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L'INTRADUIT CULTUREL
DANS LA PRESSE ANGLO-SAXONNE

The Economist, "L'Etat c'est L'Europe", 23 novembre 1991

(1) Yet it is only recently that great events in Germany and Eastern Europe have raised doubts about the European course that France has taken. And it is still only a small, though growing, minority of the French on left and right who openly challenge the wisdom of it. Like the Grande Arche, and Mr Mitterrand's other dazzling monuments in Paris, the European Community is ordained from above: it is simply there.

(2) French industrialists, too, who were once inclined to see inflation as something that brought them growth, and devaluation as what gave them competitiveness, are now strong-currency converts, despite the painful rates of interest involved. They have progressively been weaned off the state as the centrepiece of their lives. Deprived of étatisme, they now find themselves torn between the Anglo-American model of capitalism and Germany's social-market version.

(3) An ancient regime
Yet it is not only market truths that have eroded the old France. The French idea of the state as the embodiment of liberty is another recent casualty — this time of the collapse of communism. The notion of a liberating state was long basic to France's belief that its civilisation was a model for the world. An essay on the future of the French identity, published recently by the French planning commissariat, points out that the state's power was considered legitimate in France because the state was believed to be "culturally and morally superior to a hide-bound society."

That sense of state-righteousness shaped France's peculiarly Roman approach to colonialism. Across the world, it helped various dictatorships of the proletariat feel virtuous, and numerous post-colonial supremos pass themselves off as l'état émancipateur. It had a good run until recently, when the idea of individual freedom reasserted itself across the third world and exploded in Eastern Europe.
Next in the catalogue of challenges to France's identity is the one to France's defence policy. This remains the great Gaullist symbol of French individualism, with its expensive nuclear force de frappe, and its aloofness from NATO but tacit dependence upon America's presence in Europe and nuclear shield.

The atmosphere and institutions of the country's politics remain strikingly at odds with the wealth and education of the French people. They are permeated with the old-fashioned whiff of political favour. They do not encourage debate. They promote what they are presumably designed to contain: politics played out as a series of physical eruptions, between which Frenchmen shrug their shoulders and follow an old pantomime, livened up, to be sure, with attractive vedettes from the grandes écoles.

The French like their mayors: they mingle with the locals, play boules and fix things across the board. The president might almost be considered the mayor of France — with the Parisian monuments of François Mitterrand showing to what heights the power of the building-permit can be raised.

But if Mr Le Pen strikes a chord with his anti-immigrant tirades, what else does he think might strike a chord with the Frenchman in the street? Your correspondent visited this scourge of the gauche caviare — the gilded left — at his fantastic house in the aptly named Parc Montretout on the bluff of St Cloud that overlooks Paris. The mansion was that of the chef de cabinet of Napoleon III and was bequeathed to Mr Le Pen by an admirer.

On the European Community Brussels-style Europeanism is a fuite-en-avant. It's the hope offered to voters that problems that can't be solved at home will be solved in Brussels. It's Father Christmas Europe. It's the belief that in 1992 the French tiger will eat the Japanese doe and the German turkey. I reckon that it will be the other way round.

There is a mandatory minimum wage, called the SMIC, which has been allowed to rise steadily relative to the average wage; it now stands at 57% of it. The idea is well-meaning, but it has the perverse effect of choking off the supply of low-paid jobs — such as nannying — or driving them underground. The government is trying to do something about this with a tax-break for what is coyly called emploi de proximité — home help.

No city is complete without its "technopole" — a supposedly critical mass of hightech skills drawing inward investors into its chain reaction.

That reversal is becoming ever clearer. The word deconcentration is now challenging decentralisation. The latter is political autonomy; the former is greater freedom for local prefects to think for themselves and for their regions — not forgetting, of course, that pay and promotion still come from Paris. National politicians of all hues talk about the danger of féodalisme — the creating of fiefs. Socialists flinch when they remember that their decentralisation has led to 18 out of 22 regions with opposition governments.
The revolutionary government chose instead to develop technocratic grandes écoles set up by the ancien régime to train the public officials of the state; in 1794 it created a new elite among them, the École Polytechnique, and with it the selection by competitive examination that was to become such a feature of French higher education.

Unless he or she is set upon a career as a high-flying civil servant, ENA no longer promises a young person that much more than a climb through Polytechnique and a specialist grande école, or through the business-gear ed grandes écoles, such as HEC (Hautes Etudes Commerciales), where competition for places is now intense. In its heyday in the 1960s and 1970s, ENA was unbeatable as a credential. The state’s role in the economy was unchallenged. The school’s cumulative output was still small. Its young alumni were assured of powerful government jobs, and after they had served their term as civil servants, they pulled on the pantoufles and shuffled into industry and finance. Today the choice for the young achiever is getting tougher. As industry becomes less dependent upon government — whether for ownership, loans or orders — its bosses become less inclined to hire énarque fixers. And as the supply of pantoufles dries up, a log-jam mounts in the civil service of 45-year-olds reluctant to abandon their gilded desks to younger men.

Certainly, ENA still provides proof of exceptional brightness, and there has recently been a wave of people passing through it and then buying their way out of their civil-service contracts. But that, too, depends upon the enduring eagerness of employers for people who, in the words of one énarque “have essentially done Sciences-po twice.” That champion of the regional city against the Paris mandarins, the mayor of Montpellier, has no illusions. “France is still run by civil servants. There is no difference between a socialist énarque and a neo-Gaullist énarque. They are intelligent, uncorrupt and absolutely convinced they are right. The country is run by thousands of little Robespierres.”

These are tough times for French banks. The glimmer of economic recovery is offset, for them, by gathering gloom in the market for commercial property in Paris. It cannot be ruled out that a painful phase for banking is going to slow the recovery of the French economy and delay the emergence of banks as the new éminences grises of French business.

Yet French habit and the shadow of nationalism make Mr Albert’s feared ultra-liberalism improbable too. Who nicely combines the way of the market with looking after one’s own? The Germans. Like the Japanese, they have mastered what one French official fondly calls planification à la privée.
That list contains some good things for France, but it fails two key tests. First, little remains of **Europe à la Française** — the new expression of France’s state-based identity. The late-1950s vision of an ever-closer union of six, which was later expanded with strain to accommodate 12, is destined to be redefined in ways that make a Euro-identity less comfortable for the French.

So, will those stirrings of resistance in the neo-Gaullist RPR, and the Euro-scorn of the National Front, develop into full-throated revolt? It is not impossible. The long period of unquestioning consensus and dismissive indifference in French politics is worrying. This survey has been a catalogue of pressures on the French and Frenchness. The farmers, or the unemployed young, or unloved civil servants, or redundant defence workers could well take to the streets and pressure the government to wriggle out of the international constraints France has accepted. Indeed, as this is written, they have already started to do so.

Yet France has changed too durably for such **événements** to cause it to revert to type. A gloomy view of that change, put by one quintessential **énarque** is that “we are in the process of becoming a soft democracy with soft opinions and soft convictions”. Mr Gomez, of Thomson-CSF, fears a phase of a “soft, social-democratic establishment” equivalent to the phases of weak conservatism that lulled post-war Britain.

An outright relapse into old-style protectionism, planification and introversion is most improbable. Despite this autumn’s protests, and sense of political **malaise**, there remains too much confidence in the new France for that. True, many French businessmen still find it hard to shake themselves out of the old state-dependent habit. But the best among them, in big companies and in small, feel that they have much going for them: a competitive workforce, a sound currency, a well-educated elite, a formidable infrastructure. The time for hobbling industrious Germans with Euro-obligations so that France could continue to live a life of cultured rusticism has past. France’s game now is to emulate Gemany and to compete abroad, rather than repose foppishly, like Shakespeare’s **dauphin**, in the courts of a fortress Europe.

Despite de Gaulle’s enduring legacy in France’s diplomatic posturings, a visitor to France today may notice that the French have become more open-minded, less prickly, much readier — revealingly — to speak other languages (**On s’anglise de plus en plus**, as one remarked). Perhaps that is because their enviably equipped nation works so smoothly. Perhaps they see that they have achieved an almost Germano-Nordic level of wealth — with twice the native ability to turn it into the good life. Such strengths explain why the recent paradox of France — that France made Europe, but then Europe remade France — will survive the coming troubles.
No government in any country likes taking on powerful lobbies or vengeful strikers; but it does so, if it does so, in the belief that the consequent unpopularity will be limited or short-lived and eventually outweighed by a wider recognition that its actions were necessary. In most democracies, the worst that can befall a government that miscalculates is a spell in opposition. In France, the spectre is not of opposition but of 1968: 10m workers out on strike, riots in the streets and bourgeois society choking on its croutons.

A second contradiction concerns French nationalism. Nationalism was more or less invented in France, in the 18th century, and has proved strangely durable: the French assert themselves, and their nation's grande, more vigorously and consistently than any other people in Western Europe. Every speech of every politician is replete with references to la France. Yet the French are also the leaders, with Germany, of the effort to integrate Europe, and are committed to what they call its "construction". Just what this commitment means can be questioned, but a commitment it is.

The state still plays a large part in France. It spends 55% of GDP, a higher proportion than in any other big industrial country. More important, the state plays a large part in the French psyche. For centuries l'état has been at once an engine of change, provider of continuity, employer, servant, deliverer, tormentor, symbol of pride, source of irritation.

Ever since the 1950s, France's solution to the German problem has been to integrate Europe. French dreams would be realised through the medium of a united Europe. French grandeur would be European grandeur — not an ideal arrangement for a chauvinist country like France, but one that recognised the realities of Germany's strength and France's relative lack of it.

The franc fort has certainly contributed to the two main blemishes on the face of the French economy, high unemployment and the huge public deficit. Their seriousness is in large measure a consequence of France's political decision to hold to its EMU aims. This may seem harsh. According to none other than Hans Tietmeyer, head of Germany's Bundesbank and not a noted lover of EMU, the franc is "still one of Europe's strong currencies". Yet according to currency speculators, the franc is not so secure that it might not be knocked off its perch. They are both right.

By certain standards, some of these companies have done pretty well, especially those entrusted with the grands projets that the French are so fond of. In general, where the state has been both owner and customer, and where research and development has required pots of money, France has produced some spectacular successes. Its fast trains, which whisk passengers around the country at up to 300 kilometres per hour (185mph), are one example.
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So France developed a system of _grandes écoles_, specialised schools that take only the cleverest students and train them to run the country. They are, in the true sense of the word, an elite, that is, a chosen group. For years this elite served France well: it has played a large part in mitigating the costs of state ownership. Now its role is controversial, not least because so many of its members have moved out of the public sector into private industry. This is especially true of the énarques, the graduates of the Ecole Nationale d’Administration, set up after the war. In doing so, they have brought their skills, attitudes and connections to private industry; some think they have also brought a disguised form of state control.

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The soft-shoe shuffle

The French buy more slippers than any other nation — about a pair a year per person. The French word for slipper is _pantoufle_. The French word for migrating from the public to the private sector is _pantoufler_. There is certainly a lot of it about, and it is one reason why privatisation is not quite what it appears. That quintessential public servant, the énarque, is everywhere at the top of French industry. Of France’s biggest 200 companies, over 40 are headed by énarques. Newly privatised companies — those, it might be said, that have pantouflés — are particularly likely to be entrusted to an énarque: a safe pair of hands, well known to the Treasury, probably indeed to the minister.

Eight ministers in the current government are énarques (as well as 40 members of parliament). Mr Chirac and Mr Juppé are both ENA men; so is Mr Jospin, the Socialist leader, and Mr Balladur, Mr Chirac’s Gaullist rival. And then there are the polytechniciens, the graduates of the technical equivalent of ENA, the Ecole Polytechnique, who are known as _les X_.

Over the years these men (female énarques are a rarity) have served France well. Clever, trained to analyse and take the long view, taught at least two foreign languages and thus exposed to the world in a way many Frenchmen are still not, they helped after the war to give France a sleek civil service and a relatively efficient public sector. High-tech Colbertism could not have been made to work without them, especially the polytechniciens. This year, however, they have been under attack, even by Mr Chirac himself, who criticised the old-boy network during the presidential-election campaign.

One charge is that the education given by ENA and the four main grands corps that it serves no longer offers the training needed for business in an internationally competitive world. Another is that enarchy leads to a lack of originality, a single view or pensée unique. A third is that the perks and privileges of the elite could be tolerated when its members devoted themselves to public service, but not, as now, when so many énarques are driven by personal ambition and material gain. A fourth is that the system, particularly pantouflage, perpetuates the state’s influence, if not control, over industry.
In defence of enarchy
As always in France, evidence can be found both to support and to rebut these charges. Thus Claude Bébéar, an X (albeit an untypical one, having spent his career in his company), presides with great success at AXA, one of the world’s largest insurance and financial-services groups. Marc Viénot, an énarque, is coping well at Société Générale, one of the big banking groups. On the other hand, Michel Pébereau, a former number-two at the Treasury and another énarque, is having less success at Banque Nationale de Paris. And enarchy, especially the énarque’s view of his own inerrancy, is widely said to be responsible for the colossal losses at Crédit Lyonnais. Jean Peyrelevade, the bank’s new head, is a strong critic of the traditional French way of running a big business, and says he believes in recruiting on merit rather than from the grandes écoles — though he is himself an X and he has been happy to hire an inspecteur des finances, perhaps the most exalted of the elite.

Moreover, the French propensity for cross-holdings, in which large banks and companies typically own shares in other banks and companies, often ensures that the state can go on influencing even private-sector firms. The central aim, it is true, is to keep them French, by creating a hard core, or noyau dur, of French shareholders. State influence is not central to the policy. But sometimes there is little difference in France between a state-owned company and a private one: when private PSA Peugeot-Citroën put the arm on the government this summer to give subsidies to car buyers, it got its way.

The motto is: "Better inefficient and French than efficient and foreign." Certainly, one of the effects of the noyau dur policy has been to insulate French business from pressures for restructuring.

Some of these contradictions can be divined from Mr Chirac’s election promises: to cut taxes, raise wages, increase public spending and avoid any rationing of health care, while at the same time reducing unemployment, cutting the public-sector deficit and healing France’s fracture sociale. In these pledges, populism and the traditional social concern of a Christian Democrat predominated.

Whether through direct ownership, énarques or cross-holdings, the state still influences much of industry, even if it no longer formally engages in planification. Nonetheless, the picture is changing.

Yet the French are no different from other nations when it comes to budget cuts: they believe in them as long as they touch other people’s benefits, not their own. The state, they assert, should be the protector of the acquis sociaux, the entitlement system, which is what I have; privilege is what others have, and that should be cut. Sooner or later, someone will have to explain that the distinction is bogus.
It would have fewer jobless and a less menacing National Front, but it would still have fracture sociale, the object of so much of Mr Chirac's (and Mr Ségui's) concern. This is partly because some of the social fracture in France is of a kind seldom mentioned by politicians. It is the kind that gives France the highest alcohol consumption in the world, the biggest number of AIDS cases in Europe, one of the highest male suicide rates, the highest number of psychiatrists in Europe and a taste without parallel for tranquillisers, sleeping-pills and other psychotropic drugs. A consequence of unemployment? Maybe. Or maybe a reflection of the F-factor.

Even French philosophes seem to be in decline. But that does not mean the French are philistines, or have lost their sense of style. On the contrary, the French aesthetic sense still combines with the F-factor to give France a public face that has few rivals. This arises not just from a respect for handsome buildings and a liking for grands travaux. It comes also from a belief that cities, as well as individuals, should be soignées.

Yet France has been going down the European road for half a century. The long view, the impossibility of considering the alternatives, the centrality of relations with Germany, the potential split on the right: all these combine to keep France on the old, familiar, poplar-lined route nationale. Above all, would Mr Chirac want to take his place in history as the man who pulled France off that road, and ruined the European dream?