



Review Article

Plus ça change, plus c'est la même chose?

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Resistance to change seems to be a deeply ingrained trait of French national character, and therefore traditional political accounts of France emphasize historical continuity. Yet, France has changed considerably in the past two decades, whether in economic, social, or political terms. This article reviews *Changing France: The Politics That Markets Make* and, beyond this book, asks how France has and has not been transformed. The central argument is that this change has taken place for the most part in the shadows instead of being publicized and debated. This has led to an overwhelming feeling of *malaise* in society and to a crisis of political representation.

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Introduction

Judging from the flamboyant social unrest that has marked France since October 2005, many an observer has noted how much 'Plus ça change, plus c'est la même chose'. Millions of French men and women, young and old, have demonstrated in the streets against a new job law giving employers special rights to hire and fire people under the age of 26. For more than 2 months, students have occupied high schools and universities, and generalized strikes to support their cause have paralyzed the country. This, coming on the heels of the November 2005 riots in the disadvantaged French suburbs, has led many analysts to two conclusions: first, France is a country allergic to change and second, in France change can only occur through violence and rebellion.

Indeed, traditional accounts of France emphasize continuity: politics and policies in France are rooted, not to say frozen, in the historical features of Jacobinism, Gaullism, and dirigisme. No wonder French citizens are reticent to change. However, French life today cannot be captured only with reference to these dimensions, in spite of the impression of déjà vu when looking at the Sorbonne and the millions of demonstrators in the street. Instead, France has changed dramatically over the past 20 years.



In *Changing France*, Culpepper *et al.* (2006) and their contributors tackle the difficult task of highlighting and explaining the multiple changes that have taken place in France in the past two decades, as well as taking stock of the challenges yet to come. Although it is already dated and unfortunately does not take into account the riots of November 2005 and the demonstrations of March 2006, this book must really be lauded for going beyond the facile resignation that France is just antipathetic to change, a lost cause in the new, globalized world.

A Changed France

Over the past 20 years, France has been transformed considerably as a result of technological and demographic challenges, in addition to the twin pressures of Europeanization and globalization. As Hall notes in the introduction, the steps taken to liberalize the economy have been among the most substantial of any nation in continental Western Europe during that period. *Changing France* is part of a new trend of works on France that are shattering the aged clichés about a country frozen in postwar statism and instead emphasizing these patterns of change, adaptation, and resistance — whether with respect to markets (Schmidt, 1996), *dirigisme* (Levy, 1999), globalization (Gordon and Meunier, 2001), or the welfare state (Smith, 2004).

Dramatic change has taken place in France indeed. The real story of the French economy of the past 20 years is not so much how the state has maintained its traditional grip, but rather how the country has gradually, and quietly, adapted to a global economy. Breaking with its mercantilist and *dirigiste* past, France has since the early 1980s converted to market liberalization. Most of the traditional tools of state control over the economy have disappeared in the past two decades: price and credit control, monetary policy, and to a large extent industrial policy.

These changes are ubiquitous. With respect to the overall political economy, France no longer follows a statist model, as Culpepper analyzes. Instead, markets now play a preponderant role in shaping the economy, even though the political discourse may not have caught up with reality yet. Moreover, more actors in civil society became empowered throughout the 1990s, and Michel Lallement argues that industrial relations are now increasingly negotiated and consensual — the infamous CPE episode notwithstanding. Patterns of corporate governance have also been dramatically transformed, as Michel Goyer shows, rendering the French economy much more dependent on foreign equity than in the past and many French firms well equipped to become world players in their own field. The same story goes for the welfare state, which too has been dramatically reformed to respond to the new economic and social environment. Bruno Palier notes in particular the retrenchments in social



insurance in order to control social expenditure, which have affected unemployment insurance, basic pension schemes, and health care, leading to a progressive dualization of the welfare system.

The various contributors to *Changing France* examine the sources of change, in particular the exogenous shocks of technology and demography, such as the massive entry of women in the labor force, a lowering of the birth rate coupled with an increased longevity (examined by Louis Chauvel), and the increasingly diverse ethnic and religious composition of the French population and the challenges this poses to French society (examined by Virginie Guiraudon). The chapters also focus on the structural shifts in the economic climate, especially the shift from rapid rates of growth and almost full employment during the 'Trente Glorieuses' to lower rates of growth and higher unemployment from the 1980s on. In this, the French experience has been similar to that of many European nations, with poor economic performance leading to a sharpened trade-off between public expenditures and disposable income and public disenchantment with the political leaders.

The book argues that in spite of these structural forces, however, the actual process of change in France was highly political. The main policy shifts that triggered these changes were an affirmation of France's commitment to European economic integration and an embrace, at least in practice if not in discourse, of economic strategies oriented to market competition in the 1980s. These policy decisions in turn triggered political change. The commitment to Europe profoundly reorganized state–market–civil society relations in France, according to Andy Smith, and exacerbated pre-existing characteristics of French politics by weakening certain actors and strengthening others. Another crucial policy decision was the march of decentralization that, according to Patrick Le Galès, changed the territorialization patterns of the French economy and society and, in the process, led to wide-scale restructuring of French policy within the context of EU institutionalization and market pressure.

Resistance to such wide-ranging economic, social, and political change has been strong, leading Hall to claim that 'from a neo-liberal perspective, such discontent is paradoxical. France has moved faster than most of her neighbors to open markets, expand services, and intensify competition in response to the challenges of the global economy' (p. 2). Why is this paradoxical? Indeed, it is precisely because France changed so dramatically that we would expect its citizens to undergo the current 'malaise' that seems to permeate French society. Maybe malaise is proportional to the disruptions experienced in the national model. In itself, this transformation is already enough cause for disruption and resistance, and the French are not alone in experiencing the anxieties and discontent associated with such change.



Change by Stealth

A notable French exception subsists — this change has taken place for the most part in the shadows instead of being publicized and debated as it has been in other European countries, like in Great Britain and even in Italy. I want to emphasize more strongly than is done in the book that this change in the shadows, often as a deliberate strategy by politicians, is a central cause of the current French malaise.

These massive transformations of the French economy, society, and polity were for the most part not communicated and enacted through traditional open political debate, but instead took place in the shadows. While the French political economy has deeply but incrementally changed over the past two decades, this change has taken place quietly, as if the only version of globalization that the French could tolerate was 'globalization by stealth' (Gordon and Meunier, 2001). This was not always the case, and indeed appears to be more a phenomenon of the late 1990s onwards.

During the 1980s, President Francois Mitterrand and his successive governments were quite open about the reforms that were undertaken. As Hall reminds us, the terms of the debate were posed clearly in 1983. Mitterrand openly opted for intensifying market competition in France and creating a single European market, instead of continuing on with dirigiste and protectionist policies (p. 6). The years that followed saw the advent of massive liberalization and privatizations, as well as an accompanying political discourse justifying the measures undertaken. They also saw a massive opening of the French economy in terms of trade and also investments, mostly but not only to the rest of Europe. Actually, the readers of *Changing France* would have benefited from a more thorough, more systematic look at the openness of the French economy, as it is both remarkable and often ignored (to start with, by the French themselves).

The political openness of the successive governments about reforms, however, changed after the referendum on the Maastricht Treaty in 1992 and especially during the second half of the 1990s, when globalization became a political buzzword with negative connotations in addition to an economic and social reality. Both Prime Minister Lionel Jospin and President Jacques Chirac took major steps in ensuring that France be well positioned to take advantage of the opportunities offered by globalization, but both of them covered their tracks by holding a very public, almost interchangeable discourse about the need for globalization to be 'managed' (Jospin) and 'humanized' (Chirac). Since the French still look back fondly on the role of state planning and intervention in creating such a prosperous and attractive country with generous social protections, they remain wary of the sorts of neo-liberal doctrines that have been embraced not only in the United States but also, it



seems, everywhere else in Europe. In France, even today, it is more popular and acceptable to denounce the ravages of 'jungle capitalism' or the 'dictatorship of stockholders', than it is to praise the free market. As Culpepper rightly remarks, 'no major party espouses the movement of France toward free-market liberalism' (p. 46).

During the late 1990s, the Jospin government accelerated the privatization of state enterprises, significantly cut France's historically high rate of taxation (even the top rates), and made France home to the world's second highest volume of executive stock options (see chapter by Goyer). At the same time, the government covered its tracks with such apparently antiglobalization measures as the 35-h workweek and rhetorically embraced several of the pet themes of the 'left of the left.' The Jospin government was never straightforward about the process of reforms. When in power, the socialist left was responsible for not leading the country, or at least its party, through an *aggiornamento* that would have reconciled discourse and action, especially considering that this was a period of relative prosperity, economic growth, and social stability.

The Socialists could have argued that the good performance of the French economy was in large part due to its openness. Most French people do not know that despite its protectionist reputation, France's economy is twice as open as that of Japan or the US, or that the best-known French companies — such as Michelin, Alcatel, and LVMH — derive more than 75% of their revenues from abroad. Given the positive economic climate of these years, with strong growth and lower unemployment, Jospin and his allies missed a crucial opportunity to engage into a massive pedagogic effort designed to emphasize the positive aspects of globalization for France instead of reverting to 'vieille gauche' rhetoric, therefore legitimizing the far-left discourse and de-demonizing the far-left vote.

The failure to reconcile discourse and action is as big on the Right as it is on the Left. Politicians from Jacques Chirac's UMP party have never openly embraced market liberalism in discourse, which would have led the country into a real debate with pros and cons. Even today, the ambiguities are clear in the message of the Villepin government. On the one hand, Villepin acknowledges that France needs more flexibility in its labor market as a result of globalization. But this is taking place in parallel to praise for his new concept of 'economic patriotism' — a new form of industrial policy that seems to run counter to the spirit (and the law) of the European Union. It is difficult for the French public to understand while they should accept more flexibility when they are also being told that the government will take care of foreign predators, whether it is to take over their steel or their yogurts.

By always shifting the blame on the European Union or on globalization for dysfunctions in French society while refusing to acknowledge the opportunities



they have provided, French politicians have de-responsibilized French electors — and at the same time eroded the trust that they may once have received from them. As a result, policy is made in the streets, instead of in the ballot box or at the bargaining table.

The Crisis of Representation

France has changed over the past 20 years, not only in its political economy but also in its political landscape. Indeed, voter abstention, cohabitation and party fragmentation have now replaced the more traditional features of bipolar multiparty system and presidents enjoying a parliamentary majority. The last part of *Changing France* has several interesting chapters on the crisis of representation and recent changes in French politics.

Gérard Grunberg analyzes growing French voters' dissatisfaction and wariness with their political class since the 1980s, and he argues that in spite of an obvious weakening of the link between voters and political parties, the party system characteristic of the Fifth Republic has adapted, at least partly, to the new tensions and contradictions facing it. Richard Balme attempts to explain the electoral breakdown of 2002, asking whether the presence of Jean-Marie Le Pen in the second round of the presidential election was an accident or instead the result of deeper trends in French society. His main finding is a subtle and contradictory turn in public opinion toward more conservative politics, with greater economic liberalism, moral conservatism, and nationalism coupled with renewed demands for state intervention. Finally, Suzanne Berger reflects on the underlying weaknesses of the structures linking society to politics in France today and illuminates the breakdown in the system of representation, which has led to volatile electoral preferences and political discontent.

In a significant way, these new patterns of political representation are directly linked to France's stealth adaptation to globalization. Today, some of the traditional cleavages separating the Left from the Right — religion, capitalism, communism, education, and others — are giving way to, or at least are supplemented by, new divisions and alignments, driven by the consequences of an open economy and society. To be sure, the basic party structure of the Fifth Republic remains in place, and it is still broadly accurate to talk about 'the Left' and 'the Right'. But globalization is helping to realign these movements and contributing to the mixing up of traditional political-ideological categories.

Where the debate about globalization is concerned, as was already the case in the debate about Europe in the early 1990s, the extremes on each side of the spectrum have more in common with each other than they do with the Center. Now Communists, Greens, civic movements and the left-wing of the Socialists



stand together with the National Front and some right-wing Gaullists in their staunch opposition to globalization, while mainstream Socialists, centrists, and moderate Gaullists all agree on the need to accept and manage it. Only a small element of liberals, backed by France's business community, enthusiastically embrace the free flow of goods, people, capital, and ideas associated with globalization.

Globalization has the potential for becoming the new focal point around which French politics may crystallize. It does provide a new fault line, one that divides a 'société ouverte' from a 'société fermée' — an 'open society' ready to benefit from the broader cultural horizons and consumption possibilities that globalization has to offer, *vs* a 'closed society' unable or unwilling to enjoy these while standing in the first row of those who suffer from its plagues: unemployment, delocalization, pauperization, and loss of identity.

Signs of this cleavage were already apparent in the 2002 presidential election — although few analysts saw it through this lens. In the first round of the election, anti-globalization candidates obtained a remarkable score — 48% if one adds together the votes for Besancenot, Chevènement, Gluckstein, Hue, Laguiller, Le Pen, Mamère, Mégret, and Saint-Josse. Thus, it should not come as such a surprise that the second round of the presidential election pitched one anti-globalization and anti-Europe candidate *vs* a pro-globalization (although in a 'managed' form) and pro-Europe candidate.

The fact that this obsession with globalization was not accompanied by a real debate on the issue during the 2002 campaign — one that would have pointed out to the vices as well as virtues of globalization — further legitimized the National Front's traditional thesis of a France threatened by the outside. For Le Pen, it was easy to put in parallel, or even link, flux of immigrants and globalization. Indeed, one of the new highlights of his presidential campaign was the denunciation of 'Euromondialisme' — a pejorative term coined by the National Front to express a fear of what is not French but dictated to France by remote strangers.

Obviously, this cleavage was even more apparent in the referendum on the European constitution in May 2005. It was as much a referendum on European integration as it was a referendum on globalization — or more generally on the openness of the French economy and society. A clear majority of 54.7% of French voters turned down a constitution that had been portrayed as a vehicle for deeper economic liberalization, a Trojan Horse of further globalization, and a direct attack on national identity.

Several interesting questions, not directly raised in *Changing France* but worthy of further research, emerge from this analysis of transformation of the French political landscape. First, have French politicians failed to justify change out in the open because of political calculation or because of political institutions? Is there something in the institutions of the Fifth Republic,



a particular type of party competition and electoral calendar maybe, which stymies discussion of changes in the political economy?

Second, why is no market-liberal party entering electoral competition in France? A striking feature of French politics, especially when compared to the political spectrum of most other European nations, is the absence of a party whose platform is explicitly to promote the free market. Such a party does not exist in France, with the exception of the tiny *Démocratie Libérale* of Alain Madelin, who received a paltry 3.9% of the votes in the presidential election of 2002. Yet, if an open/globalized society *vs* a closed/protected society is indeed the new cleavage around which French politics are fractured, there should be parties that are firmly anchored on one side of the cleavage or the other, so that a real debate can engage and voters face a genuine, meaningful choice in political representation. Can the party system be reconfigured to allow for the emergence of such a party, or are there real institutional blockages preventing a realignment of the party system?

Finally, generational shifts may prove that such an impasse, with double-talk on globalization leading to further political discontent, is not a fatality. Most of the jobs that were created in the 1990s have been in economic sectors open to market competition, whereas in the 1970s and 1980s many new jobs were created in protected sectors, such as the health care and public sectors. This may create over time a right, libertarian cluster that may become increasingly important for politics and open to a different discourse on globalization. This may also create the ripe conditions for a leader to emerge within the Socialist party able to reconcile the French with the world of business and globalization.

One of the central goals of the authors of *Changing France* was to understand where the overwhelming feeling of malaise in France is coming from. Why is there such persistent discontent, both in political and economic terms? The book offered several explanations, such as broken-down electoral representation, lack of corporatist mechanisms, and sense of threat from European integration and globalization. The strongest one, in my view, is the existing gap between political discourse and policy action. The fact that French politicians, from the left as from the right, have not taken responsibility and acknowledged the rationales for their policy choices has led to a collective schizophrenia. This is true for globalization, as it is true for the blanket republican discourse masking the ethnic and religious diversity of contemporary French society and the blanket equality discourse masking the fact that France is a society of insiders and outsiders.

Instead of growing up in fear and revolt, French youths should be taught that there is nothing inevitable about globalization and that change is not bad *per se*. It can be a vector of opportunities for those who currently do not have any, if seizing such opportunities is encouraged and rewarded in economic and



political terms. Outsourcing is not a fatality when one is young enough. Neither is the convergence of economic and social models, with which countries have to keep experimenting and tinkering in order to derive a comparative advantage in the global economy. As the demonstrations of March 2006 showed, however, there are few politicians willing to make these arguments and few citizens ready to believe them.

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