

CHRYSLER WORKERS BEWARE!



*Mergers can be harmful to
your health*

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data.

2. The second section covers the process of reconciling bank statements with the company's internal records. It highlights the need to identify and investigate any discrepancies between the two sources. Regular reconciliation helps in detecting errors or potential fraud early on.

3. The third part of the document addresses the issue of budgeting and cost control. It suggests that setting a clear budget at the beginning of each period can help in monitoring expenses and staying within the allocated funds. This is crucial for the financial health of the organization.

4. The fourth section discusses the importance of timely payment of bills and invoices. It notes that late payments can lead to strained relationships with suppliers and creditors, which may result in penalties or loss of business opportunities.

5. The final part of the document provides a summary of the key points discussed and offers some practical tips for implementing these financial management practices effectively. It encourages a proactive approach to financial control and regular communication with stakeholders.

Watch out! Watch out! There's a Peugeot about!

The take-over of Chrysler's European operations by Peugeot/Citroen is going to be a testing time for Chrysler workers in Britain. It is important that they should know their enemy. We are therefore publishing this text, which provides valuable information about the situation inside the Peugeot plants in France.

This Bulletin describes Peugeot's company union, the internal spy system and the use of gangs of hired thugs to deal with workers. Similar situations to that described here exist, in France, at Citroen and at Chrysler/Simca. At first sight the Peugeot set-up seems a throwback - a sort of industrial dinosaur. On second thoughts, one begins to wonder.

The Japanese vehicle industry is much the same. JIDASHOREN (the General Federation of Auto Workers Unions) has its origins in a company-backed breakaway from the Nissan Workers Union, and dominates the industry in the bosses' interests. It actually plays the leading role in exporting these industrial regimes to other parts of South East Asia. (For more information on Japan read Motor Bulletin no. 3 'Datsun: Hell's Battlefield'.) A similar situation exists at the new HYUNDAI plant in Korea (managed by an ex-Leyland executive) as well as in the rapidly expanding motor industry in Latin America. Last but not least also in the often forgotten motor industry in Eastern Europe and the USSR. (We would welcome more information on these areas.)

It is not surprising that Peugeot/Citroen and Simca/Chrysler are able to squeeze very high levels of productivity out of their unfortunate workforces. The following figures,* based on production in 1977, show this:

Vehicles produced per worker per year

Peugeot/Citroen	12.0
Chrysler France	12.3
Chrysler UK	8.2

Even these figures do not tell the whole story. The 126,000 Peugeot/Citroen workers in France not only produce a whole range of other products besides motor vehicles - bicycles, for example - but their mix of models tends to be rather more up market than that produced by Chrysler UK.

* Based on figures published in the Financial Times, August 11, 1978.

Citroen/Peugeot is an extremely profitable enterprise. In 1976 its declared profits were £169 million - and they have greatly increased since. Both Chrysler (France) and Chrysler (Spain) also made substantial profits, but Chrysler UK made a loss of £532,000 during the first six months of 1978. It is very unlikely that the massive new combine, the sixth largest in the world, is going to take this situation lying down. Massive rationalisation is on the cards. Many of those Trade Union officials and others who have so fulsomely welcomed the merger are going to have to eat their words.

If Chrysler workers in Britain are to protect the conditions and limited measure of job control which they have won in past struggles, they will have to fight one of the most brutal and secretive bosses in the business. To win it will be more necessary than ever before to establish as many direct links as possible with workers at other plants in the new empire. We hope this bulletin contributes in a small way to this process.

As always we are anxious to hear from car workers. We need help to get this Bulletin as widely circulated as possible. And we need information about current developments and struggles in the industry. We in return might be of assistance to workers in struggle through providing information from our network of contacts, or by putting militants in different countries directly in touch with each other. You have only to ask.

SOLIDARITY MOTOR BULLETINS

No. 1 : FORD STRUGGLES 1973 (Amsterdam, Antwerp, Bordeaux, Cologne, Genk, Melbourne).
No. 2 : UAW : SCAB UNION. Some struggles at Chrysler's. No. 3 : DATSUN : HELL'S BATTLEFIELD. The struggle of Japanese car workers against powerful employers and a rigidly hierarchical and paternalistic management. No. 4 : WILDCAT AT DODGE TRUCK. (Detroit, June 1974). How the struggle against work itself is playing an increasingly important role in modern industrial disputes. The 'radical bureaucracies' and their relation to the rank and file movement in industry. No. 5 : STRUGGLES AT SEAT (Barcelona). The role of the State in modern production. The workers' reaction. No. 6 : FORD (UK) 1976-1977. The year of the Fiesta. The struggle at Ford, Valencia. No. 7 : GENERAL MOTORS : the 1976 struggles at Strasburg and at Ste. Thérèse (Canada). The paralysing effect of residual illusions in the trade unions. The need for new forms of struggle. 10p. each + postage.

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PEUGEOT - SOCHAUX

INTRODUCTION

The use of espionage and violence in industry is nothing new. Developed and extensively practised in America during the 1920s and 1930s, it became 'accepted' employer practice in the large car plants, such as those of General Motors or Ford. Ranging from the immoral to the illegal, such methods became a means of breaking or preventing strikes, of singling out political agitators. It even became big business: special detective agencies rapidly sprang up, and GM spent literally millions of dollars on paying spies to report on or prevent the emergence of workshop organization.

Initially the unions were seen as a threat to managerial prerogatives, but after the Second World War managers came to realise the value of cooperation, for in many respects, as will later be seen, managers and TU officials have much in common. Today management actually invite unions to organise in their plants - preferring to deal with an 'organised' labour force using collective bargaining techniques - rather than having to resort to open force, threats and coercion.

Therefore it comes as something of a surprise to learn that for the last few years these older practices have been reintroduced in the Peugeot car factories at Montbelliard and Sochaux, in the East of France. Like Ford and GM forty years previously, Peugeot have been spending large sums of money to create their own teams of spies, or private police force (the untranslatable term 'milices patronales' is a better definition), for the very same purposes as their American predecessors. And it's all the more significant when the firm concerned happens to be one of the largest in France - not a small 'patron' scared by the emergence of a radical trade union or an impending strike.

The events of May 1968 showed that the French workforce still had revolutionary potential. The subsequent polarization of attitudes and disruptions could perhaps be said to have persuaded Peugeot that better methods of controlling workers had to be found. A car factory is extremely vulnerable to being disrupted because of the extreme interdependence of processes: even a small section of the workforce is capable of slackening or blocking production very easily.

Mercenaries were not lacking in France; many veterans of the colonial wars in Algeria and Indo-China, dissatisfied with civilian life, were only too ready to accept a well-paid job that promised to offer all the excitement and danger of army life. All that was necessary was to rationalize the market to assure supply and demand. An agency in Paris was created seemingly dealing with temporary employment, thus providing a cover for the recruitment of mercenaries for the Peugeot factories.

So it was, broadly, that Peugeot's formidable 'internal police' came into existence. Some time ago two journalists, Brimo and Angeli, from 'Le Canard Enchaîné' (a 'left-wing' satirical newspaper, roughly equivalent to 'Private Eye'), revealed the existence of this recruiting agency and published some startling revelations about Peugeot, which have never been contested or denied. These events culminated in a 'commando-style' raid to break an occupation of the Peugeot factories at St. Etienne.

THE PEUGEOT FAMILY

The first mention of the Peugeot family can be traced back to 1453. By the end of the 19th century the family owned a considerable proportion of the Montbelliard district. Nowadays the Peugeot factories and their associated industries are situated mostly at Sochaux on the Swiss border. They make cars, bicycles and mopeds. They totally dominate the region and Peugeot have become one of France's largest non-nationalised industries.

In 1966 commercial links with Renault were announced. In 1974, with the aid of a massive state loan, Peugeot bought 90% of the shares of the floundering Citroën company. By 1976 Peugeot had become the effective master of two firms which, jointly, are larger than Renault (each firm controls 19% of the market, compared to Renault's 35%). Renault's technical associations with Peugeot continue, but for obvious reasons are likely to be phased out in the future. Thus Peugeot and

its associated industries, over the last twenty years or so, have become one of the largest and most powerful enterprises in France. In 1976 they recorded a net profit of 440 million francs (about £55 million).

Since the official founding of Peugeot SA (Societe Anonyme) in 1885 the family have never given up the slightest bit of their power. John Ardagh in 'The New France' describes them as a 'wealthy and clannish Protestant dynasty. Six out of the twelve board members are Peugeots and a seventh, the managing director, is a son-in-law'. He goes on to say that although they are proud and secretive, like most of the great French families of 'patrons', there is none of the feudal arrogance for which Citroën, again another 'family' industry, was apparently famous. The management newspaper L'Enterprise described them in 1968 as 'a family which has known how to adapt itself to changing needs, a line of great patrons, a social tradition'.

The economy of France is peculiar in that it is dominated by generally small, patriarchal, family-type concerns of which Peugeot could be said to be one of the largest and most successful. It has been pointed out that this tendency towards 'smallness' is reflected in the behaviour of French management as a whole which, according to Harbison and Myers (1) 'may be described as patrimonial by heritage, static by virtue of an acquired protected position, conservative in social outlook, and restrictive in commercial policy'. This is true of Peugeot who have a long tradition of paternalism towards 'their' workers. In 1935, for example, to celebrate its 150th anniversary, Robert Peugeot distributed books to his workers, in which the merits of Peugeot were painted in glowing colours - as a firm which 'organises the native land to assure the safety and well-being of the thousands of families who've come to swell the population of the region....In the daily lives of its workers Peugeot brings sunshine by giving moral and material help to all'.

But the sun didn't shine for everybody. Before the last war the unions had virtually no rights of organisation. A worker labelled by Peugeot as an 'agitateur' could do nothing but leave the region for it would be impossible to find any other work. There was, and still is, no other industry in the area.

During World War II the Vichy government suited Peugeot very well. Leaflets were printed and distributed by management lauding the charms of that period when strikes were illegal. One of these, found in the district museum at Besancon, showed a drawing of a sitting of Peugeot's 'Commission Sociale', under a portrait of Marshall Petain. Underneath one could read: 'Experience has shown that whenever men of good faith meet, for frank and profound discussions, opposition breaks down, misunderstanding disappears, agreement is reached, first of all through mutual esteem, then through friendship.'

Today the principles of Peugeot remain the same, even if the tone has changed. Paternalism is their motto. The company houses many of its workers and transports most of them to and from work in its buses. Any property for sale in the area is almost always purchased by Peugeot and rented out to the workers. Single people (mostly immigrants) are lodged in one of their many 'foyers' (whose austere appearance and strict rules, make them like prisons). Leisure time is equally well organised; impressive sports facilities are available. The Peugeot football team, FC Sochaux, is one of the best in France. The month annual summer holiday can be spent in one of the Peugeot 'Colonies de Vacances' (holiday camps). Every Sunday, day-long hikes in the countryside are organised. Presumably the sentiments behind such impressive welfare facilities are similar to those expressed by the managing director of Simca when he said that 'sportsmen are less prone to accidents at work, because of usually excellent physical control. They seem also to be less subject to certain nervous diseases and are rarely absent from work' (2). Upon retiring at 65 workers are invited to spend the rest of their days in a Peugeot 'Maison de Retraite'.

Other benefits include the chance to buy a new car every nine months, with a 15% reduction. This can be sold, nine months later, for exactly the same price as was paid for it. Many of the shops in the region are Peugeot owned, notably the enormous 'Ravi' supermarkets, which offer substantial reductions for the Peugeot workers and their families.

To encourage staff loyalty during working hours, Peugeot operates a selection process, to reward hard work and loyal service. This process is described in a training manual as 'the favouring of certain members of the workforce who prove themselves to be especially diligent, and take seriously the responsibilities of their job.' These chosen few (approximately one out of twenty) receive substantial advantages, for example improved sickness benefits and choice of jobs, etc.

Needless to say, militant union members are never chosen. In order to remain a member of this privileged 'house aristocracy' it is advised not to become too friendly with union representatives, and also warmly recommended not to strike.

As an additional means of controlling its workers, Peugeot has introduced the concept of competitive spirit. The best workers are sent to classes at the 'Institut Supérieur du Travail' (199 Boulevard St Germain, Paris), not a world-famous establishment, by all accounts. According to Brimo and Angeli (3) its main attribute seems to be that it boasts out of its seven permanent staff four who were prominent in serving Petain's government and collaborating with the Nazis (Claude Harmel, Georges Lefranc, Achille Dauphin-Meneur, and the director, Georges Albertini.)

notes and references:

- (1) Harbison and Myers: 'Management in the Industrial World'
p 212.
- (2) Coventry Workers' Fight Group: 'Union Struggle at Simca'
p 17
- (3) Brimo and Angeli: 'Peugeot; Une Milice Patronale'

THE FACTORY

First impressions of the districts surrounding the towns of Sochaux, Montbéliard and Valentigney are forbidding. The area, about thirty square kilometres, is dominated by the factories producing Peugeot cars, bicycles and mopeds, tools and components. Out of a total urban population of about 130,000, approximately 42,000 are Peugeot employees, most of whom (36,000) work at the vast Sochaux plant.

The factories themselves present an almost military or penal aspect, with their highly developed security systems, high fences, few gates and uniformed guards. Through the gates flows a constant stream of lorries carrying raw materials, components, car bodies and the finished product, on their characteristic 'Gefco' transporters. Once inside the gates, on the 'official tour', the buildings themselves are modern and clean, although with a pungent smell of rubber, plastic and oil. They are very noisy, mainly because of the high pitched and intermittent shriek of pneumatic tools. The low rumble of the moving assembly line along which the cars take shape, is scarcely audible.

Although there have been no large-scale strikes since May 1968, many small strikes, protesting against specific or localised grievance, have occurred in workshops or divisions of the factory. For example in January 1977 there was an eleven day strike in the Peugeot-Japy foundries at Audincourt, by workers wanting more overtime pay. Although such stoppages only affect a relatively small minority of the workforce at any one time, given the nature of motor car assembly any halting of production in any one section is bound, sooner or later, to affect virtually the entire workforce. This is because there is a limit to the number of components that can be stored, or to the number of unfinished cars that can be housed whilst waiting for the missing parts.

French unions have always been relatively weak. Out of a wage-earning population of about 17.3 million, only 25% (about 4.3 million) are unionised. (1) However at Peugeot the figures appear well below the national average, for out of the total of 42,000 employees only some 8% are unionised, ie about 3,500. The majority of these belong to the largest union, the Communist led CGT (Confederation Generale du Travail), with the liberal/Catholic CFT (Confederation Francaise du Travail) and the Socialist FO (Force Ouvriere - born from a split in the CGT) claiming a much smaller membership. Unfortunately no exact figures are available. There also exists a not insignificant right-wing union; the CFT.

According to "Union Struggle at Simca" (2) the CFT, although apparently not very significant at Peugeot, is strong at Simca itself and also at Citroen. Most of its membership at Simca comes from migrant workers who, being in a vulnerable situation, because their work permits could be revoked at any time, obviously do not ask too many questions when asked to join this 'independent' union. In practice membership of the CFT becomes obligatory. Immigrant workers find themselves equipped with a CFT card even before their residence and work permits - so they assume a CFT card is necessary to obtain them. (3) It would seem likely that a similar process occurs at Peugeot. Ardagh believes that the general low level of unionisation in France can be attributed to the fact that the unions are divided on the lines of politics and ideology, rather than by craft or trade, as in Britain.

Talking to a few friends, I got the general impression that on the whole most of the workers were quite content at Peugeot, holding an instrumental view of their job, seeing it merely as a means to an end. It seemed that many, particularly the immigrant workers, saw themselves as 'getting ahead' in life by the acquisition of material possessions and consumer goods. Firstly a car, then a better TV and washing machine. Then buy some land and have their own house built. Launderettes and TV rental shops were virtually non-existent in the area, as everybody preferred to possess their own.

Main grievances were usually about pay. An OS (ouvrier specialise), ie a worker on the assembly line, takes home about 2,200 francs a month (about £275), with extra for night work. This is slightly above the national average wage of 2,000 francs. This was considered to be quite

a fair wage, even compared with French standards where the cost of living is considerably higher. A teacher, for example, would earn about 2,300 francs. As mentioned, Peugeot workers also received many other benefits such as free travel to and from work, the possibility of renting a 'company house' and free medical treatment for the worker and his family. (A not inconsiderable benefit, for no NHS exists in France. People are expected to pay for the full cost of their treatment, prescriptions etc, of which 80% is reimbursed some time later.) In other respects the French worker compares quite favourably with his English counterpart, for although having a slightly longer working week (an average of 44 hours, including Saturday morning) five to six weeks annual holiday is the norm, including the whole month of August.

Despite this apparent satisfaction with their conditions and what could even be described as 'political apathy', judging from the unionisation figures, the events of May 1968 nevertheless clearly showed that the French workers still possessed 'revolutionary' potential.

Notes and references:

- (1) Source: John Ardagh: 'The New France'. Penguin, p.75.
- (2) Coventry Workers' Fight Group: Pamphlet: 'Union Struggle at Simca', p.19.
- (3) Op Cit p.19.
- (4) John Goldthorpe, D.Lockwood et al: 'The Affluent Worker', p.38.

MAY 1968

In France, the spring of 1968 saw the revival of 'revolutionary left' politics - an alliance of students, intellectuals and militant workers which rapidly developed to culminate in the national strikes of May, of which the struggles in the various car plants formed an important part. Demands and grievances were this time over managerial prerogatives, over discipline, sackings and workers' control, much more than over straight 'wage issues'. May 1968 was seen by many to mark the potential for a radical grass-roots socialist movement within the working class.

In this respect the Peugeot factories were no exception. The workers demanded, as well as longer holidays, more say in the running of the plant, more facilities for the delegues du personnel (shop stewards) and an end to the arbitrary speeding-up of the line by the foreman (a common means of increasing production). And they occupied the factory to give more weight to their demands.

At first refusing to negotiate, the Peugeot management then made a few token concessions in return for an agreement by the union to evacuate the factory and resume work. This was done on Monday, June 10. Later that day it was learnt that 17 Saturdays of extra work had been imposed to make up for production losses. The workers' immediate reaction was reoccupation for they felt that they had been tricked.

This time the authorities didn't hesitate. Drawing on previous experience where the Renault factory at Flins had been similarly occupied some time earlier, the CRS (French riot police) attacked at 3 am the next morning and efficiently evacuated the plant. During the subsequent street battle, which lasted nearly all the next day, three workers were killed and four wounded.

That night the strikers dispersed, having agreed to further talks with the management. People generally agree that it was one of the less 'glorious' days of May and June 1968. Compromises on minor issues were later reached, but few tangible rewards were achieved.

Once the excitement was over and work began again, the first to comment on the affair was Francois Peugeot. Writing in an article in "Le Federation" (a 'patronat' journal) he stated that Peugeot had behaved in the best possible way under the circumstances. It wasn't that management in the car industry has less 'esprit social' than anyone else, but they "had tried to remain within the strict lines laid down by the Grenelle Agreement, in order not to risk the life of the company, and, consequently, the workers' jobs." He went on to state that "strict economies and changes in salary would allow them to return to a relatively balanced financial state". Obviously this succeeded: Peugeot's announced profits for 1968 were considerably higher than for 1967.

The legacy of May '68 was, it is generally agreed, an essentially healthy one, but there is another side to the coin. Passions aroused by the the crisis were strong: the strikers' anger with the government, and the anger of the middle-classes with the anarchist students. These and other tensions served to repolarize French public life, especially in the months after May. A sharpening of ideological conflicts was definitely one of the results of the strikes of '68. This could also be seen as one of the factors affecting Peugeot's decisions in the handling of their workforce.

A SECOND STRIKE

On November 23, 1969, a strike of spray painters began at Sochaux; they were demanding better sickness benefits. Theirs was one of the most difficult and dangerous jobs on the production line. Protected by small 'cabines' they had to apply synthetic lacquer to the car shells. Three days after the strike had begun the management, still refusing to negotiate, laid off 4,000 workers. The sprayers occupied a key position on the production line, and gradually the paralysis affected other workshops. After a week 21,000 out of the total 40,000 workers were idle. The unions appealed for arbitration and negotiations started. At first the management would concede nothing. Christmas was approaching and they counted on the other workers to persuade the painters to go back to work.

By December 6, after two weeks of strike, agreement was reached and work began again, the management having been forced to concede most of the painters' demands. It was a relatively unimportant strike by all accounts, but it illustrated once again the particularly vulnerable position of vehicle production. A strike of 160 workers had been sufficient virtually to halt production for two weeks. Peugeot decided that more effective means had to be found to try and stop incidents like this from happening again.

It was later that month (December 1969) that M. Henri Destais, Peugeot's general personnel manager, first met Jean Michard, an employee of a small employment agency, NOTA, whose offices were at 4, Rue de Trevis, Paris. At this meeting Michard learnt that Peugeot wished to hire, in complete secrecy, 120 workers for the Sochaux factories. They must be prepared to accept any post given, must promise never to go on strike and, most importantly, were to inform their superiors on the mood and activities of the other workers. In short, model employees. For this the 'mercenaries' would receive two salaries; firstly as an OS at Peugeot, and secondly a salary from NOTA of approximately 2,000 francs a month. If the 'experiment' proved successful at Sochaux, Peugeot promised that it could be extended to other factories in the group.

A second meeting took place on January 5 1970, this time between Destais and the two owners of the agency, Michel Delfau and Philippe Delvincourt. As a result the first group of mercenaries were ready to leave for Sochaux the next day. They were given an advance and signed the NOTA contract which included the illegal clause "in the event of a strike, the undersigned will place himself at the disposal of the Peugeot management." (1)

Delvincourt soon resigned once Peugeot started doing business with NOTA. Not through any moral scruples, but because he began to find things a bit too frightening. (2) "I want to hang on to my skin. The far West, that's OK at the pictures, it's safe like that.... At Belfort one day, I found myself with a gun in my back. The bloke was asking for 300,000 francs." After his break with Delvincourt, Delfau set up a second employment agency, especially to deal with the Peugeot business, CEO ('La Compagnie Europeene d'Organisation'). The head offices were in the Rue de Rivoli, in Paris.

After the first batches of mercenaries had arrived at Sochaux and established themselves in the workforce, it soon became apparent that the recruitment standards had to go up. Certain organisations for ex-servicemen were therefore approached. From then on they were to provide many of the recruits. They were organisations such as 'L'Association de Reclassement Militaire de Carriere', 'Le SAC Gaulliste', 'L'Union des Parachutistes' and 'Les Anciens Combattants de l'Union Francaise' (ACUF). Ex-professional soldiers proved to make excellent mercenaries: usually right-wing, bored with civilian life, these frustrated soldiers were very suited to the para-military lifestyle and organisation demanded of them.

One of the CEO employees was Colonel Albert Lenoir, a veteran of the Algerian war; whose job it was to liaise between Peugeot and the agency and to make sure that the mercenaries and their team leaders provided suitably disturbing reports for the Peugeot management. A second branch was established at Lille for recruitment purposes. In charge was Claude Peintre, again a veteran of Algeria where he had been arrested on February 12, 1961, for the murder of a lawyer, Pierre Popie. He avoided imprisonment however because of the putsch on April 21, following his arrest.

Upon his return to France, Peintre became the leader of the 'Delta 15' Gang. 'Le Monde' wrote of him on October 7, 1962: "Peintre exercised a veritable reign of terror over his men, and was considered by the police as an extremely dangerous individual. At Nice he had already wounded with a revolver one of the members, named Di Giovanni, who wanted to leave the gang. On August 9 it was under armed threat that he made his men hold up a bank at Nice. He is also responsible for the murder of several Algerians."

In charge of a further recruiting office at Marseilles was Jacques Prevost, again someone familiar to the police. On August 28, 1962, he had attempted to murder De Gaulle. This ex-member of the OAS was sentenced to life imprisonment by a military court, but released five years later, after a general pardon by De Gaulle following the events of May 1968.

Not everything was organised from the agency offices. At the Sochaux factory was Guy Maury, who was in charge of the mercenary team leaders. It was to Maury that they gave information about workers with left-wing sympathies, management/worker relations, the tone of lunch-time discussions and union meetings. Sometimes they worked with documents provided by Peugeot, containing names, addresses, photographs and general information about workers. Maury would ask for a watch to be kept on a certain group or individual. His men weren't so much agents of terror (used to dissuade workers from engaging in union activities) as spies (forewarning their employers about potential trouble). For a long time the workers were unaware of the existence of these hired mercenaries.

In charge of all operations was General Charles-Valere Feuvrier, the personnel manager of all the Peugeot factories. At the age of 50 he had given up his position as Commander-in-Chief of the French NATO forces to become director of military security in the military police (from 1961-1963). Eight years later it was he who was in charge, and who used and controlled this remarkable network of spies for Peugeot's purposes.

Notes and references:

- (1) Angeli and Brimo: 'Peugeot; the Milice Patronale.'
- (2) Angeli and Brimo: op. cit.

THE MERCENARIES

The following accounts given by mercenaries themselves, are extracts from longer interviews published in Angeli and Brimo's book.

"I only stayed two years, because I valued my life. It was no fun being at Sochaux, with all the foreigners there, the Yugoslavs who wanted to control the hostels, the flying of chairs and drawing of knives.

Before leaving for Sochaux, I went to the office in Paris. Delfau gave us 300 francs and warned us "You'll be well paid, but you mustn't be afraid of knocks." He also told us to be ready to take the place of any strikers if there were any. Soon there were more than a hundred of us. Some didn't stay long and others would replace them. In one year I saw about three hundred blokes like me pass through Sochaux.

We used to meet every week in Maury's town. He told us which people to watch and showed us their photos. We had to spy on them inside the factory and follow them outside, so see if they went to any meetings and if so where. Maury was never satisfied. We never did enough. True, we weren't killing ourselves. He often shouted at us because he didn't like seeing us carrying guns. Me, I had a Luger, and the others often had weapons which they'd bought in Germany.

Sometimes, at nights, my group would stay on the alert, to 'intervene'. We had to stay in our rooms in the Peugeot hostel. We might have to wait all night. Sometimes someone from Peugeot would telephone Maury and we would be fetched. One night we went off like that, with walkie-talkies and truncheons, walking around the factory for two hours. It seemed that they feared sabotage attempts by leftists. There were also police cars doing the same patrols as us. Then another group came to relieve us.

At the time people were very frightened of the 'maoists'. Maury told us that these people earned lots of money, that doctors and rich people paid them to mess things up, and that they had a similar sort of organisation to -urs. Well, at the time, I took advantage of this and asked for a rise."

Another ex-mercenary is quoted as saying: "Anticommunists, that's what we all were. And at Sochaux the pay was good. We were paid one salary as a Peugeot OS and a second by 'La Compagnie Europeene d'Organisation' with a cheque from the Rothschild bank. When I left I was told, "You're going? Good. But you keep quiet, eh? Otherwise you know what'll happen."

Elaborate precautions were taken. For example it was forbidden to have a bank account or to hold a savings bank book - so as not to be conspicuous with too big a salary.

But life didn't stop at the factory gates: "Later on in 1971, when Peugeot had begun to sack troublemakers, some of us even considered organising sabotage in the factory, or some hold-ups. Of course the 'leftists' would have been blamed. All that, just to make us seem indispensable and to force Peugeot to keep us on."

The police in Sochaux and Montbéliard were becoming daily more suspicious about the sudden increase in local crime, which had coincided with the arrival of the new men at Peugeot. But they were cautious about investigating too closely as Peugeot represented such a power in the region.

On May 3, 1971 the police first came into contact with the mercenaries. Claude Depoux, aged 26, together with two friends had held up a supermarket cashier at Belfort, on October 26, 1970. A mediocre robbery by any standards, for each received only 170 francs. At his trial it was revealed that Depoux already had a long criminal record. In his speech, Depoux's lawyer, Rene Gehant, brought to the judges notice the fact that his client was an employee of Peugeot where "he received a monthly salary of 1,200 francs, plus an extra 2,000 francs for dirty work... This wasn't exactly calculated to make him keep within the law."
(1)

On February 12, 1973 Jean-Paul Thiers, aged 29, was convicted of bank robbery at a court in Besançon, his fourth offence in a period of 14 months. Summing up the case, the judge told him: "During your last period of activity, you were working at the Peugeot factories, both for 'La Société Peugeot' and for 'La Compagnie Européenne d'Organisation', who paid you, in addition to your monthly salary of 1,200 francs, a further monthly salary of 1,800 francs. At the beginning your job was to fight certain elements of the extreme left, and agitators in general ... The employees of the CEO are noticeable in Montbéliard by their aggressive behaviour." (2)

This was only the beginning. At Montbéliard, a former professional soldier, Roger Ruiz, aged 39, was given two months in prison, as was Paul Tombini, aged 33, a former soldier in the 'Premier Régiment Etranger Parachutiste' in Algeria. Both men admitted to being mercenaries at Peugeot, Ruiz being a leader of one of the teams. He, like Depoux, had served previous prison sentences for drug smuggling and carrying weapons.

Some weeks later, on February 15, 1972 Charles Rossi and Daniel Vadel, both Peugeot employees, appeared before a court in Strasbourg, charged with the holding up of a bank. The local newspapers carried long lists of similar cases. It had become common practice for the police to visit the Sochaux hostels every time a new offence was reported. For example after a hold-up at Baume-Les-Dames, on August 12, 1971, a police officer, Gerard Rollin, wrote in a report to his HQ at Dijon:

"The enquiry has been pursued with the help of the local police. We had immediately envisaged the possibility that certain employees at

SA Peugeot were involved in the incident. They are more commonly known by the nick-name 'special employees' or 'Nicois'. This hypothesis results from the presence there of a certain group of individuals, most of whom have criminal records. Right from their arrival in the area, they have been brought to our attention because of various incidents. These range from simple brawls to protection rackets. They have also taken up with other wrongdoers from this region, often suspected of being at the bottom of various incidents." (3)

On July 11 1974, some explosives went off in the boot of a car in Montbelliard, causing quite a large fire. The car belonged to Bernard Roussillon, a mercenary team leader at Sochaux. In the ensuing investigations the police found a stock-pile of explosives in Roussillon's garage, together with boxes of leaflets for the 1974 Presidential election campaign, some of which had come from the SAC. "Oui a la liberte. Non a Mitterand". Others were from the 'Comite de Soutien de Valery Giscard d'Estaing' - "Pas de Communistes au Gouvernement, votons Giscard". (4)

According to newspaper reports it seems that investigations into this incident never got very far. Initially they caused quite a stir, but after a few days nothing more was heard. Similarly it appears that the crime rate, at least among Peugeot employees, fell dramatically after the beginning of 1975, for no further references could be found in the local newspapers.

Notes and references:

- (1) From 'L'Est Republicain' (the local newspaper), May 20, 1971.
- (2) 'L'Est Republicain', March 13, 1973.
- (3) A photocopy of this document was published in Angeli and Brimo: 'Peugeot; Une Millice Patronale'.
- (4) 'L'Est Republicain', July 13, 1974.

A 'CONFESSION'

This 'confession' given by an ex-mercenary is taken from a longer extract quoted in Brimo and Angeli's book: "After my release... I contacted you for I want to tell you about the exact nature of the 'internal police' in certain French factories. Not only in the car industry. I myself have been employed in this job for... in one of the largest car factories. I was recruited at ... I'm not trying to justify myself, but I had been very tempted by this offer, for I had just come out of prison at ... where I had been doing time for ... Moreover this situation was well paid and gave my wife a certain security.

A new flat, social security, family allowance etc. All this reassures a wife and gave her some stability. My salary was 3,600 francs a month; the rent of the flat had already been paid by the company. It wasn't a tiring job since I only used to spend six hours a day at the factory. As you see, everything to be happy!

There were ... of us in a team. Blokes like myself, with my way of thinking, who only wanted to be forgotten. For the rest, we don't care a fuck. We had all been recruited at ...

We spent a lot of time living it up, enjoying ourselves. There was extraordinary understanding between us. We soon by-passed the ex-military people in charge of us. The 'bad boys', that's what they call us. Rather than destroy left-wing influence we merely increased the crime rate. A special team had even been created several months later to try and stamp out this growing violence. It was, for many of us, the last straw. We weren't getting enough. But what was possible in regions such as ... wasn't possible everywhere. Whoever they were, the maoists had nothing to complain about concerning us. We never touched them. Everyone is entitled to their opinions. And anyway our ideas were closed to theirs than to those of the bosses.

We quickly realised that we were a force to be reckoned with. From then on the management would have to consult us. For in times of disturbance we could make big trouble. They understood that too. Therefore we received a good whack, plus an extra cheque each month. Our salaries were paid by an important bank, whose name will make you smile. I know quite a bit about the structure of this organisation, and about the Paris agency responsible for recruitment."

THE RAID AT ST. ETIENNE

On Wednesday April 3, 1973 work stopped at the Peugeot factories at St. Etienne. The workers in the 'bodywork' section had submitted a long list of grievances which management had flatly refused to discuss. The reaction of the workers was to vote for an occupation, which started immediately. At once Peugeot applied to the 'Tribunal des Referes' for an order to allow them to forcibly evict the workers. This was granted, but the 'prefect' of the 'departement' (Paul Camous) refused to apply the order. He knew that if the police became involved serious trouble would break out.

While these official processes were dragging on, General Feuvrier and the other bosses decided that they must 'clear' the factory in a special operation. The effects of the strike were felt almost at once at Sochaux where the 304 and 504 models ran out of oil pumps and other components made at St. Etienne. In four days production had already dropped by fifty units.

It was arranged that special mercenary teams should be brought in. It was hoped they would be able to 'liberate' the factory in one quick attack. These teams, consisting of men from Sochaux, Mulhouse and Dijon could then immediately begin work on the oil-pumps. If the operation came off, then non-strikers would be able to begin work again the following day.

That same evening 70 men arrived at St. Etienne from the various factories. They were given their instructions and, as soon as night fell, the operation began. One of the men involved, Jacques Schnell, said (1): "With the help of wire-cutters, we cut our way through the factory fencing and entered by the back, in order to surprise the pickets". Schnell admitted: "We had iron bars and bicycle chains and plaster grenades and other such things. The stuff was given to us at St. Etienne." (2) Once inside the group cleared the factory, scaring or assaulting any of the strikers who attempted to get in their way. In a little under two hours their mission was accomplished. The factory was cleared and ready for work to begin. The strikebreakers attempted to start up the machines themselves, but were apparently unable to operate them.

That morning, forewarned non-strikers arrived for the morning shift as usual. But when they saw the traces of the previous night's fighting, and the mercenaries still there, they refused to start work. Outside, the cries of the strikers, gathered at the factory gates, possibly helped them to make up their minds! As the morning progressed nearby factories decided to strike in sympathy and the crowd outside the gates became larger by the hour. The radio and many of the newspapers carried reports of the previous night's raid, describing it in terms of a 'commando, military-style attack'. Obligated to reply, Peugeot issued a communique stating that the mercenaries "were merely the protectors of society."

That afternoon, 37 participants of 'operation commando' found themselves at St. Etienne police station. The police did little more than take their names. They were released at the end of the day and left for Paris.

Some time later, five of the strikers who had been assaulted in the raid started proceedings against Peugeot for injuries received. All 37 of the known mercenaries were questioned, but no decision was reached. The election of Giscard d'Estaing as the new President (and the subsequent presidential amnesty) saved Peugeot from a public trial and certain conviction. On December 17, 1974 the Public Prosecutor of St. Etienne stated: "If the alleged offences of April 12, 1974 took place, then by application of article 2 of the law of July 16, 1974 the alleged offenders are entitled to an amnesty."

CONCLUSIONS : AN INADEQUATE EXPLANATION ?

Trade unions are remarkably unsuited to the role of revolutionary bodies. Their very existence is a testimony to the existence of employers and capital. This acceptance of capital, and even, to some extent, the vindication of its rights, has made it difficult for trade unions to resist their own incorporation into the State. Unions have become at best defensive or bargaining organisations, built and supported by workers who need protection in the labour market - the deciding of 'the rate' - 'how much for how long?' This description is rather simplistic, for they involve more than this. The numerous conflicts experienced by the workers are reflected within the unions. Unions tend to restrain rather than to develop political awareness. Fundamentally they are economic bargainers and, as such, well serve the interests of capitalism.

The normal 'pattern of relations' between management and the trade unions has been a transition from initially overt hostility (when unions were seen as a threat to the prerogatives of management, and measures were taken to discourage or even ban membership) to the gradual acceptance and even encouragement of union development to be found nowadays. Their potential for reformism and labour integration have become well appreciated by management.

Why then does Peugeot's management persist in its policies of discouraging union development? Why does it go to such illegal lengths to do so? Surely this anachronistic attitude would seem to be an inherent contradiction? True they don't actually forbid union participation (in any case this would be illegal) but they do seem to have a rather neurotic idea concerning their ability to control the demands of 'their' workforce. It would seem to be far more than a simple and obvious conflict of interests over the distribution of profits, of good versus bad, boss versus workers. This is too simplistic an explanation. Perhaps an examination of industrial relations in France in general would put things in a better perspective.

As a justification for their anti-union policies Peugeot state that it's not the unions as such that they're opposed to, but the disruptive elements of the Communist Party who constitute a small minority of members in the CGT. It's true of course that the CGT tries to use the plant committees and

the 'delegates du personnel' as instruments to carry out the aims of the CP. It's also a fact that the CP attracts a large segment of the worker vote. In plant committee elections it may well get a majority of its nominees elected. Yet the actual number of hard-core Communist union members is very small, compared to the large numbers of votes cast for Communist candidates. On the whole, the CGT tactics have only served to divide workers' efforts at plant control and, to this extent, have actually helped the employer eliminate the union in his plant.

For all practical purposes, the long-standing political and economic habits of France still dominate the industrial world. French enterprise is strongly marked by family origins, and authority often rests in the hands of a small tightly-knit group, usually a family, who are unwilling to release any of their power. The cleavage between manager and managed remains sharp. In this respect the Peugeot family are very typical in France, although obviously bigger and more successful than most.

As such, paternalism and hostility to trade unions, the former especially, are noticeable in almost all French management ideologies. The 'happy family' image is one that is often put forward. Peugeot boast of their extensive welfare facilities and schemes, offered in return for the loyalty of their workers. (Yet these also have a distinctive coercive possibility, in that they can and will be revoked if this loyalty is not sustained.) Unions are seen as bringing 'outside' influences into the 'family'. Workers are 'misled' and employers are 'forced to act in the workers' own interests', by opposing the unions. At Peugeot, as in other businesses, this view is held so strongly that cooperation with the unions is reduced to a minimum. This serves as a potent encouragement to the CP among the workers, which in turn serves as a further reason for hostility and non-cooperation on the part of the management. In France, as in Italy, this intransigence on the part of the employer, is often reinforced by political ruling groups. The Napoleonic legacy of a strong and complex state administration, and even the occasional descent into fascism, plus an unwillingness to compromise with working-class movements, all this has served to diversify the society as a whole and to enhance the conflict between the employer and the employed.

The class consciousness of the French worker has flared up sporadically to frighten the French management - as in the Popular Front days of 1936, the short period after 'liberation' of 1945, and in May 1968.

In many ways the May 1968 crisis and its sequels seem to have provoked the conservative forces in France into a last ditch stand against change. This battle to defend vested interests is now in a crucial phase. It is a situation full of paradoxes. This 'defensive' movement tends to be aimed as much against the radical left as against certain of Giscard's reforms (for example, Jacques Chaban-Delmas' 'New Society' programme to eliminate France's 'Societe Bloquee'). In some cases it is even aimed at the rising tide of modernisation in commerce and industry. The conservatives seem to be striking out wherever they see themselves menaced. Whereas the pace of post-war change had been fairly leisurely until 1968, May marked an attempt to speed up the pace dramatically, provoking a vehement reaction of which the Gaullist landslide victory in the elections of 1968 was one symptom.

The conflict between reform and reaction is now being intensified. The conservative forces are still immensely strong in France. In this respect the behaviour of Peugeot and their refusal to accept any challenge to their authority could well be seen as symptomatic of this polarisation, and also of other tendencies already present in French industry. A family based patriarchal enterprise, with its traditions of paternalism and hostility to unions, Peugeot is very typical of French firms, except that it is bigger than most, and therefore has more to lose. So when things seemed to be getting out of control, when the revolutionary potential they'd always feared seemingly became apparent in May 1968, they became fearful of their capacity to control the workforce and decided that other methods were necessary. The traditional law enforcement agencies seemed inadequate to cover their particular needs. So they resorted to private coercion.

In the final analysis, one could perhaps interpret this behaviour as the last stand of an anachronistic management faced with what they perceive to be a powerful threat, and unwilling to renounce any of the power and authority which they have held for many generations.

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