

# French steel industry goes soft

Kim Willsher

In a valley lashed by wind and rain in the industrial heartland of northeast France, steelworkers blockading the local foundry see their action as a last stand to save their jobs, their factory, their region's economy — even the entire French steel industry.

As thunderstorms raged in the area last week, the symbolism was potent: the picket-line bonfire hissed and went out. The tent where protesters had taken refuge from the elements ditched its concrete anchors and threatened to blow away.

At the ArcelorMittal steelworks in Florange, the “temporary” closure of two blast furnaces was declared permanent last Monday, causing the loss of 629 jobs. Bitter jokes and anger are directed at the Indian-born, British-based Lakshmi Mittal, owner of the world's largest steel-making company.

“That man is a predator,” said Edouard Martin, head of the CFDT union at Florange, where he has worked for 32 years. “I'm sick of hearing people say: ‘You are a historical industry but one from the past; you have to move on — do something else.’”

The ArcelorMittal plant at Florange has become the symbol of France's industrial decline and a litmus test for the future of steel-making in Europe.

In the Vallée de la Fensch in the Moselle, whose rich iron-ore fields once made it the jewel in France's industrial crown, Florange is the last steelworks standing. It is an industrial crisis that has echoes of the privatisations and plant closures that all but wiped out British steel-making and coal mining in the 1980s and 1990s.

Unemployment in this area of France is already above the 10% national average and the Florange plant, which supplies the car industry, has been hit by a fall in demand for new cars. Peugeot Citroën caused outrage in July when it cut 8 000 jobs and closed a production line in suburban Paris, but it followed a first-half loss of €700-million and a 20% fall in sales in Europe in the first quarter.

Mittal is not shutting the entire site but the so-called “hot line” — the blast furnaces where the iron ore is melted to produce steel — and the neighbouring coke plant.

France's socialist president, François Hollande, and Arnaud Montebourg, the minister for industrial renewal, have taken up arms on behalf of the steel workers and have pledged to find a buyer for Florange's furnaces. However, Mittal who

blames falling global demand for steel and high production costs for the closure, has given them just two months to do so, at a time when Hollande is grappling to reduce the public deficit by €30-million and reverse rising unemployment that has topped three million.

“We're all afraid. Over the years all the plants have closed here. If this one goes, it won't be easy to find work,” said Cyril Colpin, a third-gen-

eration steel worker who has been employed at Florange since 1999.

Although agreed on the need to save Florange, the plant's main unions, the CFDT and Force Ouvrière, disagree over how.

Walter Broccoli, the local Force Ouvrière secretary general, “doesn't believe for one minute” that the Hollande government will find a buyer and wants the plant nationalised. “We want the government to

declare steel a strategic asset for the country, like electricity and petrol, and requisition it,” he said. “Oh, and not give a penny to Mittal.”

The CFDT's Martin says protesters will maintain the blockade. “All eyes are on Florange. People are watching our battle to see what happens. They know if we lose there are no guarantees for anyone. We're a historical industrial area, but for 40 years they've treated us like sheep as

they shut our factories. If we lose this battle, it's a bad sign for the rest of Europe's steelworks and will boost the multinationalists, who will think they can do anything they want.”

Henri Blaffard, a vice-president of ArcelorMittal Europe, told the *Républicain Lorrain* newspaper the closure was owed to a “serious crisis in Europe” that had led to a 25% reduction in demand for steel. — ©Guardian News & Media 2012