

# Nationwide Protest in France in 2023 Against Proposed Pension Reform

Subhendu Bhattacharya

Assistant Professor, Pillai Institute of Management Studies and Research, Navi Mumbai

Email address: subh.econ@gmail.com

**Abstract**—In the autumn of 2019, France was the focal point of a sizable wave of strikes and protests that rippled over the whole nation. The planned pension reform, which sought to restructure France's convoluted pension system, served as the impetus for these protests. The measure was received with fierce opposition, sparking protracted demonstrations that revealed the public's genuine worries about their social welfare and retirement prospects in France. With its high benefits and retirement arrangements, France's pension system has long been a pillar of its social safety net. According to the pay-as-you-go model, current employees' contributions pay for existing retirees' pensions. Although this model offers a steady pension plan, it has encountered difficulties as a result of demographic shifts such as an ageing population and decreased birth rates. The government's proposal for a thorough pension reform was spurred by these issues. The transition to a universal points-based pension system will eliminate the best benefits for a variety of occupations, including attorneys, opera singers, and sailors. By raising the retirement age from 62 to 64, it was intended to signal that people who left the workforce earlier would get a reduced pension depending on the points accumulated. Despite the general public's awareness of the need for change, the most recent strike has overwhelmingly positive support. It is anticipated to continue into the middle of 2023, and some union officials have threatened to continue it until Mr. Macron abandon his campaign to refurbish the retirement system before the election. The larger public is where the problem lies; surveys consistently showed that the majority of the population supported the strikes and disapproves of how the government is dealing with the change.

**Keywords**— Fierce opposition, Pension reform, Pension system, Public protest, Retirement prospect, Social implication, Workers' rights.

## I. INTRODUCTION

France, well-known for its lengthy history, diverse culture, and dedication to social welfare, has had its fair share of demonstrations and movements that have influenced its culture. The demonstration against the suggested rise in the retirement age was one such crucial occasion. This protest, which gathered much momentum recently, is about more than simply fighting for retirement benefits; it's also about fighting for social fairness and economic stability. This article explores the protest's motivations, consequences, and overall significance. The proposed bill was the combination of 42 current private and public sector regimes into a single, all-inclusive points-based scheme, completely overhauling the nation's post-war pension system. Some employees' privileges to take an early retirement was likely to disappear. One of the most violent protests of the century occurred in France. Unions got furious about the shift to a points-based system

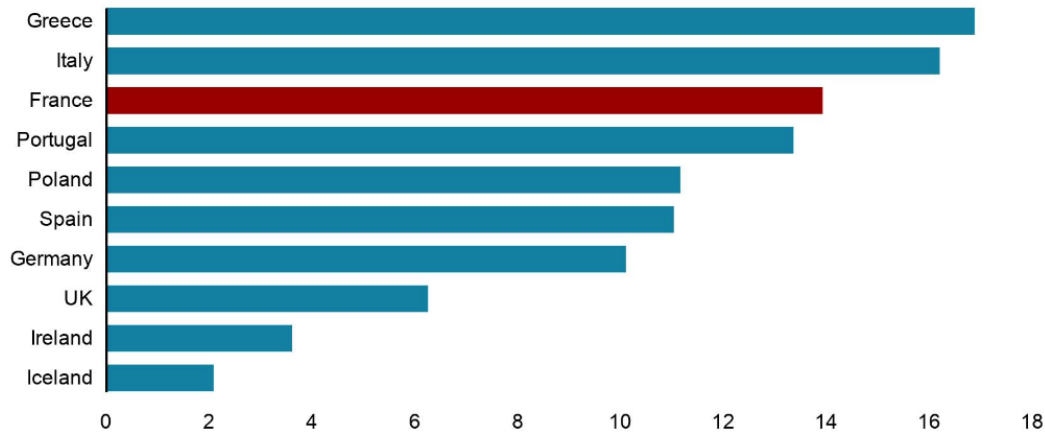
because they claimed it would make employees work longer hours to make up for wage cuts. The universal pension system, which rewards workers for each day of work with points that may later be converted into benefits, had drawn criticism from some who believe President Emmanuel Macron undermined French values. The public supported France's largest strike in decades, which involved hundreds of thousands of workers but interrupted hospitals, schools, emergency services, and transportation systems. In France's public and private sectors, there are now 42 distinct pension plans with varying benefits and retirement ages. However, the new national program would promote continued employment while eliminating France's convoluted retirement structure. A new intergenerational agreement has been recognized in the projected universal pension system. The following propositions were incorporated in pension reform. The retirement age would be raised by two years to 64. From September until 2030, the transition would be gradual, rising by three months every year. To receive a full pension, workers would have to make social security contributions for 43 years rather than 42 years beginning in 2027. The extra year was initially planned in a 2014 legislation, but Macron hastened the transfer. For new retirees, a minimum pension income of no less than 85 percent of the net minimum salary, or around 1,200 euros per month at present levels, was guaranteed. After the first year of retirement, persons earning a minimum income would have their pensions linked to inflation. According to the administration, the pensions of the lowest 30% of the population would rise by 2.5-5%.

## II. THE CONTEXT OF THE PROTEST

For its private and governmental sectors, France now has a complicated system of 42 separate pension plans with varying retirement ages and payouts. Mr. Macron sought to establish an integrated system. In the private sector, the 25 highest-paid years of employment are mainly used to determine pension benefits, but in the public sector, payments earned in the final six months before retirement are used. The new program from the French president promised to compensate workers for each day of work by awarding them points that might then be converted into future pension benefits. According to research released by French Prime Minister Edouard Philippe in November 2019, the nation's pension deficit might reach €17.2 billion (\$19 billion; £14.5 billion) by 2025 under the current system. Regarding public spending as a proportion of GDP (the nation's total economic output), France's present system is among the most expensive in the world at 14%. The 42 current

pension plans, which varied between industries and professions, were to be replaced with a single points-based system under the planned pension reform. The reform aimed to streamline the process and ensure the system's financial viability by standardizing retirement ages and calculating techniques. The new system, according to supporters, would encourage longer working lives and be fairer, more

transparent, and necessary given the nation's demographic changes. The demonstration highlighted a generational gap in perception. Younger people feared that an older workforce would restrict their employment opportunities and prevent upward mobility. This conflict made clear the necessity of policies that strike a balance between the requirements and goals of diverse age groups.



Source: OECD

BBC

Diagram 1: Cost per country as a percentage of GDP

It is evident in the above diagram that France is one of the leading nations for pension spending among European nations. The existing pension system is draining the exchequer and hurting the economy. This pension expenditure is unsustainable as it diverts government from necessary economic reform. Given that France's population is ageing, Emmanuel Jean-Michel Frédéric Macron, a French politician who has been president of France since 2017, said that his universal pension plan will be more equitable than the existing one. Throughout the European Union (EU), there are various restrictions on when citizens can begin receiving pensions. The official retirement age in France has increased over the past ten years from 60 to 62, although it still ranks among the lowest among the affluent countries in the OECD; for instance, the retirement age in the UK is 66.

### III. MOTIVES BEHIND THE PROTEST

**Social Safety Nets are at Risk:** Many people were concerned that the new system would jeopardize the current perks and safety nets that different professions and industries had negotiated over the years. People in particular professions, including railway workers and personnel in the public sector, were worried about losing their special pension advantages.

**Economic Uncertainty:** One of the protest's main drivers was the current state of the economy. Many people were concerned that raising the retirement age would make them work longer in a market where jobs were already scarce, increasing unemployment rates and reducing chances for future generations.

**Quality of Life:** The demonstration brought attention to issues with senior folks' quality of life. Raising the retirement

age, according to many, would force older workers to work much beyond their physical limitations, badly affecting their general wellbeing and limiting their capacity to relax and relish their retirement years.

**Uncertainty:** Uncertainty was caused by the difficult switch from the old system to the suggested points-based one. Employees were concerned about the worth of their upcoming pensions and if they would have enough assistance after they retired.

**Social Inequity:** The demonstration brought socioeconomic disparity into sharper focus. A rise in the retirement age would have a disproportionately negative impact on low-income employees, who frequently have physically demanding employment. This led to concerns about access to a dignified retirement and the fairness of load sharing.

**Labor Union Resistance:** French labour unions have a long history and have played a significant role in influencing labour laws in the past. These unions, who represent a diverse group of employees, were worried that the change may reduce their ability to bargain and damage workers' rights.

**Erosion of Solidarity:** The change, according to critics, eroded the social compact that supports the French welfare state by putting various age groups against one another and undermining the idea of intergenerational solidarity.

### IV. IMPLICATIONS AND OUTCOMES

The size and ferocity of the protests opposing the pension change were distinguishing features. Strikes significantly impacted the economy by interfering with public services including transportation, education, and healthcare. Concerns over economic injustice gave rise to the "Yellow Vests"

movement, which gained traction in 2018, and the protesters against pension reform found common ground with each other. The movement served as a symbol of greater dissatisfaction with economic inequalities and a perceived disengagement of the governing class from the worries of common people.

**Policy Debate:** The demonstration forced the administration to have a deeper conversation with its people. It compelled decision-makers to think about different approaches to the pension dilemma, such as reexamining taxation policies, encouraging longer employment through flexible scheduling, and fostering intergenerational solidarity.

**Public Awareness:** The demonstration brought attention to the necessity of defending social welfare programmes. It promoted a feeling of civic duty and involvement by encouraging residents to participate more actively in choices about public policy that affect their lives.

**Labor-Management Relations:** By exposing the significance of unions in fighting for workers' rights, the demonstration also had an impact on labor-management relations. The ability of group action to effect significant change was proved by the cooperation of demonstrators and labour unions.

**Social Justice:** The demonstration sparked larger discussions on social justice, inequality, and the function of the state in protecting the welfare of its people. It stressed the significance of laws that safeguard disadvantaged groups and advance justice. The demonstration emphasized how intertwined society's many generations are to one another. The idea that policies impacting one age group can have ripple effects on others was reaffirmed, emphasizing the need for a comprehensive and inclusive approach to policy-making.

**Global Relevance:** The protest moved populations in other nations experiencing comparable demographic concerns. It demonstrated the effectiveness of group action in influencing policy choices and emphasized the significance of striking a balance between social welfare and economic reality.

## V. CONCLUSION

The French retirement age hike was opposed, but the display of citizens standing up for social fairness, economic stability, and a high standard of living went beyond just rejecting a legislative move. This incident serves as a reminder that societal changes may be influenced by collective action and that governmental decisions have significant societal effects. Discussions on just policymaking, intergenerational cooperation, and the maintenance of social welfare program in a rapidly evolving society are still influenced by the memory of this protest. The reform's crux was an increase in the minimum pension age from 62 to 64, as well as an acceleration in the needed number of yearly contributions from 41 to 43 to qualify for a full pension. Pension reform was a flashpoint, as each French politician who attempted to postpone the retirement of its inhabitants knew it well. As the protests continued, the hatred had deepened. The turnout on the streets on March 7<sup>th</sup>, 2023 was marginally greater than the previous record set on January 31<sup>st</sup>, 2023. Two-thirds of French people anticipated the government to abandon its plan, precisely as they did at the start of the year. France's ageing

population and lavish retirement programme have put a strain on the government's coffers over the years. Unless the regulations are altered, the yearly shortfall in the pension system would reach €14 billion (\$15 billion) by 2030. Mr. Macron and his cabinet were unable to persuade the public of the benefits of their reform, despite the fact that it maintained a liberal system that was less radical than the one he first planned and abandoned owing to covid-19, and was included in his election programme in 2022. Number of pensioners increased over the period to reach 17 million in 2023. France maintained a pay-as-you-go pension arrangement whereby workers' pay for retirees. This contentious issue kept other pressing concerns such as Immigration reform, the construction of 200 new military police barracks, schools, health care, and the environment on hold. Pension reform did not bid well and opposition group opposed vehemently and referred that the reform was against will of people. President Macron emphasized the importance of modernizing the pension system in order to maintain its financial viability. However, as the protests became more intense and prolonged, the administration began to negotiate with labour unions. The administration saw this readiness to compromise as a significant concession and a watershed moment in the movement. While the government did not abandon the proposed reforms fully, it did make certain compromises, such as exempting some occupations from the raised retirement age. These talks helped to de-escalate tensions and eventually brought the strikes and protests to a conclusion. Protests and strikes in France in 2023 over pension reforms were striking evidence of the French people's resolve to protect their social benefits and workers' rights. While the administration contended that the modifications were required for the long-term viability of the pension system, the public saw them as unfair and skewed towards the rich. The widespread mobilization, notably by labour unions, compelled the administration to negotiate and compromise. While disruptive, the protests and strikes were eventually successful in preserving many features of the present pension system. This event serves as a reminder of the lasting power of collective action and the significance of public participation in determining decisions regarding policy.

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