Black Friday misery for French shops as Macron and protesters lock horns

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French retailers warned after days of unrest over fuel taxes on Friday that prolonged protests could spoil the Christmas shopping season and threaten jobs, while President Emmanuel Macron showed no sign of backing down.

For a week, protesters clad in fluorescent yellow jackets have blocked highways across France with burning barricades and convoys of slow-moving trucks, obstructing access to fuel depots, shopping centres and some factories.

The unrest is a dilemma for Macron who casts himself as a champion in the fight against climate change and wants the French to switch to greener energies. He has been derided as out of touch with common folk and is fighting a slump in popularity.

Now he faces upsetting businesses with a warning from retailers that the protests are damaging trade and could harm the economy.

Retailers' daily revenue fell 35 percent last Saturday, the first day of the so-called "yellow vest" protests, when nearly 300,000 people took part.

"We have a real problem as some stores have been closed for a week now because of the blockades," said Jacques Creyssel, head of the French Retail Federation (FCD). "One week without revenue is dramatic for a company."

The FCD represents retailers including Carrefour, Casino and Fnac Darty, for whom Black Friday, a now annual event imported from the United States on the day when retailers traditionally begin turning a profit, marks the start of the Christmas shopping season.

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"It's a crucial time for retailers. If retailers cannot work and customers cannot shop, it's bound to have a major impact on employment," said Creyssel.

The protests will enter a second week on Saturday with police braced for confrontations with violent fringe elements though the overall number of protesters has fallen sharply.

Tourism is also being affected. The Eiffel Tower in Paris will be closed on Saturday because of the planned protests, its operator said.

And the disruption has spread to carmaker PSA Group, which was forced to temporarily halt two production lines on Wednesday at its Sochaux plant, where it assembles Peugeot and Citroen vehicles, because of problems getting supplies delivered.

"GENTLE TOUCH" NEEDED

The government has sought to calm the uprising by earmarking 500 million euros to double a 2,000 euro bonus granted to motorists on low incomes who change old-model cars for cleaner ones.

But it was enough. The "yellow vests" demand the government reverse fuel tax hikes which, combined with higher global oil prices, have led to a roughly 20 percent rise in the pump price of diesel in the last year. Diesel now retails at about 1.50 euros (1.33 pounds) per litre in the Greater Paris region.

Macron's decision to dig in his heels is showing signs of upsetting the young, centrist En Marche party. There is simmering dissatisfaction, in particular among left-leaning lawmakers, over policies perceived as favouring the rich.

"If we want France to change its course, it requires a gentle touch and flexibility," said En Marche legislator Patrick Vignal. "And my government is showing neither."

Matthieu Orphelin, an En Marche MP who wants Macron to move faster on clean energy, said: "To be heard, you first have to listen. We need to get out there, get shouted out and reply to their anger in concrete terms."

Diesel tax opponents argue that the government lacks a clear vision on switching to more environmentally-friendly energy sources, citing foot-dragging by Macron on reducing France's reliance on nuclear power.

The president and his ecology minister will on Tuesday lay out their blueprint for an "energy transition", including a timeline for reducing France's reliance on nuclear, which currently delivers about 75 percent of French power.

"We're working more to a target of 50 percent nuclear by 2035," Ecology Minister Francois de Rugy said on Thursday.