundamental challenge facing market societies, i.e., preserving enterprise spirit without sacrificing economic security; and the implications of the retrenchment of the welfare state and of collective bargaining for the future of capitalism.

I. OVERVIEW OF THE MODEL

Brief Presentation of the Model

The equations are based on annual data from 1950 to 1985. The model also includes a series of equations with localized disputes as a dependent variable in quarterly data (equations 1.1 to 1.5). Ordinary Least Squares were used to estimate every equation. Localized, generalized and national demonstration strikes appear in the model as both dependent and independent variables. I also designed and quantified five qualitative variables (see Definitions and Measurements of the Variables at the end of the chapter).

The main results of the equations in annual data are the following (see Tables 2 to 4):
(i) Localized strikes (annual number of man-days lost for 130,000 employees) were positively related to annual variations in both real unemployment benefits and price and to the variable labor mobilization, and negatively related to the economic crisis of 1974-75 (equation 2);
(ii) Generalized strikes (annual number of man-days lost for 130,000 employees) were negatively affected by real net wages and positively affected by both annual variations in the wage gap between workers and senior executives and labor mobilization (equation 3);
(iii) Annual variations in real industrial hourly wages were positively correlated to localized strikes and negatively related to the unemployment rate, and either positively or negatively related to a few exceptional events measured by the variable event (equation 4);
(iv) The annual increase in the purchasing power of social benefits
(equation 5) and of the guaranteed minimum wage (equation 6) were positively correlated to strike waves (annual number of man-days lost for 130,000 employees), to generalized disputes, to the economic crisis of 1974-75 (represented by the variable economic crisis), and to the balance of power between the right and the left;
(v) The rapid decrease in annual working hours (without loss of pay) resulted from strike waves and the arrival of the left in office in 1981 (equation 7);
(vi) Strike waves, generalized strikes, the balance of power between the right and the left (represented by the variable left/right opposition), and the coordination in leftist strategies (represented by the variable left coordination) affected unionization positively. Unionization was measured by annual variations in both union members and union representatives in firms (equations 8 and 9);
(vii) Levels of coordination in leftist strategies were positively related to strike waves and to generalized strikes (equation 10);
(viii) National demonstration strikes (annual number of man-days lost for 130,000 employees) were positively influenced by both high levels of coordination in leftist strategies and conservative social policies, and negatively affected by the economic recovery that followed the 1974-75 recession (equation 11); and
(ix) The left vote was affected positively by high levels of national demonstration strikes and negatively by the May-June 68 strike waves and riots (equation 12).

Differentiating Among Several Strike Categories
My idea of differentiating among several categories of strikes was first elicited by the statistics published by the French Ministry of Labor, which distinguishes between two categories of conflict: localized strikes and general strikes. The ministry differentiates between localized and general strikes by using two criteria: the externality of the call to strike, and the conflict spread in space and time. Its definitions of both categories are the following: “A localized strike is a collective work stoppage which stems from a call to strike in a specific firm or establishment. In the beginning, this work stoppage is not likely to gain ground in the future. Therefore, this conflict is localized in both space and time. A general strike is a collective work stoppage which stems from a call to strike from outside the firm or the establishment and which can affect the latter not only at the national level, but also at the local
level.”

My model is based on definitions of strike categories different from those of the French Ministry of Labor. First, I distinguish among three types of general strikes: strike waves, generalized strikes, and demonstration strikes. Second, I use the criterion of externality only to characterize demonstration strikes. Descriptive analyses of strikes show that strike waves and most generalized strikes were launched by workers spontaneously and did not stem from a union call to strike. This means that the externality of the call for strike action is not a descriptive criterion likely to distinguish between localized strikes and generalized strikes. The only criterion that actually discriminates is how the conflict spreads out in space.

Therefore, I use two criteria to differentiate among strike categories: how the conflict spread out in space and the call to strike. My definitions are the following. Localized strikes are conflicts limited to a specific firm or establishment, while generalized strikes affect several firms, or all establishments of the same firm, simultaneously. Strike waves are movements launched simultaneously in a great number of both nationalized and private firms. Localized strikes, generalized strikes, and strike waves occurred at any time and were usually set off spontaneously by workers. Most often labor unions got involved in strikes after these movements had started and then they tried to negotiate the outcome. Only national demonstration strikes systematically resulted from a union call. They were both planned demonstrations and strikes organized by leftist parties and unions, one or several times each year between 1966 and 1977.

Two series of tests were conducted on strike data sets. First, I computed the cross-correlation function between localized strikes and generalized strikes, and the Pearson correlation coefficients between national demonstration strikes and localized strikes, on the one hand, and national demonstration strikes and generalized strikes on the other. The tests confirm that these three data sets are uncorrelated.

In addition, I adjusted a Gauss law on localized strike distributions using the chi-square test. I divided the 1951-83 period into five subperiods using four criteria: average increases in production, unemployment and prices, and levels of unemployment benefits (see Table 1):

1951.1-59.1: Expansion with moderate unemployment and medium inflation;
1959.2-66.4: Expansion with moderate unemployment and low inflation;
1967.1-73.1: Expansion with medium unemployment and inflation;
1973.2-79.4: Slowdown in growth with very rapid increases in both unemployment and inflation; and
1980.1-83.4: Stagnation with very high unemployment and very rapid price increases.

All three tests for structural changes are significant at .01 or under. Therefore, the hypothesis of structural changes was accepted. This means that localized dispute distributions related to different economic contexts were significantly different.

The tests conducted on each of the five localized strike distributions are positive. Therefore, the hypothesis that localized strikes conform to a Gauss curve was accepted. This result means that the highest level localized strikes can reach is necessarily limited, whatever the economic context. For example, during the 1973-79 subperiod, when the mean of the localized strike distribution was the highest of all the subperiods, the probability that the number of man-days lost exceeded 1.5 million was only two per thousand. Although this figure of man-days lost is very high for localized strikes, it is much below the level of the most mobilizing strike waves, whose level reached over 13 million man-days lost. Consequently, the fact that localized strike distributions follow the Gauss law provides a scientific basis for the descriptive criterion used to establish the two data sets by separating localized strikes from generalized strikes—i.e., the fact that localized strikes are restricted in both space and time.

Although most strike models do not differentiate between localized and generalized strikes, some of them consider two different categories of conflict: strikes characterized by high frequencies and small sizes at the firm level; and strikes characterized by low frequencies and large sizes at the industry level. However, my rationale for differentiating between these two categories is different. According to the institutionalization of conflict theories, this differentiation results from the structure of collective bargaining. In the French model, the differentiation between localized and generalized strikes is based on the analysis of their determinants and their impact on society.

Using a Variety of Sources to Construct Strike Data Sets
Contrary to most models of social and political protest, which draw almost exclusively on standardized data sets collected by either
governmental agencies or international organizations, this study is based on data sets constructed from a variety of sources, such as national daily newspapers and union magazines. Some authors have emphasized the limitations resulting from using standardized data and they have recommended that alternative sources of information be used (Franzosi 1987: 5; 1989b: 479; Jenkins and Schock 1992: 163). The most widely used alternative source is certainly newspapers (Franzosi 1987: 6; Olzak 1989: 128). For a variety of reasons, and despite their validity problem, newspapers appear as an essential primary source of information.\textsuperscript{10} However, using these sources effectively requires that a number of methods and techniques be developed to collect and code information (Franzosi 1987; Olzak 1989; Tilly 1981).

The methodology I devised to construct the data sets of the four categories of conflict throughout the 1950-85 period, on a quarterly basis, was based on some of these techniques—especially the use of diversified sources including official statistics from the French Ministry of Labor (\textit{Bulletin mensuel des statistiques du travail}), national daily newspapers (mainly \textit{Le Monde} since 1973 and \textit{Liaisons Sociales} since 1950), and union magazines; comparisons across several publications from different ideological positions; and the coding of information in a fixed format.\textsuperscript{11} As for official statistics, only since 1975 has the Ministry of Labor published two separate data sets related to localized and general strikes. Unfortunately, many conflicts that the ministry included in the data relative to localized strikes were actually generalized strikes. Furthermore, since 1981 a great number of generalized strikes has not been taken into account in official data.\textsuperscript{12}

My methodology included the following steps: (i) I recorded every generalized strike and every national demonstration strike from daily newspapers and other magazines throughout the 1950-85 period. Then I established a code sheet of each conflict, including such information as date, reason for conflict, and number of strikers; (ii) I estimated the number of man-days lost for each conflict based on the code sheets. Then I compared each estimate with official data, when available; and (iii) I constructed the data set of localized strikes by deleting the number of man-days lost relating to generalized strikes from the data of localized strikes published by the Ministry of Labor.

This methodology brings up two questions. First: were all—or at least nearly all—generalized strikes and strike waves recorded throughout the 1950-85 period? Among scholars who have analyzed the press as a
source of sociopolitical data, there seems to be wide agreement that “large-scale events hardly go unnoticed in the media” (Franzosi 1987: 7). My ten-year practice of recording strike data supports this assumption.

Second: what was the level of reporting labor strikes by the Ministry of Labor, and was this level constant across time? A survey conducted by the ministry in 1980 provides some information on the first part of the question: in 1978, the coverage rate of strikes in official data was about 50 percent—as compared to 86 percent in the press. The second part of the question remains unanswered. However, if significant variations in the level of coverage occurred throughout the period studied, their consequences on my model affected only localized strike data.

Defining Period-Specific Time-Series Regressions

This model is rooted in the methodological principles of quantitative historical sociology, which strives to incorporate the richness of historical analyses into empirical works, contrary to the methodology widely used in most models of strikes, the welfare state, and unionization. These models have come under criticism because they are both transcultural—i.e., they discard country’s specific features—and transhistorical—i.e., they overlook historical changes that occurred within the periods under study. In other words, the main function of history in these models is to provide data used to support timeless theories.

Contrary to this practice, a number of scholars have recommended developing theories rooted in the complexity of real history, even though such strategies are much more work- and time-consuming. This line of research requires “period-specific time-series regressions” based on “sound historical periodization.” Historical periodization is all the more important that it may influence research outcomes dramatically. The main issue is to specify starting and ending dates and to rationalize this choice. Historical periodization should not rely only on criteria such as data availability or the “great events of history.” It should be supported by both “shifts in structural relationships” and “theorized explanation of that change” (Isaac and Griffin, 1989).

The model presented here relies on historical periodization based on in-depth analyses of French economic, social, and political history, which allowed me to specify the starting and ending dates of the historical processes studied with enough certainty. The period from the 1950s to the early 1980s displayed a regular historical structure from an economic, social, and political point of view insofar as it was the period in which
the class struggle mobilized the entire French society. This period was also characterized by the highest economic growth rate ever recorded in France. The two phenomena were closely related: the wealthier the economy, the hotter the (re)distribution conflict. Class struggle started to weaken as the core conflict of French society in the early 1980s for two main reasons. First, part of the leftist voters grew disillusioned with the Socialist-Communist government’s policy implemented between mid-1982 and 1984. Second, the rapidly deteriorating economy was no longer viewed as a temporary phenomenon, but as a structural one. A number of authors noticed these important structural shifts in the early 1980s, detectable through a variety of indices, such as the decline in left-right identification,\(^\text{18}\) the weakening of worker solidarity (Reynaud 1989: 119), and significant changes in the French industrial relations system that followed the 1982 Auroux Laws.\(^\text{19}\)

Within the 1950-85 period, a number of structural changes allowed me to specify the starting and ending dates of subperiods. They included the following: (i) the first national demonstration strikes, which occurred in 1966, indicated the determination of leftist parties to engage in a far-reaching strategy to achieve political power; (ii) the May-June 1968 events, which resulted in a new government policy regarding the guaranteed minimum wage, the creation of union representatives at the firm level, and a significant strengthening of union membership; and (iii) the arrival of the left in power in 1981. For the first time since the Popular Front of 1936, the Socialists and the Communists ruled the country. These structural changes occurred as marked breaks from the past. Therefore, in these cases, it was easy to specify the starting dates.

However, a few other structural breaks spread over several years. French society started to massively mobilize in the class struggle over wage-profit allocations and wealth redistribution right after the end of World War II. However, it was the 1950 law on collective bargaining, which nullified the Charte du Travail (1941, article 5) and stipulated that strikes did not break the work contract between the employee and the employer, that provided the institutional setting for developing this class struggle legally. This is one rationale for choosing 1951 as the starting date. A second rationale results from a data availability problem. Homogeneous data sets from INSEE—the main government agency that produces economic data—are available since 1949 or 1950 only. Therefore, all the equations in the model presented here start in 1951, because most of the variables are expressed as percentages. Finally, three
main reasons support 1985 as the ending date: changes in the French industrial relations system, which happened gradually beginning in 1982; the breakdown of the Socialist-Communist government coalition in 1984; and the setback of the leftist parties in the 1986 parliamentary elections.

**Defining and Quantifying Economic and Political Phenomena**

The data I used in my model can be divided into four categories: (i) Data sets from official sources (INSEE, French Ministry of Labor) include unemployment, price, working hours, the minimum wage, and union representatives; (ii) I calculated net wages, the wage gap, social benefits, and the left vote from official sources; (iii) I constructed my own data sets of localized and generalized strikes, strike waves, national demonstration strikes, and union membership using official and unofficial sources; and (iv) I designed qualitative variables to represent a number of economic and political phenomena and quantified them (see *Definitions and Measurements of the Variables* at the end of this chapter).

Based on thorough analyses of French economic and political history, I defined and quantified five variables. *Labor mobilization* measures to what extent the state of union/disunion of leftist unions and political parties, as perceived by workers, influenced their determination to get involved in strikes or in national demonstrations. *Left/right opposition* measures to what extent changes in the balance of power between the left and the right, as viewed by the government, influenced social policies. *Left coordination* measures the levels of strategic coordination of leftist unions and political parties. *Event* measures short-term effects of a few exceptional events on the government, employers and voters. *Economic crisis* measures short-term effects of the 1974 oil price shock followed by a rapid recovery. The first three variables are composite indicators that synthesize the influence of several factors. The last two variables are simple indicators measuring only one factor.

From the end of World War II to the early 1980s, French industrial society was driven by the ways in which the leftist struggle to achieve political power consistently impressed actors' behaviors, especially workers, the government, employers and voters. I theorized that the dynamics underlying the qualitative variables, with the exception of the variable *economic crisis* and the 1968 student movements and strike waves taken into account in the variable *event*, was the following:

1. The leftist struggle induced workers to constantly move back and
forth between political and industrial action. Ensuing fluctuations in labor mobilization resulted in significant variations in localized strikes, generalized strikes, and national demonstrations. The numerical values given to this variable depend on the state of union/disunion of leftist unions and parties, as perceived by workers;

(2) Social policies (represented mainly by social benefits and the minimum wage in this model) were regularly influenced by the leftist struggle both directly and indirectly. The direct impact was represented by the variable left/right opposition. The indirect impact resulted from generalized strikes and strike waves. The numerical values given to left/right opposition depend on the fluctuations in the balance of power between the left and the right, as estimated by the government. In return, as social policies fluctuated between a trend more favorable to workers and a more hostile tendency, labor mobilization and therefore, strike levels, decreased or increased;

(3) In addition to labor mobilization and left/right opposition, a third variable, i.e. left coordination, measures the impact of the leftist struggle on actors’ behaviors. The values given to this variable depend on the scope of the agreements between the Socialists and the Communists and between the CGT and the CFDT. Unlike the first two variables, which measure the ways in which progress/retreat of the leftist struggle, as perceived by specific actors, influenced their behaviors, the variable left coordination provides a more objective estimate of the actual capacity of the left to mobilize workers and the electorate;

(4) The variable event refers mainly to three years of landmark changes in the political arena, i.e., 1958, 1968, and 1981. As far as employers are concerned, and unlike workers and the government, their behavior in terms of wage policies was influenced not by the recurrent ups and downs of the leftist struggle but by exceptional events that marked this struggle, mostly in two instances: when de Gaulle in 1958, and conversely a Socialist-Communist coalition in 1981, took office, which signaled a dramatic shift to the right (left). (Unlike the sporadic effects of exceptional events, localized strikes strongly and consistently pressured employers to grant workers higher wages.) Two important short-term effects resulted from the student movements, strike waves and riots of May-June 68: they pressured employers to grant workers significant wage increases and they scared part of the electorate, hence a temporary decline of the left vote. A significant reduction in working hours also followed the historical victory of the left in 1981; and
Like the variable event, the variable economic crisis represents an exceptional event, although in the economic, not political, arena. Its main short-term effects affected workers (with a significant decrease of localized strikes and a rapid increase in union representatives) and the government (with a rapid increase in social benefits and the minimum wage).

II. MAIN RESULTS OF THE MODEL

Localized Strikes and Wages
I define localized strikes as conflicts of an economic nature, whose main result was to provide workers with temporary improvements of their material conditions, mostly wage increases. I show that from 1950 to the early 1980s: (i) localized strikes did not conform to the main assumptions of most economic models of strikes regarding workers' involvement in the bargaining process and imperfect information; (ii) they were negatively related to unemployment and positively related to inflation, as assumed in many economic models of strikes; and (iii) localized strikes (not collective bargaining) played a key role in wage increases at the firm level, which were also negatively related to unemployment.

Specificity of the French Economic Model of Strikes
Most economic models assume that workers may decide to strike when a current contract has not been renewed prior to expiration, based on their calculation of the short term economic costs and benefits of striking. In addition, since the 1980s many authors have added an assumption of imperfect information. Therefore, most economic models retain the assumption that strike frequency is based on the relative bargaining powers of the negotiating parties, i.e., workers and employers in earlier versions of the economic model, or workers, unions, and employers combined with an assumption of misinformation in more recent versions. In particular, the Ashenfelter-Johnson model (1969) has been criticized because of its “unrealistic” assumption that employers and union leaders have perfect knowledge while workers have no information.

The French economic model of strikes supports neither the assumption of workers being involved in the bargaining process nor the assumption of the role played by asymmetric information. It shows that two distinct logics are at play in a strike: (i) the logic of class conflict
between workers (not unions) and employers, which derives from the secular trend toward structural undercompensation of labor, and explains why strikes occur; and (ii) the logic of collective bargaining that governs the relationships between union leaders and management striving to figure out each other’s concession curves. In my model I do not treat workers as a bargaining party and I find that the question of whether they have some knowledge of what is acceptable to management is irrelevant. Workers’ decision to strike does not result from what they may or may not know about management’s position, but from their feeling that the trend toward structural undercompensation of labor has intensified. Even in the United States in the “Golden Age” of collective bargaining, the threat of a strike often pressured management to grant wage increases and wildcat strikes occurred relatively frequently. Therefore, far from being “unrealistic,” the Ashenfelter-Johnson model’s assumption of a clash between worker demands and management’s acceptable level of wages may be interpreted as an intuitive grasp of the fundamental nature of the strike.

The specification of the French model of strikes derives from this analysis. First, throughout most of the period under consideration, collective bargaining within firms was absent or at best, very weak. Contrary to the situation in other industrialized countries, negotiations in France did not occur on a regular basis and at a time set in advance. They occurred mostly as a result of strikes set off spontaneously by workers. Therefore, this model does not include variables related to the timing of collective bargaining. This model is based on the assumption that the employees’ main objective was to compensate losses in real wages resulting from price increases, and their decision to strike was dependent on the two main components of economic costs for potential strikers: (i) possible losses in wages resulting from striking. The impact of possible wage losses on the decision to strike depended on the workers’ financial situation, which was closely connected to the unemployment level; and (ii) possible dismissal of strikers. The fear of both being dismissed and not finding another job when the unemployment rate ran high acted as a deterrent on workers’ strike behavior. However, the effect of both possible wage losses and possible dismissal on the decision to strike was partly or fully offset by the level of unemployment benefits. At any given rate of unemployment, workers were all the more likely to decide to strike if unemployment compensation was rewarding. As a result, the same unemployment rate did not have the same impact throughout the
period under study because the levels of unemployment compensation fluctuated significantly. This led me to consider two different determinants of localized strikes. Over a short period—six to eight years—the most relevant variable was the variation in the number of unemployed (see equations 1.1-1.5 in Table 2). The level of unemployment compensation was assumed to remain stable throughout every subperiod. However, over an extended period (thirty five years in this study) the most relevant predictor of localized strikes was the variation in unemployment benefits (see equation 2 in Table 3).

My interpretation of the main origin of strikes—i.e., strikes occur when workers feel that the trend toward undercompensation of labor has intensifies—is consistent with the fact that in many economic models, strikes are positively correlated with inflation or negatively associated with real wage gains during the previous contract.

It seems logical that workers use either indicator as a measure of the trend toward undercompensation, and in countries such as France in the period 1950-80, when collective bargaining contracts were rare, workers used inflation as an indicator.

I also tested two qualitative variables: economic crisis and labor mobilization. The economic crisis that resulted from the first oil shock was characterized by a sudden and very rapid increase in the unemployment rate (by nearly 30 percent in the fourth quarter of 1974). Labor mobilization measures the impact of the state of union/disunion of the left on worker determination to engage in strikes. Three factors influenced this variable. The first was the magnitude of negotiation processes, either between the Socialist and Communist Parties, or among the government, employers, and unions. I expected periods of far-reaching negotiations to be negatively related to localized strikes because workers shifted focus from the industrial scene to the political arena (Hibbs 1987). The second factor was the level of national demonstration strikes. I expected periods of high levels of mass protests to be negatively related to both localized and generalized strikes for the reason mentioned above. The third factor was the unity of action between the CGT (Confédération Générale du Travail) and the CFDT (Confédération Française Démocratique du Travail). In conformity with the main assumption of the political/organizational models of strikes—that is, strike activity is positively correlated to workers' organizational capacity—I expected unity of action to be positively related to localized strikes.
Regression Results

The results of the regression calculated from annual data over the 1960-83 period (see equation 2) show that localized strikes were positively related to annual variations in both price and unemployment benefits per unemployed. The economic crisis resulted in a marked decrease in localized strikes. The rapid economic recovery of 1975-76 had the reverse effect on localized disputes. The regression results also buttress my theoretical analysis of labor mobilization.

Regressions were also calculated from quarterly data within the five subperiods (see equations 1.1-1.5). These equations substantiate the results obtained from annual data and provide additional information. First, the 1959.2-66.4 subperiod was characterized by an inflation rate markedly lower than during the other subperiods. Therefore, the variable price does not appear in equation 1.2 because its impact on localized strikes was insignificant. Second, during the 1969.1-1973.1 subperiod, the balance of power between employers and employees was most favorable to employees, with a relatively low unemployment rate and a level of unemployment compensation markedly higher than during the 1950-58 period. This explains why the variable unemployment was insignificant. Third, the regression results show that equations 1.2 and 1.5 only partly explain the fluctuations in localized strike distributions. These two subperiods were characterized by very low levels of localized strikes. Finally, localized strikes were significantly related to both the 1974-75 economic crisis/recovery and labor mobilization.

Because the logic of class conflict was prevalent during the 1950-early 1980s period in France and collective bargaining was so weak, industrial wages were strongly correlated with strikes, not with collective bargaining. The two main predictors of industrial hourly wages were localized strikes and the unemployment rate (see equation 4). Increases in localized strikes and/or lower unemployment rates put more pressure on employers to grant higher wage increases. This finding is important because French econometric models have overlooked the incidence of strikes on industrial wages. However, in the French industrial system, where employers usually start negotiating only if forced to by strike movements, not including strikes as an explanatory variable led to significant estimation errors. In addition, a few exceptional events altered employer behavior. The strike waves of 1950, 1968 and 1982 pressured employers into granting rapid wage increases, whereas de Gaulle's rise
to power in 1958, which meant a shift of the balance of power to the right, resulted in wage decreases.

Impact of Generalized Strikes and Strike Waves on Wealth Redistribution, on the Minimum Wage, and on Working Hours

My hypothesis is that generalized strikes and strike waves are conflicts of a societal nature, which means that they have an objective of social change, i.e., to alter the wealth redistribution of society. I assumed that the workers' objective here was to obtain permanent mechanisms that would guarantee steady and institutionalized improvements in their material working and living conditions. In other words, their objective was to achieve a new status that would emancipate them from the logic of the market economy. Since the mid-1980s, the objective has been to resist any policies aimed at reducing the benefits resulting from these mechanisms.

Main Determinants of Generalized Strikes

Two assumptions underlie my analysis. First, I assume that employees acted as if they stuck to an a priori objective of increase in their real net wages and adjusted the level of generalized strikes in order to achieve this objective. This assumption is consistent with the idea that generalized strikes sought to provide employees with steady improvements of their material conditions. This objective was estimated by the average annual increase in real net wages—i.e., 3.2 percent from 1951 to 1967, 4.4 percent from 1969 to 1977, and only .20 percent from 1978 to 1985. During the 1978-85 period, employees acted as if they had given up the objective of rapid increases in net wages: their objective was only to maintain the purchasing power of real net wages. Second, I expected the egalitarian trend, which has characterized French society since the Revolution of 1789, to significantly influence the levels of generalized strikes.

The regression results support my analysis (see equation 3). Generalized strikes were negatively related to the difference between worker expectations and increases in real net wages for workers and office workers and they were positively related to the wage gap between senior executives, on the one hand, blue-collar workers and office workers on the other. Like localized strikes, generalized strikes were also significantly related to two of the factors included in labor mobilization—i.e., negotiations between either the Socialists and the
Communists or the government and unions, and national demonstration strikes. However, generalized strikes were not correlated to the level of coordination between the CGT and the CFDT, which means that workers' organizational capacity had little influence on these conflicts. The impact of national demonstration strikes on generalized strikes was estimated to be twice as important as their impact on localized strikes. The same holds true for the impact of the relationship between the Socialists and the Communists. The impact of the government's policy on generalized strikes was found to be about the same as on localized strikes, except in 1970. The reason is that Progress Contracts applied mostly to large nationalized firms. What was perceived as a major shift to the right in 1958 resulted in a wait-and-see attitude among workers, which weakened labor mobilization hence a decrease in generalized strikes.

*The Impact of Strike Waves and Generalized Strikes on Social Policy*

In France, the class struggle over wealth redistribution at the national level focused on three main strategic components: social benefits, the minimum wage, and working hours without loss of pay. In the postwar period, the purchasing power of both social benefits and the minimum wage increased dramatically while working hours decreased rapidly. The purchasing power of welfare benefits increased by 7.4 percent on average annually from 1951 to 1977, and by 3.8 percent from 1978 to 1985. As a result, social benefits accounted for 37 percent of net national income in 1985, up from 17 percent in 1950. The purchasing power of the guaranteed minimum wage increased by 20.3 percent in 1968 and by 10.7 percent in 1969, following the May 1968 strike waves, and by 4.7 percent on average annually from 1970 to 1982. Working time decreased by eighteen hours on average annually between 1970 and 1985. These decreases translated into about thirty-three hours of work per week in 1985, down from thirty-eight hours in 1970, without loss of wages.

The regression results show that strike waves and generalized strikes significantly influenced social benefits, the minimum wage, and working hours (see equations 5 to 7). In addition to strike waves and generalized strikes, two other variables had a significant impact on social policy. First, the 1974 economic crisis pressured the government to increase social benefits and the minimum wage more rapidly in 1975. Social benefits were used by the French government as macroeconomic stabilizer programs, in accordance to Keynesian prescriptions. Similar
policies were implemented in many industrialized countries following the first oil price shock (Schmidt 1983; Swank 1988; Hicks, Swank and Ambuhl 1989). Second, the balance of power between the left and the right also affected social policy. This politicization of social policy started with de Gaulle’s rise to power in 1958. Since then, whenever the government viewed the balance of power as more favorable to the right, lower increases in social benefits and the minimum wage (or even decreases in 1958) followed, and conversely.

A number of French authors held that strikes had a significant impact on changes in social policy (Reynaud 1982: 112), although their thesis is not supported by empirical analyses. On the other hand, the American literature has developed four main approaches to the welfare state, both theoretical and empirical. These approaches can be summarized as follows:

- Structural functionalism includes the industrialism theory (Jackman 1975; Pampel and Williamson 1988; Wilensky 1975), the monopoly capitalism or economic structuralism theories (O’Connor 1973; Offe 1984), and the regulation theories (Aglietta 1982; Boyer 1987, 1995);
- The interest-group-politics theory (Pampel and Williamson 1988); and
- The state-centered approach or institutionalist paradigm (Block 1977; Piven and Cloward 1977; Weir, Orloff and Skocpol 1989).

My model stands within the framework of the political class struggle theories, which is consistent with my core hypothesis that class struggle mobilized the whole of French society throughout the 1950-early 1980s period. My model takes into account both forms of the class struggle: institutionalized politics (as conducted by labor unions or political parties) and non- or less institutionalized politics (strikes, mass demonstrations, and riots). Regarding non-institutionalized politics, the significant incidence of strikes on social benefits resulted from the characteristics of the French industrial system. Contrary to the situation in most postwar industrialized countries, where strikes had a positive impact only in a few particular contexts, strikes in France were a powerful predictor of social benefits, the minimum wage, and working hours, whatever the economic, political, or union-related contexts. On the other hand, the incidence of the balance of power conformed to what
happened in many industrialized countries, where left-right opposition played a key role in changes in the welfare state.

Regarding the incidence of political parties, two main factors are used in many models of the welfare state: the party control of government and the interaction of government leadership and opposition (Hicks and Swank 1992; Wilensky and Turner 1987). Many scholars have argued that governments controlled by the left—or by the center—had a positive influence on social expenditures, especially during expansion periods and in contexts characterized by strong union organizations. Governments controlled by rightist parties had a negative influence, but only during periods of economic expansion (Swank 1988: 1142-43). The interaction of government leadership and opposition measures two series of phenomena: “contagion from the left” and “bourgeoisement.” In France, the positive impact of a rightist government, not thwarted by a leftist opposition, prevailed only in 1958 and, to a lesser extent, in 1959. Conversely, the positive effect of a leftist government occurred only in 1981 and 1982. With the exception of these four years, changes in social benefits were determined either by both forms of the “contagion from the left” phenomenon between 1951 and 1980—i.e., interaction of a leftist opposition and a rightist government until 1968 and then interaction of a leftist opposition and a center government—or by the “left bourgeoisement” effect since 1983.

Impact of Strike Waves and of Generalized Strikes on Unionization

There are two series of data on union following in France. The first relates to union members. The breakdown of union members by confederations mirrors employees’ political and ideological preferences. The second series relates to union representatives, who have been elected by workers within firms every year since 1969. The results of labor elections measure to what extent workers rely on unions to champion their economic interests. There is no exclusive right for one confederation to collectively bargain in France. Each union is represented in collective bargaining structures at both the firm level and the national level according to its results in labor elections.

Union membership in the private sector increased by more than 12 percent in 1968 and kept growing by 1.3 percent on average annually between 1969 and 1977, at about the same rate as the labor force. Then the number of union members decreased by 3.3 percent annually from
1978 to 1980, and this decline accelerated in the 1980s. I assumed that union membership increased by more than 12 percent in 1968 as a result of the May-June strike waves and was then sustained by the leftist strategy to achieve political power. This upward trend in unionization ended in 1977, when the Socialist and Communist Parties broke off negotiations over updating their government program. Following the same pattern as union members, the number of union representatives increased by 4,200 on average annually from 1969 to 1977 and by 1,600 from 1978 to 1981 and then decreased. The reversal in trend also occurred in 1977.

The regression results support my analysis. They show that strike waves and generalized strikes had a significant impact on union growth and on mounting union power within firms from 1968 to the late 1970s (equation 8). Variations in union membership also depended on the balance of power between the right and the left. The number of union representatives was positively related to two main factors: generalized strikes and the 1968 strike waves, and the level of coordination in leftist strategies (equation 9). In addition, the 1975 economic crisis boosted the number of union representatives temporarily because workers felt that they were in a more vulnerable situation and needed additional support from unions to protect their interests.44

This ebb and flow movement of unionization was not specific to France. Many scholars have noticed an increase in union density in most European countries beginning in 1968, followed by a downward trend since the late 1970s.45 However, this decline was much more rapid in France (Launay 1992: 445; Mouriaux in Launay 1992: 475; Visser 1988). My model provides a new approach to understand these recurring up and down movements in union membership, based on the differentiation among two series of phenomena: short-lived movements of very rapid union growth, usually less than a year or a few years; and long-term trends toward union growth or decline. Regarding the first phenomenon, some authors have noticed that significant increases in union membership used to follow strike waves. For example, in France, the number of CGT members rocketed to 4-5 million after the 1936 strike waves, up from about 800,000 in 1935 (Bouzonnie 1987: 67). A similar pattern characterized the British union movement in the 1916-22 and 1933-43 periods (Cronin 1979; Bain and Mason 1993).46 However, at least in France, rapid decreases in union membership used to follow after these short-lived upsurges. For example, the number of CGT members
fell to only one million in 1939. A unique phenomenon occurred in the 1970s: the increase in union membership of more than 12 percent in 1968 kept on strengthening over the next nine years.  

Based on the French case as compared to other industrialized countries, my contention is that unless union organizations and pro-labor parties find a way to consolidate strike wave-related increases in unionization, such increases cannot expand into longer-term upward trends and then resist anti-union forces. A number of factors have been identified as the main predictors of the general decline in the labor union movement in the 1980s—especially enduring upward trends in the unemployment rate (Freeman 1989; Visser 1988; Koeller 1994; Western 1994); changes in the sectoral and professional composition of the labor force (Griffin et al. 1991; Koeller 1994; Western 1994); and employer attitude (Griffin et al. 1991; Mason and Bain 1983). Griffin et al. (1991) and Western (1994) showed that these factors impacted countries with low union density much more strongly than countries with high density. This finding is supported by my analysis of unionization in France. In a number of industrialized countries, especially social-democratic ones, union organizations and pro-labor parties were able to take advantage of the favorable balance of power created by strike waves to establish enduring institutional structures. Such structures include highly centralized collective bargaining mechanisms, Ghent systems of union-administered unemployment insurance (Western 1994), and strong local structures with union control over works councils. My contention is that in these countries, union membership was first boosted by strike waves and then kept on strengthening thanks to the support of pro-labor institutional structures.

For a variety of reasons—especially the anticorporatist philosophy and the large number of union confederations divided along ideological lines—French union organizations could not develop strategies based on the social-democratic model. Nevertheless, union membership kept on growing until 1977. This unusual pattern is explained by a unique event in French political history, i.e., the coordination in the strategies of leftist parties to achieve political power, first initiated in 1966. However, after the Socialist and Communist Parties broke off negotiations in 1977, union membership began declining rapidly. This pattern based on the prevailing influence of national politics was much more fragile than the pattern implemented in social-democratic countries, and therefore it accounts for the magnitude of the French union decline, which was much
more rapid than in other industrialized countries. These findings stand in sharp contrast to Hancké’s (1993: 595) thesis that local union actions were a much more powerful predictor of union density than union strategies at the national level. My differentiation among short-term upsurges in unionization and long-term trends toward union growth or decline may explain this difference. It is unquestionable that local union structures as well as institutional pro-labor structures at the national level explained long-term strengthening of union movements in a number of countries. However, strong locals seem unlikely to account for short-lived upsurges in unionization (at least in such countries as France or Italy) insofar as rapid growth in union membership occurred within months of the 1968 strike waves, i.e., before the official recognition and development of union locals.

National Demonstration Strikes and the Leftist Strategy to Achieve Political Power
My hypothesis is that national demonstration strikes are conflicts of a political nature because leftist parties and unions systematically used them to achieve political power. I assumed that there was a linkage, both logical and historical, between strike waves and generalized strikes, on the one hand, and left coordination, national demonstration strikes, and the left vote on the other.

Left Coordination, National Demonstration Strikes, and the Left Vote
First, the correlation between strikes and the level of coordination in strategies of leftist unions and political parties can be explained as follows. The magnitude of both strike waves and generalized strikes from 1950 to the mid-1960s, which signaled a very high level of spontaneous employee combativeness, strengthened the determination of leftist unions and parties to use worker militancy to achieve political power. However, they could not achieve power if divided. Therefore, they attempted to overcome their doctrinal quarrels to achieve coordination in their strategies. A major step toward coordination was taken in 1966, when national agreements between the Socialists and the Communists, on the one hand, and the CGT and CFDT, on the other, were signed. Then the 1968 strike waves gave the left fresh impetus to proceed toward stronger coordination. A number of scholars have also argued that the “degree of ideological and organizational cohesiveness of the bourgeois and socialist tendencies is a crucial variable which
influences the overall distribution of power” (Schmidt 1983: 5; see also Korpi and Shalev 1979: 170). As for the form of organization, most institutional change movements have conformed to the centralized bureaucratic model.

Second, once coordination was under way, leftist unions and political parties were able to direct employee combativeness toward political mass demonstrations, which accounts for the correlation between left coordination and national demonstration strikes. Adam (1981) also noticed the specific characteristics of this new category of conflict. Third, these mass demonstrations made workers aware of their numbers and of their strength, so that the idea that the left could achieve political power grew increasingly strong among them. This fostered the emergence of a left-oriented electoral majority and, ultimately, the victory of the Socialist-Communist coalition in the 1981 presidential and parliamentary elections. Leftist parties achieved political power in two stages: first at the local level in the 1970s (especially in the 1976 cantonal elections and the 1977 municipal elections) and then at the national level in 1981. This victory, however, occurred after three years of underlying disunion among leftist unions and political parties.

To sum up, during the 1950-68 period, mass mobilization in generalized strikes or in strike waves was the only means for employees to shift the balance of power in their favor in order to achieve their objective of steady improvements in their material working and living conditions. However, during the subsequent period, i.e., 1969-77, leftist unions and parties succeeded in organizing national demonstration strikes. These resulted in the lasting politicization of employee behavior: insofar as employees were convinced that their demands would be satisfied once the left had achieved power, ballots replaced strike actions. Therefore, this politicization resulted in both lower levels of generalized disputes and the emergence of a left-oriented electoral majority in France. This analysis of the emergence of a left majority in France stands within the framework of the traditional paradigm supported by a number of French political scientists. According to this paradigm, socioeconomic variables, especially the left-right identification, were the main determinants of voter behavior in France in the 1970s (Ysmal 1994: 375).

Some French scholars (Mouriaux 1983: 160-61; Reynaud 1982: 113) have also argued that strikes and changes in the political arena are related indirectly. My model supports this thesis, although based on a
different argument: strikes and political changes were related indirectly because generalized strikes and strike waves were the main factor that induced leftist parties to coordinate their strategies. In addition, my model shows that strikes and political changes were related directly, insofar as the upward trend in the left vote resulted from national demonstration strikes.

**Regression Results**

*Equation 10* shows that left coordination was positively related to both strike waves and generalized strikes from 1950 to 1964 and then to the 1968 strike waves. The May-June 1968 protest movements and riots scared part of the electorate, who shied away from the left temporarily. As a result, the impact of the 1968 strikes on left coordination was delayed for three years: man-days lost in 1968 were spread over seven years, beginning in 1971 only. The 1975 economic crisis also temporarily diminished pro-leftist feelings among the French electorate.

*Equation 11* shows that national demonstration strikes were positively related to the level of coordination in leftist strategies and negatively related to the trend in the government's social policy. More conservative social policies resulted in higher levels of national demonstration strikes, and vice-versa. In addition, the 1975-76 economic recovery resulted in an increase in labor mobilization at the firm level and, consequently, in a decrease of national demonstration strikes.

*Equation 12* shows that from 1967 to 1981, variations in the left vote were positively related to the magnitude of national demonstration strikes. The upward trend in the left vote was temporarily halted between 1968 and 1970 because the May 1968 riots scared part of the electorate.

**The Political Exchange Theory and the French Leftist Strategy to Achieve Power**
The French leftist strategy to achieve political power was totally different from leftist strategies in social-democratic countries, as analyzed by the Political Exchange Theory. According to this theory, political strategies of conflict may substitute for industrial strategies of conflict under the main preconditions that unions “developed sufficient organizational strength and political support to achieve durable control of the polity” (Korpi and Shalev 1979: 177). Unless these conditions are met, “neither capital nor the representatives of the state would be likely to regard political
exchange as a credible option” (Korpi and Shalev 1979: 180).

Institutional preconditions to a political strategy of conflict were never met in France. For the one thing, because of a low union density, French labor organizations were not in a position to “neutralize potential sources of militancy at the grass roots” (Korpi and Shalev 1979: 173). For another, the coordination of union strategies occurred within a very short period (between 1966 and 1977). Otherwise, union organizations were deeply divided. However, as the corporatist avenue to political power was not practicable, French leftist unions and parties devised an alternative way to expand the left vote, i.e., by developing national demonstration strikes. A number of scholars have noticed that in countries (such as France prior to 1981) where “working class parties enjoyed significant electoral support, but were excluded from ... the executive branch of government,” the union movement was “capable of periodically mounting large-scale demonstration strikes” (Korpi and Shalev 1979: 181).

Tilly (1975, 1978, 1981) has documented the shift from “decentralized, informally structured communal movements to centralized, formally structured SMOs” (social movement organizations) over the last four centuries. The main advantage of mass demonstrations is to “signal numerical support” (Jenkins 1983: 540). However, the demonstrative characteristics of this category of social movements are susceptible of several interpretations. According to a number of scholars, demonstration strikes “are designed primarily to capture the attention of the polity and gain favorable intervention from the state” (Shorter & Tilly 1974). Contrary to this interpretation, my model shows that French national demonstration strikes were not designed primarily to influence current social policies but to support leftist strategies to achieve political power. In the 1970s, economic demands, such as early retirement or reduced working hours, served mainly as slogans to rally workers. Therefore, the Political Exchange Theory describes only one avenue by which leftist parties achieved political power at the governmental level. The French model shows that a second avenue was possible.

Worker Mobilization Potential and Organizational Capacities

Most empirical studies of strikes have developed within the framework of the Resource Mobilization Theory. Three of its hypotheses are of interest to the model presented here: (i) The prerequisite to a group’s mobilization potential is a high level of preexisting solidarities among the
Some French authors (Reynaud 1982: 58-59) have also developed this thesis, which is supported by the model presented here; (ii) Collective action is determined by the level of group organization. “Without organization there is no collective action, at least no successful and sustained collective action” (Franzosi 1989b: 354). Unions take worker dissatisfaction and translate it into action; and (iii) The Resource Mobilization Theory emphasizes “the role of movements as agencies for social change” (Jenkins 1983: 528-29). Therefore, the Resource Mobilization Theory’s field of investigation excludes “any set of noninstitutionalized collective actions consciously oriented towards social change (or resisting such changes) and possessing a minimum of organization” (Jenkins 1983: 529). In particular, it excludes spontaneous grass-roots movements, such as strike waves and general strikes that occurred in industrialized countries toward the end of the nineteenth century and in the beginning of the twentieth century, when union capacities to organize were still limited. It also excludes French localized and generalized strikes.

Localized strikes were not oriented toward social change. Worker objective here was to obtain temporary wage increases, and the rationale for striking was the calculation of short-term economic costs and benefits. Moreover, the model presented here shows that localized strikes required only a minimum level of organization, as measured by the level of coordination between the CGT and CFDT (see equation 2). Generalized strikes and strike waves did have an objective of social change, i.e., to alter the wealth redistribution of society. However, they too required only a low level of organization. National demonstration strikes had an objective of change (not social, but political) and they required centralized organizational control from the French leftist unions and political parties. They also conformed with the Resource Mobilization Theory for another reason: they started in the mid-1960s, when workers’ living and working conditions had improved significantly (Jenkins 1983: 532).

Therefore, this research challenges the widely held assumption that workers’ organizational capacity is a prerequisite to any successful collective action. It shows that the magnitude of strike waves and generalized strikes depended primarily on workers’ spontaneous combativeness and that French labor organizations therefore played a much more limited role than usually attributed by both organizational/political and economic models of strikes. Most often,
French unions did not time strikes. They got involved in them after strikes had started and then tried to negotiate the outcomes (Reynaud et al. 1971: 80; Reynaud 1982: 39 and 123). During the period considered in this study, union organizations did not hold power of their own. Their main assignment was to serve as worker representatives in negotiations with management, and their “power” was totally dependent on the levels of strikes initiated by workers, except for the 1968-77 period. During that period, union organizations owed part of their power to the high level of coordination in leftist strategies.

Contrary to the situation in the United States and other industrialized countries, where most strikes result from a union’s call when labor and management cannot come to an agreement prior to the expiration of a current contract, most strikes in France, and especially strike waves and generalized strikes, occurred at any time and were set off spontaneously by workers. French authors such as Delamotte (1982: 327), Mouriaux (1983: 148), and Reynaud (1982: 34), have also argued that most strikes in France, and especially the biggest conflicts of the last fifty years, were set off spontaneously. In the French system of industrial relations, the timing of negotiations was mostly unspecified (Reynaud et al. 1971: 79) and, in any case, a contract did not forbid strike movements prior to expiration (Reynaud 1982: 33) Furthermore, until the 1982 law, employers were not legally obligated to open negotiations with worker representatives at the firm level on a regular basis. In such a system, employers bargained only under strike pressure (Howell 1992: 74). In addition, it behooved the state to regulate all aspects of industrial relations (Howell 1992: 75).

Some scholars have emphasized that this system characterized by the “absence of some form of class compromise,” was quite “unusual” (Howell 1992: 73-74). This absence of class compromise originates in the anti-corporatist philosophy prevailing in France and inherited from the 1789 Revolution. The French government attempted to change this system radically, first in the early 1970s and then in the early 1980s. However, both efforts failed. The “New Society” reform of the early 1970s led to an expansion of state intervention in industrial relations (Reynaud et al. 1971: 206). In the early 1980s, local unions at the firm level were too weak to take advantage of the 1982 Auroux Laws.
III. IMPORTANT IMPLICATIONS THAT CAN BE DRAWN FROM THIS RESEARCH

Perverse Effects That Have Resulted From the French Pattern of Sociopolitical Development

Although the model presented here was constructed using data for the 1950 to mid-1980s period, it provides important insights into the mechanisms at play in French developments since then. The French pattern of sociopolitical development, as analyzed in this chapter, has led to at least four perverse effects: (i) the sharp decline of the French labor movement; (ii) increased political instability and a weakened democracy; (iii) major difficulties in overhauling the system of social protection; and (iv) a weakening of free enterprise spirit. Since the 1990s these effects may have been reinforced by increased globalization and Europeanization.

First, the pattern of union growth, which was sustained by the leftist strategy to achieve political power, accounts for the sharp decline in both union members and worker support for unions that followed the 1977 breakdown between the Socialist and Communist Parties. Therefore, this research challenges the widespread idea among labor scholars that radicalism, i.e., the subjugation of union organizations to radical-left parties, could bring about a significant revival of the labor movement. The changing global economy has aggravated the trend toward union decline, to the point that one may now speculate upon the collapse of the French labor movement. The new strategic orientations developed by the main union confederations at the national level over the past fifteen years have failed so far to reverse the declining trend. Increased fragmentation has further weakened the labor movement and made it very difficult to develop cooperative labor-management relations at the firm level.

Second, as the corporatist avenue to political power was not practicable, French leftist unions and parties found an alternative way to expand the left vote by orchestrating national demonstration strikes in the 1970s. This strategy eventually succeeded. However, by initiating a pattern in which national elections have been largely determined by mass demonstrations, the leftist strategy has instilled in the French public the idea that the chances for parties to achieve political power were more dependent on their ability to organize mass demonstrations than on their expertise in and commitment to solving the country’s problems. As a
result, this strategy has contributed to weakening democracy and increasing political instability. For the first time in 1981, the government, although legally elected, owed its election mainly to the power of the street. Even though the principle of legal elections has never been questioned in France, the 1981 victory of the Socialist-Communist coalition initiated a process that may endanger the future of French democracy. The major role played by mass demonstrations in French politics was illustrated one more time in the presidential elections of April-May 2002, when the center-right candidate Jacques Chirac was elected thanks to mass demonstrations. Europeanization may have aggravated the trend toward political instability, as the French state finds itself facing problems it can no longer handle.

Thirdly, the government's repeated efforts to overhaul the system of social protection since the mid-1980s have met with considerable opposition from public-sector workers and brought about only partial results, mainly the consolidation of a two-tier pattern of social development. Over the last fifteen years of the twentieth century, as economic growth has slowed down significantly, the gap between public-sector workers entitled to a wide array of social benefits (including job security) and all the other workers has been widening. On the one hand, public workers (under strikes' pressure) retained most of the advantages related to their status. On the other, social benefits for the bulk of the French population were increasingly subjected to the competitive logic, whatever the level of strikes.

From 1953 to the late 1990s, public workers systematically ignored economic imperatives and successfully resisted any policies aimed at reducing their benefits. Under strike pressure, the government always backed down on plans to reduce their benefits. This pattern was first initiated in August 1953, when the Laniel Decrees stated new regulations in matters of recruitment, dismissal, promotion, and pensions much less favorable to public employees. These decrees triggered a three-week strike by civil servants, as well as public transportation and electric utility workers, followed by a five-week strike by private-sector workers. According to my estimate, the 1953 strike resulted in nearly 13 million man-days lost in the nationalized and private sectors, not including the public sector. By means of comparison, the May-June 1968 strike waves resulted in 10.5 million man-days lost (according to my estimate). From 1953 to the early 1980s, whenever the government attempted to question their status, civil servants and public workers engaged in strike
movements to protest the government's moves. 64

The November-December 1995 strikes, which were triggered by the government's program to overhaul the social welfare system, were no exception to the rule. 65 In conformity with the usual pattern, this series of measures, as well as the freezing of public workers' wages, resulted in a paralyzing three-week strike mounted by public workers. However, this time and in contrast to what had happened previously, only public workers benefited from the strikes as the government bowed to public workers' demands. At the same time, the core of the government's welfare reform package remained intact. 66 The government went a significant step further in the Spring 2003 conflict over the new reform of public-sector workers' pensions. For the first time since the end of World War II, it did not yield to street protest. However, it postponed the urgently needed reform of the Social Security system until 2004.

Finally, this research supports the idea that recurrent strikes of great magnitude throughout the twentieth century weakened free enterprise spirit. From 1953 to the mid-1980s, not only did high levels of strikes in the public and nationalized sectors allow public workers to maintain their status and most of their benefits, but they also contributed to a large extent to the expansion of the welfare state, which benefited large segments of the French population. This pattern instilled in the French population the idea that whenever public workers went on strike, not only did they defend their own status, but they also struggled to improve working and living conditions of most French people. This still widespread idea accounted for the passive sympathy in the general public for the 1995 strikes. Opinion polls showed that nearly 60 percent of the public supported the strikes. One might have expected that the outcome of the 1995 strikes—i.e., the consolidation of a two-tier pattern of social development—would have seriously shaken the idea that improved (or at least maintained) working and living conditions for all were closely dependent on the ability of public workers to defend their own professional status. However, as the welfare state can no longer guarantee economic security for all and because large segments of the population put a premium on security in both their professional and personal lives, the public sector has been viewed increasingly as the last refuge from insecure living conditions. 67 Therefore, the French pattern of social development, based on the primacy of large strikes, has weakened enterprise and initiative, which has contributed to the decline of France's economy in the international arena.

In the future, it is unclear how far the government can go to overhaul the welfare state and to promote free-market policies without fostering a strong revival of the radical left. Entrepreneurialism, which has seduced
a number of influential Socialist leaders since the early 1980s, has been increasingly challenged both inside the Socialist Party itself and by various components of the radical left. Moreover, although since the 1990s large strikes have been much less successful in influencing national policies than in the past, a reversal of this trend cannot be precluded. In a scenario reminiscent of what happened in 1936 and 1981, the possible arrival of a new leftist coalition in office might trigger strike waves and mass demonstrations aimed at forcing the government to relinquish free-market policies. While the first two experiments with a radical-left government, in 1936 and 1981-82, did not lead France to break away from the capitalist system permanently, a reoccurrence of such an experiment might have more serious implications.

Some Broader Implications

First, from a methodological perspective, this research makes a strong case for introducing political and non-institutional variables into models forecasting economic trends, in two modes: as objectively measured and as subjectively perceived by the main actors in the economy and in society. Adams and Brock (1986: 14) stated: “Unlike the political economists who founded our discipline, we largely ignore the power element in economic statecraft; and lacking a theory of power, we seek to minimize the use of power in matters affecting the production and distribution of wealth.” My model shows that introducing the “power element,” i.e., variables such as strikes, mass demonstrations, and other political and non-institutional variables, into equations predicting distribution of wealth (especially, social benefits, the minimum wage, and industrial hourly wages) reduces the margin of error inherent in the forecasting process. Over the period under consideration, these equations produce more accurate results than conventional equations.

Second, this research documents the idea that advanced industrial societies cannot afford recurrent strikes of great magnitude combined with radical-left driven mass demonstrations without damaging the very fabric of democracy and of enterprise spirit, and without jeopardizing the future of the labor movement itself. In the early stages of capitalism (the nineteenth century in Europe and the United States) and throughout the twentieth century until World War II, workers’ harsh working and living conditions made outbreaks of strikes inevitable. These strikes brought about significant improvements in workers’ lives. However, to the extent that these conditions improve—as was the case in the public sector of postwar France—and because of the perverse effects resulting
from widespread spontaneous strikes, these should remain the weapon of last resort. Therefore, this research makes a strong case for devising and implementing social compromises that address the fundamental challenge facing market societies, i.e., maintaining individuals' ability and desire to take risks without sacrificing economic security and well-being. Over the course of the twentieth century and as far as France is concerned, there has been various attempts at implementing social compromises both in firms and in the broader society. However, because these attempts inevitably collided with this country's tradition of radicalism, none of these efforts succeeded in significantly improving the French system of social and political development.

Finally, the divisions among different categories of strikes based on workers' expectations, i.e., temporary versus institutionalized improvements in their material conditions, have far-reaching implications for our understanding of strike dynamics in other countries, and more broadly, of the dynamics of capitalism. Until the end of World War II, French workers were able to obtain temporary improvements through localized strikes but rarely (except in 1936-37) could they achieve more permanent gains through general strikes. By contrast, using microeconometrics of strikes, Card and Olson (1995) showed that in the United States, strikes over wages in the 1880s were "primarily strikes over union recognition." In light of the divisions among different categories of strikes, this finding means that as early as the 1880s and unlike French workers, American workers were able to gain institutionalized improvements through union recognition. After World War II, regular collective bargaining provided many American workers with institutionalized improvements. By contrast, French workers never reached this stage in the evolution of industrial relations, except in the period 1968-72. However, they were able to achieve permanent improvements through recurrent general strikes, i.e., by pressuring the government to steadily increase social benefits. Therefore, in France, the welfare state substituted for collective bargaining as the main mechanism through which workers achieved permanent gains. Although French and American industrial societies have followed strongly different avenues since the nineteenth century, this brief comparison shows that workers' search for institutionalized improvements in their living and working conditions is inherent to the dynamics of capitalism. Since the 1980s, many American workers have found themselves in a situation similar to that of the 1880s, i.e., fighting for union recognition. In France, only
public-sector workers, still largely protected against widespread unemployment, have engaged in large-scale strikes, although with a more limited objective of preserving welfare provisions for themselves. A possible inference from this analysis is that trends toward a rapid retrenchment of the two main institutions which have provided workers with economic security so far, i.e., the welfare state and collective bargaining, might foster a resurgence of industrial conflict in advanced industrial societies.
Table 1 - Levels of Localized Strikes, Production, Unemployment, Prices, and Unemployment Benefits by Subperiods from 1951 to 1983

<table>
<thead>
<tr>
<th>Loc.Strikes (thousands)</th>
<th>Production (Percent)</th>
<th>Unemp. Rate (Percent)</th>
<th>Prices (Percent)</th>
<th>Unemp. Benefits (Millions of francs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951-59.1</td>
<td>412</td>
<td>+1.2</td>
<td>1.8</td>
<td>1.6</td>
</tr>
<tr>
<td>1959.2-66</td>
<td>263</td>
<td>+1.4</td>
<td>1.5</td>
<td>1.0</td>
</tr>
<tr>
<td>1967-73.1</td>
<td>400</td>
<td>+1.3</td>
<td>3.0</td>
<td>1.3</td>
</tr>
<tr>
<td>1973.2-79</td>
<td>584</td>
<td>+0.6</td>
<td>5.4</td>
<td>2.6</td>
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<tr>
<td>1980-83</td>
<td>285</td>
<td>-0.2</td>
<td>11.2</td>
<td>2.8</td>
</tr>
</tbody>
</table>

LOCALIZED STRIKES: Average number of man-days lost per quarter for 13 million employees.

PRODUCTION: Average increase in industrial production per quarter (excluding construction and seasonally adjusted)

UNEMPLOYMENT RATE: Average ratio of the unemployed to the labor force per quarter.

PRICES: Average increase in consumer prices per quarter.

UNEMPLOYMENT BENEFITS: Real average unemployment benefits for 1,000 unemployed (in million of francs). Estimation for the period 1951-58.
Table 2 - Main Determinants of Localized Strikes: The Unemployment Rate and Prices (Regression Results in Quarterly Data: 1951-83)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Eq.1.1</th>
<th>Eq.1.2</th>
<th>Eq.1.3</th>
<th>Eq.1.4</th>
<th>Eq.1.5</th>
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</thead>
<tbody>
<tr>
<td>UNEMP</td>
<td>-1.151</td>
<td>-0.978</td>
<td>-2.242</td>
<td>-2.184*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(.185)</td>
<td>(.221)</td>
<td>(.325)</td>
<td></td>
<td>(1.113)</td>
</tr>
<tr>
<td>PRICE</td>
<td>3.170</td>
<td>13.540</td>
<td>10.010</td>
<td>4.300*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(.755)</td>
<td>(2.506)</td>
<td>(3.106)</td>
<td></td>
<td>(1.856)</td>
</tr>
<tr>
<td>*EVENT</td>
<td>26.297</td>
<td>8.902</td>
<td>16.234</td>
<td>17.672</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(3.974)</td>
<td>(.727)</td>
<td>(1.545)</td>
<td></td>
<td>(5.960)</td>
</tr>
<tr>
<td>CST</td>
<td>39.054</td>
<td>25.293</td>
<td>25.149</td>
<td>40.380</td>
<td>26.600</td>
</tr>
<tr>
<td></td>
<td>(2.043)</td>
<td>(1.233)</td>
<td>(3.467)</td>
<td>(7.906)</td>
<td>(6.268)</td>
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<tr>
<td>R²</td>
<td>.75</td>
<td>.43</td>
<td>.90</td>
<td>.86</td>
<td>.47</td>
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<tr>
<td>DW</td>
<td>2.350</td>
<td>1.200</td>
<td>1.764</td>
<td>1.374</td>
<td>2.517</td>
</tr>
</tbody>
</table>

**Dependent Variable:**
LOCSTRIK (Localized Strikes): Number of man-days lost quarterly for 13,000 employees (deseasonalized). **Source:** Data constructed by the author from official and non-official data (see Using a Variety of Sources to Construct Strike Data Sets).

**List of Independent Variables:**
UNEMP (Unemployed): Quarterly variations in the number of the unemployed in percent (deseasonalized). **Source:** INSEE. (official data). PRICE: Quarterly variations in percent. **Source:** INSEE.
*EVENT: This variable measures the impact of a few important events on labor mobilization, i.e., the determination of labor to engage in strike actions.
CST (Constant).

**Comments on Table 2:**
Ordinary Least Squares were used to calculate every equation. Standard errors are in parentheses. R² is the adjusted R square coefficient. DW is the Durbin-Watson statistic. Most regressors are significant at .01 or under; * significant at .05.

* denotes qualitative variables (see below Definitions and Measurements of the Qualitative Variables).
Table 3 - Localized and Generalized Strikes: Main Determinants and Impact on Wages, Social Benefits and Working Hours (Regression Results in Annual Data: 1951-85)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Eq.2</th>
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<th>Eq.4</th>
<th>Eq.5</th>
<th>Eq.6</th>
<th>Eq.7</th>
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<tr>
<td>UNBENEF</td>
<td>1.386</td>
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</tr>
<tr>
<td></td>
<td>(.791)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRICE</td>
<td>1.019</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(.219)</td>
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<td></td>
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</tr>
<tr>
<td>NETWAGE</td>
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<td></td>
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</tr>
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<td></td>
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<td>(.080)</td>
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<td></td>
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</tr>
<tr>
<td>WAGEGAP</td>
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<td></td>
<td></td>
<td></td>
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</tr>
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<td></td>
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<td></td>
<td></td>
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<td></td>
</tr>
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<td></td>
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<td>(.028)</td>
<td></td>
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</tr>
<tr>
<td>*ECOCRIS</td>
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<td>2.158</td>
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<td></td>
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</tr>
<tr>
<td></td>
<td>(.528)</td>
<td>(.897)</td>
<td>(1.272)</td>
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</tr>
<tr>
<td>*LABMOB1</td>
<td>1.083</td>
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</tr>
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<td>(.175)</td>
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<td>*LABMOB2</td>
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<tr>
<td>LOCSTRIK</td>
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<td></td>
<td></td>
<td>(.017)</td>
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<td>GENSTRIK</td>
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<td></td>
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<td>(.003)</td>
<td>(.017)</td>
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<tr>
<td>STRIwav2</td>
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<td></td>
<td></td>
<td></td>
<td>(.004)</td>
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<td>(.056)</td>
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<tr>
<td>*EVENT2</td>
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<td></td>
<td></td>
<td>- .886</td>
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<tr>
<td></td>
<td></td>
<td></td>
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<td>(.080)</td>
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<tr>
<td>CST</td>
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<td>3.729</td>
<td>.974</td>
<td>- .911</td>
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<td></td>
<td>(1.549)</td>
<td>(.279)</td>
<td>(.314)</td>
<td>(.046)</td>
<td>(.073)</td>
<td>(.088)</td>
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<tr>
<td>R²</td>
<td>.77</td>
<td>.96</td>
<td>.93</td>
<td>.92</td>
<td>.93</td>
<td>.93</td>
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<tr>
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<td>1.921</td>
<td>2.005</td>
<td>2.078</td>
<td>1.485</td>
<td>2.175</td>
</tr>
</tbody>
</table>
List of Dependent Variables:

Eq.2: LOCSTRIK (Localized Strikes): Annual number of man-days lost for 130,000 employees. **Source:** Data constructed by the author from official and non-official sources (see *Using a Variety of Sources to Construct Strike Data Sets*).

Eq.3: GENSTRIK (Generalized Strikes): Annual number of man-days lost for 130,000 employees. **Source:** Data constructed by the author from official and non-official sources (see *Using a Variety of Sources to Construct Strike Data Sets*).

Eq.4: HOURWAGE (Industrial Hourly Wages): Annual variations in average real wages for workers in percent. **Source:** INSEE.

Eq.5: SOCBENEF (Social Benefits): Annual increase in the purchasing power of social benefits in percent. **Source:** *Les Comptes de la Protection Sociale* (official data). Social benefits include health insurance, unemployment compensation, pension, family allowances, maternity leaves, and benefits for employment-related injuries.

Eq.6: MINWAG (Guaranteed Minimum Wage): Annual increase in the purchasing power of the minimum wage in percent. **Source:** *Données Sociales*, INSEE.

Eq.7: WORKHOUR (Annual Working Hours): Annual variations in working hours in percent. **Source:** *Rapport sur les Comptes de la Nation*, INSEE.

List of Independent Variables:

CST (Constant)

Eq. 2, 5 & 6: *ECOCRIS (Economic Crisis): This variable measures the impact of the 1974-75 economic crisis and the subsequent expansion on localized strikes, social benefits, and the minimum wage.

Eq. 4 & 7: *EVENT: This variable measures the impact of a few exceptional events on both employers’ behavior (eq. 4) and governmental policy regarding working hours (eq. 7).

Eq. 5 & 6: GENSTRIK (Generalized Strikes): see List of Dependent Variables for this table.

Eq. 2 & 3: *LABMOB (Labor Mobilization): This variable measures the impact of political factors that either boosted or weakened worker determination to engage in localized or generalized strikes.

Eq. 5 & 6: *LEFTRIT (Left/Right Opposition): This variable measures
changes in the balance of power between the left and the right as viewed by the government.

Eq. 4: LOCSTRIK (Localized Strikes): see List of Dependent Variables for this table.

Eq. 3: NETWAGE (Net Wages): Annual increase in average real net wages minus annual increase expected by employees (in percent). 
Source: I calculated this variable from official data (INSEE).

Eq. 2: PRICE: Annual variations (in percent). Source: INSEE.

Eq. 5, 6 & 7: STRIKWAV (Strike Waves): Number of man-days lost for 130,000 employees. Source: Data constructed by the author (see Using a Variety of Sources to Construct Strike Data Sets).

Eq. 2: UNBENEF (Unemployment Benefits): Annual variations in unemployment benefits per unemployed in constant francs. Source: Les Comptes de la Protection Sociale.

Eq. 3: WAGEGAP (Wage Gap): Ratio of annual net wages for “senior executives” to annual net wages for “blue-collar workers” and “office workers.” Source: Variable constructed by the author from official data (INSEE).

Comments on Table 3:
Ordinary Least Squares were used to calculate every equation. Standard errors are in parentheses. R² is the adjusted R square coefficient. DW is the Durbin-Watson statistic. Most regressors are significant at .01 or under; * significant at .05; ′ significant at .10.

* denotes qualitative variables (see below Definitions and Measurements of the Qualitative Variables).
Table 4 - Generalized Strikes and Strike Waves: Impact on Unionization, Leftist Strategies and the Electorate (Regression Results in Annual Data: 1968-81)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Eq.8</th>
<th>Eq.9</th>
<th>Eq.10</th>
<th>Eq.11</th>
<th>Eq.12</th>
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<tr>
<td>STRIWAV2</td>
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<td></td>
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<tr>
<td></td>
<td>(.046)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>STRIWAV3</td>
<td>.110</td>
<td>.191</td>
<td>.930</td>
<td>.501</td>
<td>.569</td>
</tr>
<tr>
<td></td>
<td>(.009)</td>
<td>(.027)</td>
<td>(.237)</td>
<td>(.065)</td>
<td>(.044)</td>
</tr>
<tr>
<td>STRIWAV4</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>(.027)</td>
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<tr>
<td>GENSTRIK</td>
<td>.930</td>
<td>.089</td>
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<tr>
<td></td>
<td>(.237)</td>
<td>(.039)</td>
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</tr>
<tr>
<td>*LEFTRIT2</td>
<td>.501</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(.065)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>*LABMOB3</td>
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<td></td>
<td></td>
<td></td>
<td>.569</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<td>(.044)</td>
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</tr>
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<td>(3.400)</td>
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</tr>
<tr>
<td></td>
<td>(.513)</td>
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</tr>
<tr>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(.108)</td>
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<td>(.114)</td>
<td>(.374)</td>
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</tr>
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<td>R²</td>
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<td>.95</td>
<td>.85</td>
<td>.98</td>
<td>.96</td>
</tr>
<tr>
<td>DW</td>
<td>2.057</td>
<td>2.968</td>
<td>2.277</td>
<td>2.044</td>
<td>2.375</td>
</tr>
</tbody>
</table>

List of Dependent Variables:

Eq.8: UNIONREP (Union Representatives): Annual increase in union representatives in firms with over 50 employees. Source: Dossiers Statistiques du Travail et de l’Emploi (official data).

Eq.9: UNIONMEM (Union Membership): Annual variations in union
members in percent in the CGT, the CFDT and the FO. **Source:** Data constructed by the author from unofficial sources.

Eq.10: **LEFTCOOR (Left Coordination):** This variable measures the levels of coordination in strategies of leftist unions and political parties. It was given values from 0 to 6.

Eq.11: **NATDAYS (National Demonstration Strikes):** Number of man-days lost for 130,000 employees. **Source:** Data constructed by the author from official and unofficial sources (see Using a Variety of Sources to Construct Strike Data Sets).

Eq.12: **LEFTVOT (Left Vote):** Variations in the left vote in presidential, parliamentary, municipal, or cantonal (local) elections in percent. **Source:** Data calculated by the author from official and unofficial sources.

**List of Independent Variables**

**CST (Constant)**

Eq. 8 & 11: **ECOCRIS (Economic Crisis):** This variable measures the impact of the 1974-75 economic crisis and the subsequent expansion on union representatives and national demonstration strikes.

Eq. 12: **EVENT:** This variable measures the impact of the May 68 riots on the electorate. It was given values -1 and 0.

Eq. 8 & 10: **GENSTRIK (Generalized Strikes):** Annual number of man-days lost for 130,000 employees. **Source:** Data constructed by the author from official and non-official sources (see Using a Variety of Sources to Construct Strike Data Sets).

Eq. 11: **LABMOB (Labor Mobilization):** This variable measures alternating collaborative/confrontational trends in social policies that affected national demonstration strikes.

Eq. 8 & 11: **LEFTCOOR (Left Coordination):** see List of Dependent Variables for this table.

Eq. 9: **LEFTRIT (Left/Right Opposition):** This variable measures changes in the balance of power between the left and the right as viewed by workers. It was given values from -10 to 2.

Eq. 12: **NATDAYS (National Demonstration Strikes):** Annual average of man-days lost due to national demonstration strikes over several years, according to the periodicity of elections.

Eq. 8, 9 & 10: **STRIKwav (Strike Waves):** Number of man-days lost for 130,000 employees. **Source:** Data constructed by the author (see Using
a Variety of Sources to Construct Strike Data Sets).

Comments on Table 4:
Ordinary Least Squares were used to calculate every equation. Standard errors are in parentheses. R² is the adjusted R square coefficient. DW is the Durbin-Watson statistic. Most regressors are significant at .01 or under; * significant at .05; ’ significant at . 10; “ not significant.

* denotes qualitative variables (see below Definitions and Measurements of the Qualitative Variables).

Table 5 - Pearson Correlation Coefficients Between Selected Qualitative Variables

Equation 2 (Localized Strikes):
  Labor Mobilization and Economic Crisis: -.039
Equation 5 (Social Benefits):
  Left/Right Opposition and Economic Crisis: .015
Equation 6 (Guaranteed Minimum Wage):
  Left/Right Opposition and Economic Crisis: -.011
Equation 8 (Union Representatives):
  Left Coordination and Economic Crisis: .168
Equation 11 (National Demonstration Strikes):
  Labor Mobilization and Economic Crisis: -.005
  Left Coordination and Economic Crisis: -.060
  Left Coordination and Economic Crisis: -.003

Correlation coefficients between the four categories of strikes were also calculated (see endnote 6).

DEFINITIONS AND MEASUREMENTS OF THE VARIABLES

The data used in this model can be found in Borrel (1996: 193-229). The values assigned to qualitative variables derive from in-depth analyses of France’s economic, social, and political developments from 1950 to the mid-1980s. The chronology at the end of this chapter highlights the most important events relevant to this research. The measurements of these variables are briefly explained here (see Tables 20-25 in Borrel 1996: 215-225 for additional explanations).
Quantitative Variables:

GENERALIZED STRIKES (GENSTRIK) (see Table 7 in Borrel 1996: 194)
Annual number of man-days lost for 130,000 employees. Source: Data constructed by the author from official and non-official sources (see Using a Variety of Sources to Construct Strike Data Sets). This variable is the dependent variable in equation 3 and an independent variable in equations 5 (Social Benefits), 6 (Minimum Wage), 8 (Union Representatives), and 10 (National Demonstration Strikes).

GUARANTEED MINIMUM WAGE (MINWAG) (see Table 16: 206-207)
Annual increase in the purchasing power of the minimum wage in percent. Source: Données Sociales, INSEE (official data). This variable is the dependent variable in equation 6.

INDUSTRIAL HOURLY WAGE (HOURWAGE) (see Table 16: 206-207)
Annual variations in average real wages for workers in percent. Source: INSEE. This variable is the dependent variable in equation 4.

LEFT VOTE (LEFTVOT) (see Tables 26 & 27: 226-29)
Variations in the left vote in presidential, parliamentary, municipal, or cantonal (local) elections in percent. Source: Data calculated by the author from official and unofficial sources, including Lancelot (1983), Bonnefous et Duroselle (1967-79) and Le Monde. For example, left vote in 1976 was found as the percentage increase in the left vote from the 1970 cantonal elections to the 1976 cantonal elections. This variable is the dependent variable in equation 12.

LOCALIZED STRIKES (LOCSTRIK) (see Tables 6 & 10: 193, 197)
Number of man-days lost quarterly for 13,000 employees (deseasonalized) in equations 1.1-1.5. Annual number of man-days lost for 130,000 employees in equations 2 and 4. This variable is the dependent variable in equations 1 and 2, and an independent variable in equation 4 (industrial hourly wages). Source: Data constructed by the author from official and non-official data (see Using a Variety of Sources to Construct Strike Data Sets).

NATIONAL DEMONSTRATION STRIKES (NATDAYS) (see Table 8: 195)
Source: Data constructed by the author from official and unofficial sources (see Using a Variety of Sources to Construct Strike Data Sets). This variable is the dependent variable in equation 11 and an independent variable in equation 12. Number of man-days lost for 130,000 employees in equation 11. Annual average of man-days lost due to national demonstration strikes over several years, according to the periodicity of elections, in equation 12. For example, I calculated national demonstration strikes in 1976 as the average of man-days lost over six years, from the second quarter of 1970 to the first quarter of 1976.

NET WAGES (NETWAGE) (see Table 13: 200)
Annual increase in average real net wages minus annual increase expected by employees (in percent). Source: I calculated this variable from official data (INSEE) regarding average annual net wages for blue-collar and office workers. Average annual net wage = wage and bonus - social contributions for illness, unemployment and pension. The annual increase expected by employees was estimated by the average annual increase in real net wages during the following periods: +3.21% from 1951 to 1967, +4.37% from 1969 to 1977, and +0.20% from 1978 to 1985. This variable is an independent variable in equation 3 (Generalized Strikes).

PRICE (see Tables 12 & 17: 199, 208-209)
Quarterly variations in price in percent in equations 1.1-1.5. Annual variations in percent in equation 2. Source: INSEE. This variable is an independent variable in equations 1 and 2 (localized strikes).

SOCIAL BENEFITS (SOCBENEF) (see Table 17: 208-209).
Annual increase in the purchasing power of social benefits in percent. Social benefits include mainly health insurance, unemployment compensation, pension, family allowances, maternity leaves, and benefits for employment-related injuries. Source: Les Comptes de la Protection Sociale (official data). This variable is the dependent variable in equation 5.

STRIKE WAVE (STRIKWAV) (see Tables 8 & 20: 195, 214)
Number of man-days lost for 130,000 employees. Source: Data constructed by the author (see Using a Variety of Sources to Construct
Strike Data Sets). This variable is an independent variable in equations 5 (Social Benefits), 6 (Minimum Wage), 7 (Working Hours), 8 (Union Representatives), 9 (Union Membership) and 10 (Left Coordination).

In equation 5, 1953 man-days lost were spread over five years from 1953 to 1957; 1963 man-days lost were spread over three years from 1963 to 1965; and 1968 man-days lost were spread over three years from 1968 to 1970. In equation 6, 1968 man-days lost were spread over three years, as in equation 5. In equations 7 and 8, 1968 man-days lost were spread over 1969 and 1970. In equation 9, the figure for 1968 is the number of man-days lost for 130,000 employees. In equation 10, the 1966 and 1967 figures are the average number of man-days lost for generalized strikes and strike waves between 1953 and 1964. Man-days lost in 1968 were spread over seven years beginning in 1971.

UNEMPLOYED (UNEMP) (see Table 11: 198)
Quarterly variations in the number of the unemployed in percent (deseasonalized). Source: INSEE. (official data). This variable is an independent variable in equations 1.1-1.5 (Localized Strikes)

UNEMPLOYMENT BENEFIT (UNBENEF) (see Table 15: 204)
Annual variations in unemployment benefits per unemployed in constant francs. Source: Les Comptes de la Protection Sociale (official data). This variable is an independent variable in equation 2 (Localized Strikes).

UNEMPLOYMENT RATE (see Table 15: 198)
Ratio of the number of the unemployed to the labor force. Source: INSEE. This variable is used in Table 1.

UNION MEMBERSHIP (UNIONMEM) (see Tables 18-19: 210-211)
Annual variations in union members in percent in the CGT, the CFDT and the FO. Source: Data constructed by the author from data published in union magazines (Le Peuple, Syndicalisme CFDT and FO Hebdo) and from French experts’ estimates. This variable is the dependent variable in equation 9.

UNION REPRESENTATIVES (UNIONREP) (see Tables 18-19: 210-211)
Annual increase in union representatives in firms with over 50
employees. Source: Dossiers Statistiques du Travail et de l’Emploi (official data). This variable is the dependent variable in equation 8.

WAGE GAP (WAGEGAP) (see Table 14: 201)
Ratio of annual net wages for “senior executives” to annual net wages for “blue-collar workers” and “office workers.” Source: Variable constructed by the author from official data (INSEE). The variable used in the regression is the annual variation in the wage gap in percent. This variable is an independent variable in equation 3 (Generalized Strikes).

WORKING HOURS (WORKHOUR) (see Table 6: 206-207)
Annual variations in working hours in percent. Source: Rapport sur les Comptes de la Nation (official data). This variable is the dependent variable in equation 7.

Qualitative Variables:

ECONOMIC CRISIS (see Table 24: 224)
The economic crisis from mid-1974 to early 1975 was characterized by a sudden and very rapid increase in the unemployment rate—by nearly 30 percent during the fourth quarter of 1974. It was followed by rapid economic growth from mid-75 to the end of 1976. The short-term effects of this crisis/recovery should be differentiated from the long-term effects that resulted from the lasting upward trend in unemployment. This variable was given the following values:
Eq.2 (Localized Strikes): -3 in 1974, 1 in 1975, 6 in 1976, and 0 otherwise. I assume that the rapid recovery boosted localized strikes, as workers strove to catch up on wage losses during the recession;
Eq.5 (Social Benefits) and 6 (Minimum Wage): 1 in 1975 and 0 otherwise. I assume the government used social expenditures as macroeconomic stabilizer programs;
Eq.8 (Union Representatives): 1 in 1975 and 0 otherwise. From mid-74 to mid-75, workers felt a need for increased union protection. However, because the economic downturn began in mid-74, it had no effect on data of union representatives collected from mid-73 to mid-74;
Eq.11 (National Demonstration Strikes): -5 in 1976, because of the trade-off between localized and national demonstration strikes (see below “Labor Mobilization”: part (iii)).
EVENT

Eq.1.1-1.5 (Localized Strikes in quarterly data): This variable measures the impact of several factors, mostly political events, that either boosted labor mobilization or reduced it significantly (In equation 2 regarding localized strikes in annual data, these factors were included in the variable “Labor Mobilization”). It was given values from -4 to 3 (see Table 25 in Borrel: 225).

In equations 4, 7 and 12, this variable measures the impact of a few exceptional events on workers, employers or the government. These events include the May 68 strike waves and riots, the arrival of de Gaulle in office in 1958, and the victory of a Socialist-Communist coalition in the presidential and parliamentary elections of 1981.

Eq.4 (Industrial Hourly Wages): This variable includes a few exceptional events which had a significant impact on employer behavior. The variable was given the following values: -6 in 1958 and -4 in 1959, because of the shift to the right in the balance of power as de Gaulle took office in 1958 (see the variable “left/right opposition” below); 4 in 1951 and 6 in 1968, because strike waves pressured employers to grant rapid wage increases; and 4 in 1982 and 2 in 1983, as a result of the Socialist-Communist coalition in the government.

Eq.7 (Annual Working Hours): Rapid decreases in working hours without loss of pay resulted from two main factors, i.e., the strike waves of 1968 and the electoral victory of the left in 1981, because leftist parties had pledged to significantly reduce working hours if they won the elections. In both cases, the decrease in working hours was of the same magnitude. The variable “Event” measures the effect of the leftist victory of 1981 on working hours. This variable was given the following values: 4 in 1982, and 0 otherwise.

Eq.12 (Left Vote): This variable measures the impact of the May 1968 riots which temporarily curbed the electorate’s pro-left feelings. It was given values -1 in 1968, 1969, and 1970, and 0 otherwise.

LABOR MOBILIZATION (see Table 23: 220-23)

This variable measures the impact of political factors that either strengthened or weakened the determination of labor to engage in localized, generalized or national demonstration strikes. I theorize that five factors affected labor mobilization:

(i) the state of union/disunion between the CGT and the CFDT as
viewed by workers: localized strikes increased whenever the CGT and
the CFDT successfully overcame their ideological differences and
engaged in national agreements on unity of action, which occurred in
1965-66 and from 1970 to 1973. This factor affected localized strikes
negatively after the CGT and CFDT broke off unity of action in 1980. This
factor did not affect generalized strikes;

(ii) the state of union/disunion between the Communists and the
Socialists as perceived by workers. In periods of stronger union, workers
moved away from the industrial scene and turned to the political arena.
Because in each of these periods workers expected a victory of the left,
which supposedly would have brought about sweeping and permanent
changes in their working and living conditions, labor mobilization
weakened and localized and generalized strikes decreased. This pattern
emerged in 1956, when the Mollet (Socialist) government was supported
by the Communists. Then, it occurred regularly after 1965, as the
Socialists and the Communists engaged in far-reaching political
agreements to win national elections in 1965-66, 1972, 1976, and 1983;

(iii) national demonstration strikes and strike waves: both categories
of strikes affected localized and generalized strikes negatively. Given the
magnitude of strike waves, workers were not physically available for
either localized or generalized disputes. As far as national
demonstrations are concerned, their negative impact on localized and
generalized strikes can be explained by the trade-off between political
involvement and industrial action that characterized worker behavior
(see part (ii)). The impact on generalized strikes was estimated to be
twice as strong as that on localized strikes;

(iv) a major shift in the balance of power between the left and the
right from 1958 and 1962 (see “left/right opposition” below). This shift,
which affected only generalized strikes, prompted workers to adopt a
wait-and-see attitude, hence a weakening of labor mobilization; and

(v) alternating collaborative/confrontational trends in social policies.
Far-ranging changes in social legislation prevailed in 1968 (Grenelle
negotiations, which provided for a 20% increase in the minimum wage
and union representatives in firms), 1970 (“Progress Contracts” in large
companies and political discourses advocating for a “New Society”),
1973-74 (legislation on dismissal procedures and unemployment benefits
very favorable to employees), and 1982-83 (sweeping changes in social
legislation). In 1968, 1970, 1982-83, and to a lesser extent in 1973-74,
collaborative trends in governmental policies were associated with
significant decreases in localized, generalized, and/or national demonstration strikes. A state of confrontation between the government, employers and workers prevailed in 1967 (reductions in social security benefits), 1969 (failure of national wage negotiations between employers and unions) and 1977 (governmental policy of wage restraint). In all three years, localized, generalized, and/or national demonstration strikes increased significantly.

This variable was given values from -10 to 6 in equation 2 (Localized Strikes), from -10 to 8 in equation 3 (Generalized Strikes), and from -8 to 10 in equation 11 (National Demonstration Strikes). For each year, the values given to this variable were the following: summation of the values given to factors (i), (ii), (iii) and (v) in equation 2, summation of factors (ii) to (v) in equation 3, and value given to factor (v) in equation 11. In equation 11, the variable “left coordination,” which provides a more objective measure of the union/disunion between the CGT and CFDT and between the Socialists and the Communists, was used instead of factors (i) and (ii). This is because the magnitude of national demonstration strikes depended on the actual (not on the subjectively perceived) capacity of leftist unions and parties to organize and coordinate political protest.

LEFT COORDINATION (see Table 21: 215)

This variable measures the levels of coordination in strategies of leftist unions and parties. Three criteria were used to quantify the levels of coordination:

(i) electoral agreements on common lists of candidates between the Communists and the Socialists either prior to the elections or before the runoffs. In that case, the Communists agreed to withdraw their candidates if the Socialist candidates were in a better position to win the runoffs, and vice versa. Such agreements occurred in each election year between 1962 and 1981, except in the presidential elections of 1969;

(ii) the 1972 agreement on a common program of government. The Socialists and the Communists broke off negotiations on the updating of their program in 1977; and

(iii) top level agreements on unity of action between the CGT and CFDT in 1966-67 and from 1971 to 1980. The CGT and the CFDT broke off unity of action in 1980.

This variable was given values from 0 to 6. For each year, the value is the summation of the values given to the three criteria.
LEFT/RIGHT OPPOSITION (see Table 22: 217-219)

This variable measures changes in the balance of power between the left and the right, as viewed by either the government (equations 5 and 6) or workers (equation 9). Three main factors influenced the government's or workers' estimate of the balance of power:

(i) a factor unique to the period 1958-62, i.e., a major shift from the prevalence of the left struggle to achieve power to a political regime grounded in de Gaulle's moral authority. From the end of World War II to 1981, French political life was driven by the left struggle to achieve power. This logic was broken only once, when de Gaulle took office in 1958 and strove to unify the French by bypassing class antagonisms. The prevalence of a rightist government, not thwarted by a leftist opposition, occurred only in 1958 and to a lesser extent, in 1959. As a result, social benefits decreased by more than 2% in 1958 and increased by only 2% in 1959, as compared to an average annual increase of 8.5% from 1950 to 1957. The weakening of de Gaulle's authority from 1960 to 1962 can be largely attributed to the Algerian war. Factor (i) negatively affected social benefits (eq.5), generalized strikes (see eq.3 and part (iv) in "labor mobilization"), and industrial hourly wages (see eq.4 and "event");

(ii) the ebb and flow movement of the leftist agenda, as perceived by either the government or workers. Whenever the government estimated that the leftist agenda was gaining momentum, social benefits (eq.5) and the guaranteed minimum wage (eq.6) increased more rapidly. Conversely, in 1979-80 and from 1983 to 1985, the perceived diminishing influence of the leftist agenda was correlated with a significant slowdown of the increase in both social benefits and the minimum wage. For each year, this factor was given the same value in both equations 5 and 6, from -12 to 2.

In equation 9 (union membership), factor (ii) was given value 2 in 1972-73, -12 in 1978 and -8 in 1979-80. The breakdown of the Socialist-Communist coalition in September 1977 was perceived by workers as a catastrophic retreat of the leftist agenda. This breakdown had a very strong impact on worker morale. Since then, workers became very pessimistic about the chances for the left to achieve political power;

(iii) progress/decline of leftist parties in presidential and parliamentary elections. Higher scores for the left in national elections were correlated with more rapid increases in both social benefits and the minimum wage, and conversely. For each year, this factor was given the
same value in both equations 5 and 6, with a few exceptions. The victory of the right in the June 1968 legislative elections did not affect the minimum wage because its increase was decided earlier in May. In 1973 and 1981, this factor was given a higher value in equation 6 (Minimum Wage) than in equation 5 (Social Benefits) because it was customary for the winning presidential candidate to boost the minimum wage.

For each year and each equation, the value given to the variable “left/right opposition” is the summation of the values given to the three factors.
CHRONOLOGY

1950
4 February: The Socialist ministers resigned because the government refused to grant all employees an exceptional bonus. For the first time since 1944, the Socialists did not participate in the government.
12 February: Law on national collective bargaining agreements.

1952
11 September: A decree froze prices. Socialist and union leaders censured Pinay policy that also froze employee purchasing power. Pinay resigned in December.

1953
26 April-3 May: Municipal elections. The Socialists rejected an agreement with the Communists.
10 August: The Laniel decrees jeopardized employees’ status in government agencies and nationalized firms. Strike waves of great magnitude followed the decrees.

1955
15 September: Renault provided for wage increases and a three-week paid annual vacation for its employees. In addition, union leaders and management agreed on exploring all possible means of conciliation before resorting to strike or lockout over the next two years. October-November: Agreements similar to Renault’s were concluded by other firms in the car and aeronautic industries.

1956
2 January: Parliamentary elections. Victory of the center-left. Although there was no agreement between the Socialists and the Communists prior to the elections, the Mollet (Socialist) government was supported by the Communists.
28 February: Law on a three-week paid vacation for all employees.

1957
May: The Mollet government resigned.
May: A national pension system for employees was established to complement the existing system.
In 1957 the CGT and CFDT often succeeded in achieving unity of action within firms.

1958
February: A law required that one month’s notice be given by employers to dismissed employees.
1 June: de Gaulle took office
23 and 30 November: Parliamentary elections. No agreement between the Socialists and the Communists.
28 December: Devaluation of the French currency and creation of the new Franc.
31 December: A national agreement between employers and unions created a national insurance system for the unemployed.

1959
January: Governmental ordinance on profit-sharing.

1960

1962
18 and 25 November: Parliamentary elections. Agreement between the Socialists and the Communists before the runoffs. Success of the Gaullist coalition.
22 December: Renault agreement on a four-week paid vacation for its employees.

1963
27 July: Employee rights to strike in public service agencies were curtailed by a law that created a five-day notice, made staggered strikes illegal, and allowed actions against strikers.

1964
October: Committees of wage regulation were established in nationalized firms.
6 and 7 November: Extraordinary congress of the CFTC. A majority of delegates decided to secularize the confederation under the name of CFDT. A strong minority preserved the name of CFTC and the Christian reference.

1965
14 and 21 March: Municipal elections. Agreement between the Socialists and the Communists before the elections. Success of leftist candidates.
5 and 19 December: Presidential elections. The leftist candidate Francois Mitterrand was supported by both the Communists and the Socialists.

1966
10 January: First national-level agreement on unity of action between the CGT and the CFDT.
December: First agreement ever between the Socialists and the Communists to support the best placed candidates after a first ballot in future parliamentary and municipal elections.
December: A law protected pregnant employees from being dismissed.

1967
16 May: De Gaulle obtained extended power to run the country.
17 August: Governmental ordinances on profit-sharing.
22 August: Ordinances on social security reduced social security benefits while increasing contributions.
End of the year: The CGT challenged unity of action with the CFDT.

1968
May-June: Strike waves of great magnitude following the student protest movements.
27 May: The Grenelle negotiations between the government, employers, and union leaders provided for a 20% increase of the guaranteed minimum wage.
31 May: Mass demonstrations to support De Gaulle throughout the country.
16 and 30 June: Parliamentary elections. Agreement between the Socialists and the Communists. The May-June riots temporarily curbed pro-left feelings. The Gaullist coalition won an absolute majority of seats.
December: A law created union representatives and union branches within firms.

1969
10 February: National agreement between employers and unions on job security.
March: The Tilsitt negotiations between employers and unions on wages failed.
28 April: De Gaulle resigned.
May: Law on four-week paid vacation for all employees.
15 June: Presidential elections. No agreement between the Socialists and the Communists on a common candidate. George Pompidou was elected president.
August: Devaluation of the French currency and austerity measures.
16 September: Jacques Chaban-Delmas’ speech on the “New Society” in Congress.
10 December: “Progress Contract” signed by unions and management in the nationalized industry of electricity (EDF). All unions except the CGT—i.e., the most powerful union in this industry—agreed not to
initiate strikes on wages for two years. This contract guaranteed wage increases commensurate with increases in gross national product and the firm’s performance.

1970

Similar contracts were concluded in other firms, particularly in public transportation sector and the coal industry.
March: Cantonal elections. Agreement between the Socialists and the Communists before the runoffs.
20 April: Agreement between employers and unions on workers’ monthly pay.
July: Agreement between employers and unions on job security.
9 July: Agreement between employers and unions on vocational training.
12 July: A law created paid pregnancy leaves.
1 December: Second national-level agreement on unity of action between the CGT and the CFDT.

1971

March: Municipal elections. Local agreements between the Socialists and the Communists before the runoffs.
May: Opening of negotiations between the Socialists and the Communists on a common program of government.
24 December: Maximum weekly working hours were reduced from 54 to 50 hours.

1972

February: Agreement between employers and unions on a guaranteed income for laid-off employees over 60.
26 June: For the first time ever, the Communists and the Socialists agreed on a common program of government.

1973

4 and 11 March: Parliamentary elections. National agreement between the Socialists and the Communists before the elections.
13 July: Legislation on dismissal procedures was revised.
October: First oil price shock. The price of a barrel quadrupled.
27 December: A law provided for improved working conditions within firms.

1974

5 and 19 May: Presidential elections. Agreement between the Socialists and the Communists on a unique candidate. The center-right candidate Valery Giscard d’Estaing won by a narrow margin.
26 June: Third national-level agreement on unity of action between the
CGT and the CFDT.
14 October: An agreement between employers and unions provided laid-off employees 90 percent of their previous salary.

1975
December: Law on blue-collar workers’ early retirement.

1976
March: Cantonal elections.
May: Opening of negotiations between the Socialists and the Communists to present common lists of candidates in every city on the first ballot of the 1977 municipal elections.
16 July: A law created a paid rest to compensate for overtime.
July: A law provided employees with an individual right to training leaves.

1977
13 and 20 March: Municipal elections. Leftist success.
13 June: Employers and unions agreed on a guaranteed income for employees over 60.
July: Law on retirement at 60 for women.
July: Law on parental leaves.
14 September: The Communist Party broke off negotiations with the Socialist Party over the updating of their common program of government.
From 1977 to 1980, the Barre government tried to control wage increases—except for the lowest salaries—and created job contracts, mainly for young people.

1978
5 and 19 March: Parliamentary elections. Withdrawal agreements between the Socialists and the Communists before the runoffs. Narrow victory of the right.

1979
Second oil price shock. The price of a barrel doubled.

1980
16 June: The CGT broke off the agreement on unity of action with the CFDT.
11 July: A decree extended social security benefits to all French citizens.

1981
26 April and 10 May: Presidential elections. Mitterrand, the Socialist candidate, was elected president, even though there was no agreement between the Communists and the Socialists before the elections.
However, the CGT and the Communist Party called on to vote for Mitterrand before the runoffs.

23 June: Following their victory in parliamentary elections, the Socialist and Communist Parties formed a coalition to run the country.

4 October: Devaluation of the Franc.

1982

16 January: Governmental ordinances reduced working hours and extended paid vacation (39 hours per week instead of 40; five-week paid vacation; overtime restricted and compensated by additional breaks). As a result, average working hours decreased from 48 to 42 hours per week.

January-March: A strike wave followed the government’s refusal to compensate for wage losses resulting from the reduction of weekly working hours.

11 February: A law on nationalizations added a significant number of firms to the existing nationalized sector.

26 March: Governmental ordinances on vocational training for 16-18 year old people, part-time jobs, and retirement at 60.

28 May: Decree on union rights for public-sector employees.

22 June: Devaluation of the French currency and freeze of prices and incomes.


16 December: A decree provided firms with financial aid to reduce working hours.

23 December: National-level agreement between the Socialists and the Communists prior to the 1983 municipal elections.

1983

4 February: Agreement between employers and unions on early retirement.

28 February and 13 March: Municipal elections. Success of the right.

21 March: Devaluation of the French currency.

28 April: A law aimed at introducing more “democracy” in the nationalized sector required that employee representatives be elected on boards of directors, strengthened union rights, and provided for the creation of works councils.

5 May: A decree made it legal obligation for firms to negotiate with labor at least once a year.

13 July: A law required job equality between men and women.

1984

24 February: Agreement between employers and unions on
unemployment insurance.
March: A series of measures aimed at restructuring the French industrial sector resulted in large-scale downsizing.
June: European elections.
19 July: Breakdown of the Socialist-Communist coalition that ran the country since 1981. The four Communist ministers resigned.
1985
March: Cantonal elections.
This chapter summarizes and expands the main findings of Borrel (1996).

Although many theories view strikes as a dependent variable only, some scholars have argued in favor of theories that consider strikes as both an independent and a dependent variable—i.e., theories that explain both strikes’ determinants and the interplay between strikes and economic and political developments. In particular, a number of French authors have asserted that strikes change “the rules of the game” (Reynaud 1982). However, their theoretical analyses are not supported by empirical studies. Only a few studies are based on extensive statistical inquiry. In particular, within a marxist framework, Franzosi has argued that the 1959-63 and 1968-72 strike waves were the motors of major sociopolitical changes in Italy “in the forms of institutionalization of conflict (bargaining structure), in class capacities (in terms of unions and labor party membership and other organizational assets), and in the overall distribution of power in capitalist societies” (Franzosi 1989b: 473).

The French Ministry of Labor differentiates among five types of generalized strikes, depending on whether they affected a greater or lesser number of branches at the national or local levels: national strikes that affected several nationalized firms; national strikes that affected only one branch of the nationalized or private sector; strikes that affected several activities of the private sector in one or several regions (these strikes occurred between 1950 and 1959); strikes that affected only one branch of the private sector in one region (these strikes occurred between 1950 and 1960); and strikes that affected all establishments of a private firm (these strikes occurred between 1967 and 1979). Most of these strikes were related to wage demands, except for national strikes that affected one branch of the nationalized or private sector. Some of these strikes were related to job suppression in branches where large-scale downsizing occurred beginning in 1975. The main economic sectors affected by the first two categories were the following: electricity; public transportation; the coal industry; metallurgy of iron and steel; iron and potash mines; banks, insurance companies, and savings banks; arsenals; dockyards; dockers; private and nationalized car industries; construction; printing and press; merchant navy; the chemical industry; and social security agencies.

This contrasts with countries—such as the United States—where most strikes result from a union’s call after labor and management agreements have broken down.

The variable used to measure the magnitude of strikes is the number of man-days lost per 130,00 employees. “If one is seeking to capture the intensity of protest or rebellion, the size and duration (or volume) of collective action is a more useful measure than simple incidence” (Jenkins and Schock 1992: 164).

The parameters of the cross-correlation function between localized strikes
and generalized strikes calculated from quarterly data for the 1951-86 period are -0.0036 for the average and 0.0016 for the variance. Therefore, I accepted the hypothesis that these two data sets were uncorrelated. The Pearson correlation coefficients calculated from quarterly data for the 1966-80 period are 0.114 between localized strikes and national demonstration strikes and -0.040 between generalized strikes and national demonstration strikes. These coefficients are not significantly different from zero.

The results of the tests for structural changes are the following: test of differential slope vectors: $F = 2.537$; test of differential intercepts: $F = 19.224$; and test of differential regressions: $F = 8.872$.

This differentiation among subperiods is different from the Burns-Mitchell-NBER analysis which “divides the period under study into subperiods corresponding to alternating phases of the business cycle” (Kennan 1999: 1119).

“Clegg has argued that the structure of collective bargaining is related to specific strike components. Centralized, industry-wide bargaining is related to large numbers of workers on strike. It is the workers of a whole sector of the economy that go on strike for the renewal of their collective contract. Industry-wide strikes have the characteristics of general strikes: infrequent but very large. Plant-level bargaining is very decentralized. It is related to high strike frequencies and small sizes, as thousands of firms independently renew their contracts. At this level, the probability of a strike is high, but the number of strikers in each individual strike is low” (Franzosi 1989b: 456).

“Validity refers to the extent to which...newspapers provide valid indicators of strikes. How accurate are these sources in their recording of strikes? What kind of systematic bias do they introduce? ... Are some events more likely to be reported than others? What are the characteristics of these events?” (Franzosi 1987: 6).

“Using shorter and simpler coding sheets that record data in a fixed format for each event generates easily quantifiable and tractable data sets that invite replication and facilitate easy comparison” (Olzac 1989: 129). The data sets used in this study, as well as the code sheets of generalized strikes and national demonstration strikes from 1950 to 1985, can be found in Borrel (1996: 15-43).

At the request of the French government, the CES (Conseil Economique et Social/Economic and Social Council) investigated ways to prevent and cope with industrial conflict in France. The CES report documents the lack of reliable official data, in particular in reference to my works: “While constructing (strike) data sets from 1950 to 1985 in support of her own research, Monique Borrel has shown that since 1975 official statistics have overestimated localized strikes and underestimated both generalized strikes and national demonstration strikes. The difference (with her own data sets) is ... significant.” (Naulin 1998: II/31-32, my
By discarding the historical discussion in the model estimation, the conventional approach (of quantitative comparative sociology) wastes a rich source of information in favor of a small and typically collinear set of cross-sectional quantitative data” (Western 1994: 1326).

“We are skeptical of the results of most static, cross-national studies precisely because the generality of the research design (transhistorical and transcultural) necessarily overlooks important intra-national structures and processes that have profound consequences on welfare spending” (Griffin et al. 1983: 334).

“History cannot be reduced merely to “data” serving strictly to test a general theory independent of history” (Isaac and Griffin 1989: 873; see also Tilly 1981: 7).

“Such investigations [of the development of welfare structure] should break with the tradition of static, cross-national research and, instead, opt for intensive examination of one nation or a small number of nations” (Griffin et al. 1983: 360). “Critics of this general strategy will likely see it as labor-intensive, time-consuming, and cumbersome. It is. The complexity of real historical change, not surprisingly, exacts a demanding analytic stance, requiring not only assessment and exploration of changing parameter structures, but also extensive foray into the historical record” (Griffin and Isaac 1992: 175).

“The precise year at which one chooses to begin or to end a historical analysis can have profound implications for the quantitative findings generated and thus, necessarily, for the theoretical inferences drawn from these findings” (Isaac and Griffin 1989: 881).

“When the question is asked: “As far as political opinions are concerned, one usually characterizes French people in terms of left and right. Would you say that you belong to the left or to the right? In the 1970s, only 15 percent of the French people answered neither left, nor right whereas 5 percent did not answer the question. At the end of the 1980s, 35 percent refuse regularly to choose and 10 percent have no opinion” (Ysmal 1994: 381).

“The Auroux Laws of 1982-83 ... were the most thorough-going and ambitious industrial relations reform since 1950 when the existing system was put in place. In all, close to one third of the Labor Code was rewritten ... The results of the Auroux laws were not those intended ...There was a breakdown of the centralized, hierarchical nature of French industrial relations. Employers, knowing that they now had to bargain in the firm, stopped bargaining at higher levels, not least because trade unions were much weaker in the firm and so would be more likely to go along with employer demands ... The decentralization of collective bargaining shifted the balance of power between
unions and employers even further in the latter’s favor” (Howell 1992: 86).

20 As far as qualitative variables are concerned, the model presented here should be considered a first attempt at defining and quantifying economic and political events and phenomena. Generally speaking, the investigation of this important methodological problem is still in a preliminary phase and more work remains to be done. “Many of the phenomena theorized to affect strikes have received little attention on the empirical level” (Franzosi 1989a: 355).

21 “Where union membership is large and relatively stable, the political position of labor firmly established and collective bargaining well institutionalized, assumptions underlying the economic models hold well: 1) Workers and unions [act as if they] calculate short term economic costs and benefits of striking; 2) Work stoppages occur where parties cannot agree prior to expiration of a current contract; 3) Therefore, aggregate strike activity fluctuates primarily in response to changes in business prosperity and (actual minus expected) wage changes” (Snyder 1975: 265).

22 “Kaufman (1981), Mauro (1982), Cousineau and Lacroix (1986), Gramm (1986) strongly argue that strikes occur as a result of the imperfect information held by all parties involved ... as they use such information strategically during the course of the interaction typical of the bargaining process” (Franzosi 1995: 37).

23 “Ashenfelter and Johnson hold that a strike will occur when workers unreasonable level of wage demands comes to clash with the employer’s acceptable level. Union leaders are aware of the gap between the wage increase demanded by workers and that which management would accept. But they must declare the strike for “political reason” ... It is only when workers’ demands have fallen to a level at which their leadership “can safely sign with management” (p.37) that the strike ends. Thus, “the basic function of the strike is to square up the union membership’s wage expectations with what the firm may be willing to pay” in a bargaining situation in which management and union leaders have perfect knowledge of each other’s concession curves, but workers do not (p.39)” (Franzosi 1995: 37).

24 Some of Ricardo’s successors, especially the English and German socialist theorists, contended that severe competition among firms generated a trend toward structural undercompensation of labor, which in turn triggered conflicts over wage-profit allocations in firms and wealth redistribution in the broader society.

25 “U.S. high strike rate can be explained by a constant and unremitting struggle between employers and workers for control of the workplace ... This struggle has been brought under institutional control by the establishment of collective bargaining on a wide scale but never eliminated” (Edwards 1981: xiii,
In particular, Ashenfleter and Johnson (1969), Pencavel (1970), and Abbott (1984) found “a significant negative relationship between strikes and lagged real wage increases. Paldam and Pedersen (1982) and Kaufman (1981) found a significant positive relationship between strikes and inflation. “Although there is no convincing theory which predicts a relationship between inflation and strikes, it seems intuitively reasonable that such a relationship might exist ... In any case, correlation between inflation rates and strike activity should surely be included near the top of the list of the desirable stylized facts” (Kennan 1999: 1123).

“Although the microeconomic study of strikes and bargaining is still in its infancy, a number of substantive conclusions have emerged ... (One conclusion is that) higher unemployment and real wage gains during the previous agreement reduce the probability of strikes” (Card 1990: 414).

Only since 1959 has the variable “unemployment benefits” become available. This explains why the regression has been calculated from 1960 only. A number of studies have shown that strike activity was negatively related to the unemployment rate and positively related to unexpected inflation. For example, two major findings of Vroman (1989: 816 and 820) are that “strike incidence is positively related to (1) uncompensated unexpected inflation over the previous contract and (2) the tightness of the labor market as measured by the inverse of the unemployment rate for prime-aged males.”

The values of the adjusted correlation coefficients are .43 in equation 1.2 and .47 in equation 1.5.

An example of such a new status is the guaranteed minimum wage called SMIC (Salaire Minimum Interprofessionnel de Croissance), which is a "regulated" salary no longer tied to the competitive regime of the market economy. Castel defines the SMIC as “the first step toward a wage-earner’s status that no longer views salary as an economic compensation only” (1995: 382).

For lack of reliable data sets, generalized strikes which affected employees working in government or public service agencies were not taken into account in this research.

To some extent, French employees' behavior seems similar to the assumed stickiness of money wages. “Could anchoring explain sluggish adjustment of money wages? It certainly could if last-period’s money wage acts as an anchor which influences this period’s wage settlement ... People’s view of fair money wages apparently are anchored in the current money wage.” (Akerlof & Yellen, 1987: 140).

During the 1950-85 period, there were four strike waves of great magnitude—from 5 to 15 million man-days lost in 1950, 1953, 1963, and 1968—
and one movement of lesser scope—about 1 million man-days lost in 1982. The 1950 strikes were launched because the government rejected workers’ demand for an exceptional bonus for every employee. The 1953 strikes were set off against the Laniel Decrees, which jeopardized the status of employees in government agencies and nationalized firms. In 1968, the strike wave was fueled by students’ insurgency and followed after several years of an austere social policy characterized by the 1963 limitations on the right to strike, wage regulation committees initiated in 1964, and the 1967 ordinances on social security. In 1982, the reason for striking was the governmental refusal to compensate wage losses resulting from the reduction of weekly working hours for all employees. The model presented here does not explain why strike waves occurred. Discussing this difficult issue would require the scope of a full paper. However, the model takes into account the impact of strike waves on social policy and on unionization.

34 Welfare benefits include health benefits, unemployment compensation, pensions, family allowances, paid maternity leaves, and compensation for job injuries and vocational training.

35 The minimum wage increased by only 1.3 percent per annum on average from 1951 to 1967, and regression results are insignificant during that period.

36 “There are essentially two avenues—roughly corresponding to “institutionalized” and “noninstitutionalized” politics—by which political class struggle may affect state policy. Institutionalized politics refer generally to the formal mechanisms of political participation: electoral and organized interest-group politics. These means are more useful to those groups who have mutually recognized authority to act legitimately in the political arena; for example, labor unions, civil-rights and consumer groups... Consequently, these mechanisms are generally viewed as ineffective for pressing the concerns of the poor and underprivileged since...the mechanisms of electoral and interest-group politics are inaccessible to these groups. If, in fact, collectivities cannot participate effectively in the electoral-representative system, then the only means available to them as they seek redress from the state may be noninstitutionalized politics, of which collective protest, mass insurgency, and social disruption are primary mechanisms... [In the countries where] the primary means for effective representation of working class interests—a labor-based political party—has not emerged...organized labor, however, does potentially have at its disposal a (possibly less institutionalized) tactic for affecting state policy—the strike weapon” (Griffin, Devine, and Wallace 1983: 343 and 345).

37 “Left government concessions to industrial strikes do emerge in pre-1973 weak-union nations and nowhere else. So the strike appears to function as a tool for augmenting the “social wage” primarily where long-term macroeconomic
prospects are relatively good, labor is relatively weak, yet the left is in power-for example, in mid-1960s and 1970s Great Britain. Presumably, strong unions are sufficiently encompassing and centralized to prefer to and to be able to forego the aggregate economic costs of work stoppages, while left governments confronting less encompassing and centralized unions make spending concessions to more militant weaker unions in the effort to moderate their militancy” (Hicks, Swank and Ambuhl 1989: 421).

38 “Two forms of contagion from the left are evident across all equations. In one, the strength of left parties excluded from governmental leadership pressures right-led governments to augment welfare effort. Right government effects on welfare effort are negative in the absence of all left opposition (e.g., in the United States)... In the second form of contagion from the left, left opposition effects on center governments’ welfare effort roughly parallel those on right government welfare effort” (Hicks and Swank 1992: 667-68).

39 “Two forms of embourgeoisement effects are present. Moderations of the prowelfare effects of left-led governments by centrist oppositions and junior parties are present in all equations... The greatest moderations (and possible reversals) of left welfare effort under centrist pressures occur in Austria and Sweden” (Hicks and Swank 1992: 668).

40 In most models of unionization, the dependent variable is union density—i.e., the percentage of the active work force organized in trade unions.

41 There are five main union confederations in the private and nationalized sector in France. Two of them, the CGT and the CFDT, are usually referred to as “revolutionary” organizations because during the period under study they always put their objective of helping the left to achieve political power well before their concerns for workers' immediate economic interests. The other three—the FO (Force Ouvrière), the CFTC (Confédération Française des Travailleurs Chrétiens), and the CGC (Confédération Générale des Cadres)—are referred to as “reformist” organizations. For lack of reliable data sets, only members affiliated with the CGT, CFDT, and FO are considered in the model presented here.

42 A December 1968 law created union representatives in firms with over fifty employees in the private and nationalized sector.

43 The estimate of total union members, including unions in the public and nationalized sectors, is about 20 percent of the labor force in the 1968-77 period.

44 Visser (1988) showed that temporary upsurges in unionization may occur at the onset of an economic crisis resulting in rocketing unemployment rates.

45 More generally, throughout the twentieth century, unionism grew in “discontinuous spurts.” “In most advanced capitalist countries we find a pattern similar to the U.S. experience: union growth taking the form of sharp
concentrated spurts in membership. Even more striking, union growth spurts have occurred in roughly similar periods in most countries” (Freeman 1997: 6).

46 “Arguably, membership growth in the 1970s (in Britain) was directly related to the historically high strike rate in the early part of the decade” (Mason and Bain 1993: 341).

47 “In spite of their magnitude, the May 1968 strikes resulted in a lower number of new union members than in 1936 over the next few months. But unlike previous situations—in 1936 and in 1945—unionization kept on growing until 1976” (Bouzonnie 1987: 67, my translation).

48 “The greater the extent to which an employer is prepared to recognize a union (there is no legal compulsion in Britain), the more likely workers are to be unionized—recognition and growth combine in a “virtuous circle” of cause and effect” (Mason and Bain 1993: 334).

49 “The national political and economic arrangements were not the only factor in explaining the strength of trade-unions... National arrangements are beneficial only in addition to strong locals” (Hancké 1993: 605).

50 National demonstration strikes were both strike movements and mass demonstrations usually set off by several union confederations—in most cases, the CGT and the CFDT—and supported by leftist political parties. The first national demonstration strike occurred in 1966. During the 1966-77 period, the number of man-days lost for demonstration strikes fluctuated between 100,000 and 1,200,000. Four main categories of demands appeared during these demonstrations: increases in the purchasing power of wages, especially increases in lowest wages, in 1966, 1969, 1973, and 1976; increases in pensions and early retirement in 1971; extended and strengthened union rights in 1967, 1972, and 1974; and overall protest against the government’s and employers’ social policy in 1967 and 1977.

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

52 Jenkins (1983: 539) also discusses a decentralized informal model.

53 “At the national and interprofessional level, national demonstration strikes display an image of strength. These conflicts are closely related to the political context...and to the state of the relationships among union staffs.” (Adam 1981, my translation).

54 The 1950-80 period was characterized by right or center-right governments. Then a Socialist-Communist coalition ran the country until July 1984, when the coalition broke down and was replaced by a Socialist government. As a result of the March 1993 elections, the Socialists, in power for the past twelve years, were widely swept out of the parliament, which was then dominated by a center-left
to center-right coalition.

55 “The principle of general and equal franchise and the development of political life provided workers with alternative ways to voice their views. It no longer behooved strikes alone to say and to secure everything” (Reynaud 1982: 117, my translation).

56 In Italy “the political strikes of the [late 1970s] were much less frequent than economic strikes, but on the average they involved 100,000-200,000 workers (when compared to an average size of 2000-5000 workers for economic strikes)” (Franzosi 1989b: 462).

57 The final specification of equation 3 does not include any indicator of workers’ organizational capacities.

58 The widespread influence of the Resource Mobilization Theory can be rationalized by the way many industrial countries have evolved—i.e., toward an expansion of union membership and institutionalization of collective bargaining. In these countries, strike activity departed from spontaneous grass-roots movements.

59 “The constitutional principle of the Revolution was to sweep away the whole middle level of organizations and to attach liberties directly to each individual person. Estates, classes, and guilds would no longer be legal subjects. Only the two extremities of society—the state and the citizen—won political recognition... The corporations were consequently abolished through a Revolutionary decree. Political equality was to be realized by directing the citizens exclusively to the parliamentary channel, in which all would have the same influence by having an equal vote” (Lewin 1994: 60-61).

60 The goal of the “New Society” program of 1969-72 “was to strengthen trade unions and encourage collective bargaining at the firm level. The program had some success, primarily in the public sector and in large modern firms in the private sector. But it was essentially a failure... However, there was no simple reversion to the status quo ante. What emerged was highly unusual. The main innovation in the period between 1968 and the onset of the economic crisis, albeit a largely unintended one, was a vastly expanded role for the state in industrial relations” (Howell 1992: 74-75).

61 In the last chapter of this volume, I show that throughout the twentieth century, the subjugation of French organized labor to radical-left parties has led it into a dead end. I further demonstrate that radical-left dominance in France has been more detrimental to the labor movement than business prevalence in the United States.

62 “The sharply increased tendency toward globalization of production and finance has enormously decreased labor’s capacity. Within the sphere of production, employers have less latitude for concessions to labor, as a result of
intensified competition and the demise of protected markets, as well as fewer incentives to make concessions, given greater capital mobility ... Indeed, one recent account speculates that the labor movement may be in terminal stages” (Kesselman 1996: 152-53, 143).

63 I develop these arguments in the last chapter of this volume.

64 “One lesson does apparently emerge from our analysis: political struggle pays. France’s welfare state was constructed and extended as a result of political struggles. In the recent period, retrenchment would doubtless have proceeded further in the absence of protest, especially the enormous movement of late 1995. Borrel’s (1996) fine-grained statistical analysis supports this contention. She observes that ‘regression results show that strike waves and generalized disputes significantly influenced social benefits, the minimum wage and working hours’... The character of the French welfare state is heavily influenced by the exceptionally great mobilization that periodically occurs in France.” (Kesselman 2002: 209).

65 The background to the 1995 strikes was the government’s attempts to reduce the budget deficit to 3 percent of Gross Domestic Product in order to qualify France to join in a single European currency, in compliance with the strict criteria set out by the 1992 Treaty of Maastricht. In particular, civil servants would need to work for 40 years as private sector workers do—up from the current 37.5 years—to qualify for a full pension.

66 The government suspended the planned overhaul of pensions for all public-sector employees, and it agreed to renegotiate from scratch the restructuring plan for the state railway system. In addition, public workers were paid for some of the time they were on strike. However, for the first time ever, the evolution of social expenditures would be subjected to the competitive logic: the parliament would decide their annual rate of increase and spending constraints would be placed on hospitals, medical doctors, and drug companies.

67 Government statistics for the 1990s show that a majority of young people signed up for administrative tests, as many parents urged their children to work in the public sector.

68 Recently, failure to take into account factors such as terrorism worries largely explains a number of predicted figures of job creation in the United States, which were grossly overestimated by virtually all economic forecasters, particularly in February 2003 and July 2004. As one of these forecasters put it: “Because that uncertainty is immeasurable, unquantifiable, it escapes detection” (Article by Kathleen Pender in the San Francisco Chronicle, 8/10/04). My research shows that it is possible to measure the impact of such phenomena on actors’ behaviors and therefore, to reduce the uncertainty inherent to the forecasting process.
This includes the nation-wide investigation on ways to cope with industrial conflict conducted by the *Conseil Economique et Social* in 1997, in which I participated.

“We interpret strikes over wage increases in the 1880s as primarily strikes over “union recognition.” The main question resolved by strikes was whether the employer would recognize employees’ bargaining power. If so, a discrete wage premium was established. If not, wages and working conditions returned to their preexisting levels ... A successful strike meant a significant wage increase (averaging 13%). Ninety percent of strikes were resolved by one of these two outcomes” (Card & Olson 1995: 33, 58).

“Interestingly, bargaining for a first contract under the current institutional structure has a similar “discreteness.” In the 1980s, unions failed to achieve a first contract in about 30% of new certifications (see Cooke 1985). In cases where a first contract was achieved, unions typically raised wages by 5% (Freeman & Kleiner 1990)” (Card & Olson 1995: 33).
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