#### **BROOKINGS**

Center on the United States and Europe 4th Annual Raymond Aron Lecture

# Recasting Sovereignty: France in a Globalized World

Thursday, November 15, 2007

Featured Presenter: **Hubert Védrine** Former French Minister of Foreign Affairs

Moderator : **Daniel Benjamin** Director, Center on the United States and Europe

The Raymond Aron Lecture is made possible through the generous support of the French Foreign Ministry's Centre d'Analyse et de Prévision in Paris.

## Hubert Védrine

First of all, I'd like to thank the Brookings, an institution with a prestigious reputation, for inviting me and giving me the opportunity to speak to you tonight.

I'd like to share with you a few thoughts on the relationship between France and globalization, a topic on which I recently wrote a report for the current President, Nicolas Sarkozy. He just made a high profile trip to the United States. President Sarkozy had asked me to join his administration, to head once again the Foreign Ministry. I was touched by this offer, but we are not from the same political side and for a number of reasons which I will not discuss now, I felt I did not belong in his administration. However, I do have a very good relationship with the President. That's something that has emerged over the past 20 years; in France, there have been three "cohabitations" and the relations between the left and the right are very different from what they were in the past: they are much more normal, relaxed if you will, even when theoretical or political differences arise. So I did not accept the governmental offer. However, when President Sarkozy asked me if I would write a report on France and globalization -and this is a real issue, and not an easy one-, I was glad to accept. I believe it is very good that there should be in France a President of the Republic who will ask people for their opinions, even if they're outside of his political family, a President who will appoint people, from the right and from the left, to head commissions and discussions, I think it's great. (I supported this idea when Mitterrand did it in 1988 after his re-election, but he didn't go quite as far, the scope was more limited; Consistent with my previous views, I believe this is a very good thing indeed.)

Then, there is the issue of France and globalization, France's place, France's perception of its role, its significance, its sovereignty, its ability to act. This is something that has preoccupied France for a long time, and particularly since the beginning of the recent deep phase of globalization. I was interested in thinking about this. In this field, there is a dominant discourse, it is a discourse about openness, a globalist and economic discourse, that basically considers that the French are a peculiar people, that they are too negative, too worried, too anxious about globalization, and that they are maybe a little backward on this topic compared to other countries, particularly the United States, Britain, and the Nordic countries. However, when I started focusing on this issue for my report, I noticed that in all big countries, in all rich countries, everywhere, public opinion is wary of globalization. I use the [French] words "mondialisation" and "globalization" interchangeably as, in French, they mean the same thing. I found that there is no peculiarly French reaction to globalization. When you take public opinion in the US, even in the UK, in Germany and countries of the sort, you find that the elites are in favor of openness and globalization and that the wider public is wary. It's not that the French are idiots on a topic where others are not. There is mistrust in all populations, in all wealthy countries, where there is some kind of more or less developed safety net (there are differences of course between the United States and Europe, but even in the United States, the system is not like in China, you have social benefits everywhere.) The populationss, with their common sense, understand that having everybody compete with each other, having the people in rich countries compete with poor farmers in China, means that the current situations in Europe and other highly developed countries risk being undermined. Again, there is no unique French reaction here. And I was looking at surveys over the past 10 or 15 years, so it's not just short-term trends.

However, I did identify two French peculiarites. First,--and the reasons for this are hard to explain--France is the world's only major country where the public has a negative view of the

market economy. That, to this day, is a mystery. Second, the French don't trust themselves vis-à-vis globalization. Even in countries where the public opinion believes that globalization has more negative aspects to it than positive ones, people think they will work something out, that they will find a solution, that they will find their place in the system. Not so with the French, or at least until recently. This is strange. Those of you here who are French, or Americans that know France well, understand that France has transformed itself in remarkable ways, on several occasions, since 1945. So, in practical terms, France has a considerable capacity for change. But the French don't feel things this way, that's not how they experience things. There is a disconnect between their capacity for change and the perception they have of their capacity. Actually, there are surveys over the past 10 years –and this is not directly related to our topic but it's funny and it makes one think--where people are asked: "Are you happy?" 80% of those surveyed answer: "Yes, I am happy". A very high figure, when you think of it. And then, you ask the French: "Are the French happ?". 80% answer: "No, they are not happy." I think you find the same type of gap when it comes to the perception of globalization.

Let me go back to the feelings about the market economy. 35% of the French find that the market economy is a good thing. This is a remarkably low figure: in European countries, this would be over 50% and in developing countries, it's about 70% or 80%, In developing countries where there is no social safety net to lose, people are for it, obviously. Some have said that this is because of the influence of Catholicism, but you won't find the same results in Spain or Italy. Some say it is because of the influence of the public sector, but there is a public sector or centralized state power in other European countries, that's not just French. Some say it is because of the influence of Marxism on French intellectual life, but this has been remarkably strong in other countries such as Italy and you don't have the same figures there. So France is different, or maybe the question is ill-phrased. In any case, I don't know what the French think of when you talk about the market economy but there you have it, there is this difference.

Based on this, I feel that the most useful approach to the relationship between France and globalization is not to have some sort of make-up course as if the French were a backward people, it is not to have something like catechism, or propaganda where you say "globalization is good for you, globalization is advantageous, it's a win-win situation", you know all of this talk. I think this is pointless. For a long time in France, there have been reports on globalization, based on the social-democrat school of thought or the "liberal" *[i.e. economic laissez-faire]* one, and they all said the same thing: "globalization is good, we have no choice, it's good for us, etc." I don't think such statements affect the deeper structures of public opinion. We saw this effect during the French referendum on the European constitutional treaty: the propaganda in favor of the treaty failed for the same reason. It was heavy-handed propaganda, one that attempted to discredit those who wanted to vote "No" instead of putting forward arguments in favor.

As a result, I came to the following conclusion: France, like other countries in the world, must have a policy not <u>vis-à-vis</u> globalization – as this implies that you're staying outside, that you are a spectator, preoccupied and critical of it- but a policy <u>within</u> globalization. That's a very simple statement.

Another very simple statement is that no country is entirely closed upon itself: even North Korea is creating Special Economic Zones and these zones will end up evolving the way things did in China. We might even miss North Korea the way it used to be because when an ultra-dynamic North Korea comes about, we will have a number of problems... I'm joking, of course.

On the other hand, there is no country that is completely open. Such a country does not exist. Even the US has effective procedures to decide that an American business may not be taken over by a foreign business for reasons of national or strategic interest. The American mechanism is actually very good because it is not based on a very precise list, thus the President of the United States is quite free to make such decisions. There are many examples of this being done and I mention some in my report.

So there is no need to choose between being open or closed, that would be absurd. And actually, there is no need to choose, period. Globalization is a fact of life. What I'm saying is that we are in a globalized environment, it is not a choice we make, there is no need to be in favor or opposed, we need to be in it with a combination of policies. The slightly theoretical, dogmatic discussion between the proponents of openness and of protection makes no sense. Countries simply combine all of these policies.

The thing is, in France, we have not yet had a President or a government that said: "we have a French policy within globalization." Things were never said in this manner. We addressed parts of the issue. In some cases, it was through dynamic means, taking the offensive to conquer new markets. In other instances, we responded with protection, because the impact of competition with this or that country was too brutal, too dangerous. We don't put these different pieces together. Hence, my very simple suggestion is to have a combined policy, a "policy mix", with an adaptation component, a reform component, a solidarity component and a protections component. I say protections in the plural form, as opposed to protectionism as a general system, as such a system is absurd and nobody is actually proposing it. Instead, I speak of protections, which exist everywhere, in all countries: even in capitalist, economically liberal countries, there are protections. They may not be the same everywhere or deal with the same issues but, put together, they make for a strong group. And you need efforts in term of "regulation".

To manage this in France, intellectual barriers must be overcome. The extreme-left is still strong, be it politically or intellectually. They oppose globalization, as if this were possible. It is globalization as in Americanization, because they confuse the two notions. They feel it is entirely bad. Obviously, such views cannot be defended from an intellectual or political standpoint. They don't even acknowledge the fact that globalization has, over the past 20 years, rescued at least 400 million people from extreme poverty, in Asia in particular. There, we have dogmatism.

And then there is dogmatism on the other side, the side where the ideological liberals are, those whose who feel that any protection amounts to protectionism. This is true in France, in Europe and for a long time it was even true in Brussels, at the European Commission. This is how the Commission looked at any protection measure being proposed, even when it was justified, even when it was temporary, even if it were already being used in other countries –including the United States. I gave an example of this, I won't mention it again in the interest of time. There is an ideological party that argues that there is protectionism any time one-shot protection measures are even mentioned. I believe that, in both cases, these people have done considerable damage to the attitude of the French toward globalization.

What I said in my report is the following: "let us have a comprehensive policy in France." The exact nature of the policy might change depending on whether there is a left-wing or right-wing government, but the principle of comprehensiveness would remain. Adaptation and reform are carried out at national level: you follow the news in France and know quite well that we are in

the midst of a reform problem. We saw what happened in Germany a few years ago, and things are not simple: Schroeder carried out courageous reforms, these stimulated the German economy, yet his party has not benefited from this. Instead, we have Mrs. Merkel's party leading the government, even though she didn't carry out the reforms, and Schroeder's party doesn't know what to do. They are rejecting Shroeder and his legacy and going after voters that are to the left of the SPD. Managing reform is definitely not easy. Yet, there is a need for a reform component, managed at a national level because it cannot be done elsewhere. So adaptation and reform.

I also mentioned solidarity and what I mean by that is that there are at times people who truly are the victims of competition, when companies shut down because the price of goods made in China make it impossible to survive. Relative to a whole economy, this will not be very significant, but in a given region, over a given period of time, for a specific position or maybe after a certain age, this can be disastrous. Here, you cannot have an all-encompassing economic answer. You can't tell these people who are losing their jobs, when an entire region is affected by this, that "you should adapt, start a business, travel, be dynamic"; there is something almost obscene about saying this. For about 20 years in Europe, we have not had a capacity for solidarity that was strong and expeditious enough to let us help those experiencing such situations.

This, from a public relations standpoint, was a disaster. There are many examples in France over the past 10 or 15 years where there was considerable media coverage of a business shutting down because international competition was just too harsh. And even in those instances where we were able to create about the same number of jobs within a few years, this was never headline news. Thus, deep down, public opinion decided from this is that we are helpless against the Chinese and against everything else. There too, things need to be fixed and solidarity must be stronger. It took a very long time for the Commission in Brussels to accept the creation, at a European level, of a fund to assist the victims of globalization. Theoretically, there were no victims, since this supposed to be a "win-win" situation.

And finally, there is the "regulation" component. In France, there is much talk of regulation, but hardly at all in the United States, I believe. This is what linguists might call a suitcase-word: it is a word which is vague, hollow, you don't really know what people mean by it, but in France when we use this word, it refers to the hope that the world might be better organized, it refers to a less savage form of globalization, with more rules, something fairer, and not just the rules that exist at the World Trade Organization mind you, but also social, environmental, and other types of rules. Here, the left and the right in France agree, they agree to talk about regulation. But this is just talk and, by definition, you cannot do regulation by yourself. This can be done for the other components of the "policy mix" I recommend but that's not the case for regulation, where you need several countries: you need to have a majority amongst the 27 members of the EU, or else you need a unanimous decision by the 150 countries at WTO, or a significant share of the world's 192 countries. France may be very good at making broad statements, but France is less versed into working through influence policies, to bring together a blocking minority or gather wide support in global opinion, despite this being a key component of interdependence in globalization. That is what I recommended in the first part of my report to President Sarkozy.

This may seem straightforward enough, maybe even self-evident but it had never been put this way, bringing together the different components. And, as I have indicated, there are very strong dogmatisms. President Sarkozy responded by telling me that I had succeeded in defining the theory for his action. So, he seems to identify totally with the first part of the report. As for the

left, there are a dozen personalities -pretty much all of the current leaders on the left- that said in public that this was an interesting report, a helpful report that the left should read and use to try to rebuild a position, one that would be proactive with regards to globalization and not just be worried about it. I must say that when I was writing this text, it is true that, at least for the first section, it was mainly the left that I had in mind, the left and its angst, its defensiveness, its denial of sorts of the reality of globalization. I think this can be done and I think that sooner rather than later we might see France feel very comfortable in a globaliszd world. I actually mentioned in my report a number of liabilities that France has, these are well known, they have to do with adapting to all of this. But I also listed a wealth of assets. France has some remarkable assets so the main problem is actually intellectual: it is the lack of confidence, feeling depressed in a way that is very specific to France.

I have a theory on that; I believe there is a type of French melancholy. This is due to the fact that the French don't compare their country with other countries around the world (if they did, they would find this comforting, reassuring, and even thrilling, in many respects.) Rather, the French constantly compare what France is today and what it was in the past. And there, you have two schools of thought that oppose each other.

First, there is the school of thought which is slightly pretentious, lofty, which, by the way, irritates a lot of people around the world. These are people who think of Louis XIV or Napoleon, back when France was a truly central player, a key country, in world affairs. This actually reveals pain and suffering. When they speak those words, there is nostalgia and behind the nostalgia is sadness, even as it comes across as pretentious.

And then, there is the other interpretation, which is not a good one either. Here, people say that France really does not amount to much, that it is a medium-sized power and that what this reveals is discouragement. France loved globalization when it was France putting its mark on the world. But the French aren't that fond of globalization if it means that the world will put its mark on them. Hence, there is an intellectual evolution that we need to achieve.

As you can see, the reasons run very deep. If we were talking about a person, we would draw on psychoanalysis and go back to the fundamental elements. At a national level, that's a bit what we are dealing with. If we were to take only objective data, as seen from Mars so to speak, taking into account the significance of France, its role, its assets then we would say that of the 192 countries around the world today, there're at least 170 that would be very happy to be in France's position. So, the attitude of the French is rather odd. I try to help the French overcome these two excessive approaches.

There is a second section in my report. The President had asked me if France needed to change its attitude towards globalization. Regarding the economy, my answer is "yes, there must be a different attitude." How? That's where my suggestions come in. Now, the second part deals with whether France should change its foreign policy. And my personal answer to that question is "no, not really." I am loyal to the foreign policy that has been implemented since the beginning of the 5<sup>th</sup> Republic, a policy which can be defined by saying that France must keep its own foreign policy. This might seem banal to you. But this is not taken for granted by everyone. I would venture that, over the past few years, there have been two schools of thought in France that have argued in favor of France renouncing its independent foreign policy.

First of all, there were the European federalists. They are no longer a dominant force, but they have existed. European federalists, when honest and consistent, thought that there was no

reason why France, Germany and Italy should continue to have separate foreign policies because, one day, these would all merge into a single European foreign policy. Politically, these notions carry less weight now than they used to, but they linger on in public opinion,. Publics feel that nation-states in Europe are somehow outdated and that they will eventually be replaced with something else. There is also a very painful interpretation of World War II and other events. There is a movement claiming that having a French foreign policy makes no sense, that it is almost pretentious to have one.

My answer is that there will no single European foreign policy. I don't think that political integration will go beyond the simplified treaty that was agreed upon recently, following an initiative put forward by President Sarkozy and supported by Mrs. Merkel. This was done to get Europe going again after the debate over the constitutional treaty. So, personally, I do not think things will go any further. I don't think this will ever be anything like the United States of America, ever. I have always thought that such a comparison made no sense. The inhabitants of the thirteen original American colonies were all the same. There is a famous speech by George Washington where he says this and he is absolutely right: they are the same people, they think the same thing, they have the same religion and the same language. This was never true in Europe. For a long time there was this myth about the "United States of Europe". This myth had its value to help Europe get out of nationalistic stupidity but it is not a functional project.

European construction will take place differently. I make a distinction here (not knowing how well this translates into English) between construction and integration. Political integration I take to mean the merger of nation-states, going beyond the nation-state, merging peoples and one day having one great European people. In my view, this will not happen. However, I do think that European construction will continue, i.e., increasing economic convergence throughout the Euro area, having new policies, with all 27 countries or within smaller groups. This should continue all the more easily as we have finally reached an agreement about the institutions and we will be able to allocate our energies to new projects instead of to the type of theoretical discussion that has been going on for 10 years about the ideal treaty, the ideal Constitution. We were at a dead-end, things are going to settle down, to stabilize, and we will find a different European energy. That's my answer to the idea that there is going to be a European foreign policy and that we can therefore shed ours. We may not, we cannot stop having one. By the way, there is no country in the world that doesn't have its own foreign policy, so this not French pretentiousness. Even when you look at the smaller European countries, they all have very specific positions, not necessarily on all issues, but they all have matters of concern to them and, within Europe, they will defend very precise positions. They have their own foreign policies. So I do take a stand on this issue.

There is another group that also advocated doing away with the foreign policy of the 5<sup>th</sup> Republic and this entails a more subtle and difficult debate. They are what I call the Atlanticist/Occidentalist group. It will be interesting to talk about this to you here, and it will be interesting to talk about this after President Sarkozy's visit here. What am I calling Atlanticism? Basically, historically speaking, it is the position of the French right before De Gaulle. It leads to the idea that France should rejoin NATO. It is argued that there is no reason, or no longer any reason, for France not to be fully part of NATO's mechanisms.

But these arguments never convinced any French President to completely rejoin NATO's mechanisms. I should recall here that General De Gaulle did not withdraw from NATO's integrated military structure without thinking things through. Initially, De Gaulle's foreign policy was to reinstate a Western *Directoire*, consisting of the United States, Britain and France.

For years, he made demands, in order to correct, to reform the Alliance and for the major European countries, France and Britain, to be heard. He finally pulled out of the integrated military bodies after several years. He was back in power in 1958 and did not pull out until 1966, which means eight years of fruitless efforts to reform the Atlantic Alliance.

Since then, French Presidents have followed that line, yet today there is a rather strong movement calling for a revision of the decision. This movement is strong within the current majority, that is the French right, and President Sarkozy himself is partly in line with this movement. Personally, I believe that France has no interest in joining the integrated military bodies again. In practical terms, it would make absolutely no difference whatsoever. The world would perceive this as France systematically aligning with the United States, when American policy can at times be excellent and at other times much less so.

So there is no real advantage for France, unless this should be an opportunity to truly reform the way the Alliance operates. This means that, on this matter, I am comfortable with President Sarkozy's position. He said: "France is available to once again take its full part in the Alliance, a renovated Alliance." This refers in particular to a stronger European reaffirmation. I know this poses a number of difficulties. The U.S. Department of Defense will always be against it, but a political decision could come from higher up. Also, the Europeans don't necessarily want to make room again for France. But from a French perspective, I think it is worthwhile to make an attempt. For someone like me, who is not part of Sarkozy's staff and who therefore speaks independently, I think we cannot object from the outset to making an attempt, it will all depend on what is achieved. It depends on what the response to France's opening by the US administration (this one or the next) will be. I am most interested in seeing what is going to happen in the wake of President Sarkozy's visit, a visit during which he expressed warm feelings of friendship. Will that have an impact on the behavior of the United States? I am not talking about speeches here, but about whether there will be different response, a different mode of consultation on the part of the United States. That is going to be interesting to follow.

In my report, I mention one more issue, that of Occidentalism. What do I mean by Occidentalism? I wonder how this is coming through the interpretation. There is a saying here: for me, Occidentalism is to the West what Islamism is to Islam, it is a pathological exaggeration. I do believe that it is normal and legitimate for the West to defend its interests (Europe is part of the Western world, so is France, so is the United States and obviously, we need to defend our interests in all fields), I do believe that we must defend our values, our concepts, but I also think there are different ways to defend them. There is the realistic way, which takes into account the complexities of the world. Then there is the slightly paranoid way, where the West is seen as a bloc being attacked from all directions at once, by the Chinese, the Russians, the Arabs, the Islamists, everybody! It's all very dangerous, especially as there are lots of them, whereas there are only about one billion Westerners in total.

So, there is this interpretation which, in my view, goes too far and I worry about a phenomenon in France which you experienced here with the neo-cons, at the beginning. Neo-cons, initially at least, were not violent people, they are actually idealists. They are in favor of democracy and human rights. I'm referring to neo-con intellectuals that started out saying that we had to bring morality back into the heart of international relations. "We must fight off *realpolitik*, we must impose our universal values, otherwise we are being cowards, otherwise it will be like Munich,."

This is a discourse which we actually rather approve of in Europe. There are a lot of Europeans

who don't realize it but whose positions are close to that of the neocons at the beginning. In France, among intellectuals, you have a lot of people who, in much the same way, were initially very far to the left (leftists, trotskyists) and who, through this moral approach which I was just mentioning, find themselves adopting pro-war positions. This is a type of discourse which will lead you to war eventually because three quarters of mankind doesn't share these opinions at all. There is a risk, yet we usually don't say that this movement exists in France, the word neo-con is used only for minuscule groups whereas I believe this movement is much more significant.

Therefore, I took advantage of this offer, of this opportunity President Sarkozy gave me to raise this issue so that there would be a discussion in France. We needed to see where the limit, or point of equilibrium, is between the normal and intelligent defense of the West's interests, the normal and intelligent defense of ideas and concepts of our universal values (which are not universally perceived as being universal in nature, and this is a problem) and the excesses that you experienced here, with the Iraq issue for instance. This, by the way, is not surprising, it is not some kind of accident. It derives from the a priori assumptions that were made by many, not only the neo-conservatives.. Again, I took advantage of this report to raise these issues.

As a result, and I am still answering President Sarkozy's question here ("Should France overhaul its foreign policy?"), much in the same way I said that we should not abandon our foreign policy because there will soon be a single foreign policy in all of Europe, I would also argue that we should not give up our foreign policy in favor of a single Western policy. I would not favor that. This is because a single Western policy would be one led by the United States exclusively. The US can choose to elect Clinton, or choose to elect Bush, which leads to totally different policies, policies that are the opposite of each other. Without being pretentious, I do not see how, from a French perspective, you might choose to simply depend on decisions over which you have no control.

Therefore, I would argue that we need to preserve a French foreign policy. Now, should it be the same one? My answer would be no, and, in fact, it cannot be the same. I give examples of French styles that must be corrected. They are irritating to others, they don't help us at all. These are examples of French pretentiousness that I will repeat here. France loves to talk about "France the motherland of human rights". Politicians love to say this, it's like an automatic catch phrase of sorts, and when you say it, you automatically get a round of applause. Well, first of all, I think it is an historically unfair statement, because England could say: "It's us, with habeas corpus and everything that followed, it was us well before you." The Americans could also say that, at the time of their Independence, they had the same texts, with the same concepts. So, it's not just France by itself.

Secondly, this makes no sense because we don't have a magic wand. We have no magical formula to instantaneously turn China into a giant Denmark. We don't know how to do this. The same goes for Russia, Saudi Arabia, and Iran, so what's the point in saying such things? People will say that it's a part of the French identity, that the French believe it's true, therefore if you stop saying it, they are going to get even more depressed. But I am in favor of speaking the truth. Moreover, this is not helping us win external support.

The same goes for another phrase, which is actually close in meaning, and that is the idea that France stands for universal values. Here, a discussion is called for. Many French people, like many Americans by the way, feel France is special country, that does not defend interests –they leave such mundane preoccupations to other European countries- but rather ideals, general ideas, universal principles. America does the same, and always says that its acts are guided by

general principles. This is also a bad way for France to express itself. If we do have truly universal ideas, then world will realize this. If we came up with ideas that comprehensively dealt with the antagonism between Islam and the West, then great, let's talk about them, everything will be changed and we will be mankind's benefactor. But if we don't have universal ideas, there is no point in saying that we have a universal vocation. When we say we have a universal vocation and then go on to make intelligent proposals that make perfect sense but which aim at defending French interests, there is a contradiction of sorts.

Now, ceasing to be pretentious, because it is irritating and serves no purpose, does not mean you become humble. I do not think France is a middle-ranked power. If we take the 192 countries at the UN, we are not #96. And even if we restrict ourselves to the 30 or so countries that are powers, we are not in the middle of the pack, we are something else. I think France is part of a rather heterogeneous group that is made up of powers of worldwide influence, which obviously don't have the power elements of the United States, the only country with the whole range of soft power and hard power elements. (I'll repeat here, for the hundredth time, that my word "hyperpower", at least in French *[hyperpuissance]* is a strictly analytical, descriptive concept. There is no negative spin to this word in French, the way there is with "hyper" in English.) The French have a problem positioning themselves where they should. In practical terms, I am for keeping a specific French foreign policy which, obviously, has its friends and allies, and uses a more intelligent and modern style –a less pretentious one- to defend its ideas and to convince others. I am for all of this. I am opposed to renouncing such a policy and I am not for convergence.

So, we reach this stage in the thought process and we obviously accept the fact that the French are the friends of the United States. Every single French President has said this, without exception. They all spoke of the friendship of the French and American people. We are allies, there is not one President that even considered pulling out of the alliance. All of this is clear. But we do get to two difficult questions and I, for one, will be interested by how President Sarkozy is going to use the impact of his trip.

First difficult question: what do we do when we disagree? There is necessarily going to be disagreement. At times, there is disagreement even between the United States and Britain. Two different countries cannot always agree on everything, that just does not exist. So how do we manage disagreements? Clearly, there are two radically different methods.

There is a way to manage such disgreements whereby you calm things down, where you pick the words you use, where there is joint management of the disagreement, with mechanisms for this. That's what I did –a lot- during Madeleine Albright's tenure as Secretary of State.

It is also true that there is another way where you are dramatic, theatrical about the disagreement. In this case, you will see either anti-Americanism in France or strong Francophobia in the United States. Back when I was the Foreign Minister, I made a speech in Chicago where I made a historical comparison of both movements, anti-Americanism in France and Francophobia in the United States. You can't really compare the two actually because, in the United States, an overwhelming majority of public opinion is utterly indifferent to these matters. In this sense, things are a little calmer. But then, there is a small Francophobe movement and a small Francophile movement, and they speak out or not depending on the moment. In France, there is no indifference whatsoever. There is general sympathy and admiration for the United States, mixed in with a bit of irritation and, in some cases, a jealousy that can be terrible. This latter emotion persists especially among those who believe that it is

France that has a universal vocation and not the United States. They believe that there was a casting error of sorts that has proved very annoying and unfortunate.

There are extended periods where none of this is said. But under specific circumstances, with a provocative American policy, it can happen. However, it is a mistake to think that anti-Americanism is stronger in France than it is elsewhere. You have seen the polls by the Pew Center: anti-hegemonic attitudes and opposition to American policy are extremely widespread.

Those were a few thoughts of mine; as you can see, I stand for a two-part position. I think this would enable France to feel more comfortable within globalization and I also favor continuing to have a French foreign policy. That foreign policy needs to be completed, enhanced, modified so that France can continue to have, for instance, its own Arab policy. I don't see anything wrong with France having an Arab policy. I tend to think that France's Arab policy is rather better than that of other countries which shall remain nameless. What I mean is that all countries have an Arab policy, it's not like having an Arab policy is some sort of disease. The same goes for having an Africa policy. It's not absurd that France should have one. You cannot argue that it ridiculous and outdated for France to still have an Africa policy and, at the same time, marvel at the impressive and forward-looking Africa policy of China. There a lot of contradictions such as this one.

Let's see what is going happen. I wouldn't be able to assess the impact of a report. You here are intellectuals and you know how hard it is to measure with any kind of precision the way ideas live. The life of ideas takes place behind the scenes. Furthermore, a lot is going to depend on the Europeans' capacity to make their approaches to these major issues converge. Today, there is no real consistency, no European diplomatic uniformity, because each country has its own history and tradition. European countries agree very easily on general issues such as peace, democracy, or human rights. However, on concrete topics, they have a harder time reaching an agreement. We must gradually make things converge, much more so than is the case today.

But that, to me, is not what will provide the European construction with real direction in the coming years. For me, there is one idea that could be a mobilizing project of great force within Europe (provided that the idea of Europe is clarified--Europe is in the middle of clarifying its institutions, it needs to do the same for its geography). That idea is the issue of Europe's place in the world.

The French are enamored with the notion of Europe as a power, "l'Europe-puissance", but they are pretty much the only ones. Generally speaking, public opinion in Europe is uncomfortable with this notion of power. A majority of Europeans want to be like a giant Switzerland, that is a place where you are safe, free, incredibly prosperous, where you have plenty of rights, very few duties and obligations and where you hope that things will stay that way despite what is going on elsewhere. This can only work if the world is made up of Western Europeans. Of course, this is not the case: History continues, and so does its cruelty, and we have ahead of us demographic, geopolitical, energy, and environmental crises so this will obviously be quite difficult.

It is possible that the perception of the world today and the painful emergence of a multi-polar world will awaken the Europeans. Eventually perhaps, they will realize that it is not enough to be a comfortable area, where the joy of living prevails. This might awaken a spirit of power. When I speak of a spirit of power, I am of course talking about a peaceful power (not a pacifist power), a power which makes us a relevant player for the calculations of countries like China, Russia and others, but without there being anything aggressive in my mind. I'm thinking of a

Europe that would manage to gain more respect in the global system. There is a play on words in French and I like to say that Europe should not be the global village idiot. Supposedly, we all live in a global village, and you might know the phrase that was used in the past when there was always someone people referred as "the village idiot": Europe is at risk of being just that.

So, I would call for a France that would be more comfortable within globalization, with clearer, more specific projects, that would address the lingering discussion over its foreign policy and, on a different level, a Europe that succeeds in becoming much more relevant.

It needs to set up a true partnership with the United States, and this implies not only that the United States accept this partnership, but also that the Europeans have the capacity to do hold up their end, something which should not be taken for granted. Among all the bad reasons American administrations come up with in order not to give more responsibility to the Europeans, there are some which are true. So the challenge is two-fold. However, if we fail to come up with a significantly more effective type of complementarity, then there will be many causes for concern, be it for Europeans, for Americans, or for this Western group.

I'm going to stop here. This is of course a summary, and therefore a little simplistic. Your being here means you pay close attention to these issues, so you can read between the lines and understand what I am referring to. Again, I was speaking quite freely, this reflects my personal views only, views that will evolve based on the responses that might take place in France and elsewhere.

# First Question (from Andrew Pierre, put to speaker in French)

Thank you very much Mister Védrine for your brilliant presentation, I want to take advantage of your being here to ask you a few questions about the current political and economic situation in France.

Can you tell us a few words about President Sarkozy's mindset when he decided to offer positions in his government to people who were –and still are- socialists: there was Mr Kouchner, Jacques Attali, Jack Lang, and others, right? I would be interested in understanding what went through the mind of someone who is perceived as being from the right, here at any rate.

My second question is even more topical. I believe this month is an important one in French contemporary history. It's not just another year, another President with his reforms and just another strike. Instead, I think we're at a time where there is a dedicated President, who truly wants change, be it for the markets, jobs in France, etc. Perhaps the outcome will be different from what it was under other Presidents. My question then: where do you think we will be in a year's time? Who is going to win this battle which is currently taking place in the street? Thank you very much.

## Hubert Védrine

With regards to the opening up to figures from the opposition, I'll give you an obvious answer: I think that there is a tactical component and a sincere component.

The tactical component is the fact that this is a way for him to destabilize the opposition. There

was a time for the presidential election, and then the period prior to the general elections. Now, there is the period between those elections and the municipal elections, which matter to him because it is likely that the majority will lose a little ground. So tactically, the point is to destablilize the opposition party (which is already in a sorry state for a number of reasons, strategic, historical, and tactical), by having this openness policy which means that people have arguments, there are those who accept and those who refuse. You create discord among your enemies, that's the political, tactical answer, the conventional one.

He was quite good at implementing such policy, as he achieved more than Mitterrand had in 1988. In 1988, Mitterrand tried to do this but he bumped into the demands of the centrists, in particular Simone Veil. They said: "We agree to join you, but only if you do not dissolve the National Assembly." Had Mitterrand not dissolved the Assembly, they would have controlled the game, they would have been the key-group. Therefore, Mitterrand called for general elections, which essentially put an end to the opening. A few figures, none of whom were of the utmost significance, joined *[Prime Minister Michel]* Rocard's government in 1988.

In this case, Sarkozy did get results, but we should not overestimate them as no real socialist leader joined the current government. Bernard Kouchner, who is very much liked and very popular, never was a socialist leader, he never held a position in the Socialist Party. As for the other figures, they are from the second or third tiers in political terms. As for public opinion, this did have a genuine impact, especially with Kouchner. Also, because a set of initiatives on commissions and things of the sort complemented this policy, Sarkozy's prior image, that of a sectarian and close-minded man, was totally destroyed.

This being said, I am willing to believe that there is more to it than that. From Sarkozy's perspective, it may be –and I know this might sound strange- that he personally enjoys working with people who are different. You know, most politicians end up being fed up with their own supporters. I don't know if that's true here, but it is restricting, you have a political party, people who support you, who elect you, they want to see something happen, they want you to give favors back. At least in France, at some point, it seems like almost all political leaders end up having bad relations with those that have backed them. I think Sarkozy does seek this fresh air, and room to maneuver. That's a pretty standard answer.

As for next year, things are taking place right now. For 20 years now, part of the right, and a part of the left, have been saying that reforms are necessary, that they should be carried out equitably and honestly, but that we need to be willing to carry out reforms. There is a wealth of reports on the topic, but things never worked. It's not that there haven't been reforms: there were reforms at the time of Mitterrand, these were left-wing reforms, that tended to go in the other direction, and then there were reforms at the time of Mitterrand and Rocard, and these were significant indeed, but then, things stopped. President Chirac, very early in his term, tried to reform pensions, the "special regimes", which is what's being done nowadays. The public expressed its outrage, public opinion had sympathy for those who were on strike. Therefore, Chirac and [*Prime Minister Alain*] Juppé stopped.

Today, presumably, the reforms should be enacted because public opinion has changed its mind over the years. Today, public opinion feels it is neither shocking nor unfair that the number of years of contributions in the "special regimes" should be made consistent with that of the "general regime". I predict that this will be done, but in these cases, things get tricky, there could be incidents, there is something developing in the universities, which has nothing to do with the reforms, but there could be a convergence. But again, my prediction is that this will be done.

In a year's time therefore, there should be this idea that France is a country that carries out reforms. One of the reasons why I say that is that, when you look at the voters from the left, you find that a high percentage trust Sarkozy. They may not have voted for him, they may not like his style but they trust him to make changes happen. So, Sarkozy has a potential that goes beyond his political base. He should succeed.

# Second question (put to the speaker in English)

[...]

# Hubert Védrine

Regarding your first point, I agree totally in saying that there is an obvious link between the persistence for a very long time of an unemployment rate that was much higher – it's actually not going up but instead it's dropping slightly- that was several percent higher than in comparable European countries, and so there is something demoralizing to that.

If globalization had had only isolated effects on the economy, if it hadn't translated more broadly, the French would not have linked together mass unemployment, loss of jobs, insecurity and this angst which is so striking: many believe that life will be harder for their children than for them. So, I agree with you on the first point.

As for the second point, it's really quite debatable. First, the figure of 15% is debatable. Moreover, this French malaise, this lack of self-confidence is not at all a trend that can be found within French citizens of foreign origin. Quite the contrary, you might say that there is a dynamism there, a sense of self-confidence. If we were to isolate –in France, you may not have separate ethnic statistics or separate surveys-, but, based on a whole set of external factors, we would be able to see that these people have much more self-confidence and even confidence in France, at least for those who have integrated to a certain extent. Therefore I do not share this interpretation (and, by the way, I seldom agree with what I read in the *Wall Street Journal*), an interpretation that is too mechanical and too tragic.

Also, when you take France's strong demographics compared to other countries in Europe, this is not particularly due to migrant populations. There is an overall birth rate, which combines all categories. It's not that you have on the one hand French women who are no longer having children and, on the other, Arab women who are having lots, that's not how it works. Actually, the birth rate for people of Arab origin is now the same as for European people. So, regarding the second point, I would say that there a kind of exaggeration here.

What is true however is that France now believes that integration is no longer working. For a long time, it naively felt that integration was working well, and this was far from being obvious, and today there is this idea that integration no longer works and I feel that is also an exaggeration. It's an issue of representation.

But I am not naive on this. For instance, I am not appalled by the idea that France, along with other European countries, should need a more rigorous immigration policy, something I do not confuse with the right to asylum, which is an entirely different matter. Without going as far as building walls, the way others might, I believe we clearly need stricter controls. My prediction

is that in a few years, faced with huge migratory pressure due to several billion people living less well than in Europe and so they're drawn to it, European countries will have similar immigration policies: many more checks, less family grouping, more controls for fraud, quotas –whether they're called that or not-, quotas by profession, not by job. And, because of this, integration will be more effective. This is a prediction and not a moral or political observation. Next question?

# Third question (put to the speaker in French)

Good evening, I have two questions. The first has to do with the economic component of your report and the second with the foreign policy component.

Personally, I agree completely with the need for protections, in the plural, select protections for globalised economies, and the need for regulation. However, there is a problem which, unfortunately, you do not address directly in your report and I would like to hear your views on that. Given the non-democratic nature of private corporations, globalization is a globalization of non-democratic entities, how do you solve this problem?

My second question is on foreign policy. Let's imagine a future multi-polar world. On the one hand, you talk about France's foreign policy remaining at a national level whilst looking at Europe, and on the other, you speak of Europe needing to be influential and peaceful, as opposed to pacifist. How would this be possible without a single, strong, defense policy and a common foreign policy, common in the sense of supra-national?

## Hubert Védrine

Regarding your first point, I'm not sure I see the relation with democracy.

[<u>The first words spoken by the person who asked the question are off-microphone</u>]...extremely powerful organizations that therefore exert economic and political pressure on democratically elected governments, which is a problem. Political theory has addressed this issue, but politicians seldom do. The question therefore is: how can this problem be solved?

I do not know. What is clear is that if you compare the weight of states, whether they're democratic or not, and companies, when you compare the GDP of these countries and the sales of these businesses, at the UN, there are dozens of countries that have no influence over anything at all, and they weigh nothing compared to a few dozen very big worldwide corporations. That's obvious. The problem goes beyond the issue of democracy, it's a political problem, it has to do with the political sphere. But we're not going to solve it just like that, and it's not a problem that is of concern to France in particular.

This problem is usually concealed behind the word "governance". This is jargon that we started to use during the decade of optimism, during the 1990s, when we thought that with the end of the Soviet Union, the world's political problems were solved, that it was the end of history, that there was the international community. That's when we started to use the word "governance", as every problem was merely a practical issue of organization. I don't really have to time here to flesh this out because there are a number of myths, that are linked to each other: there is the myth of governance, that of an international community, that of multilateral operations.

Now, this multilateral system that we are calling for, and we all know that the Europeans want

the Americans to resume a more multilateral approach, well, even if you bring together every government, if these no longer have any power over anything, then the multilateral system is powerless. So, contrary to what many have thought over the past few years, in order to have a strong multilateral system, it needs to be made up of strong governments. Ideally, these would be democratic, but they also need to be strong. Therefore, weakening states and governments amounts to creating a powerless multilateral system. That's what I believe, and it seems to be a paradox. And I believe that Europe is strong only when its components are strong, not when they are weakened. But I have no magical solution for the existence of worldwide corporations that have tremendous power and which are not controlled the way governments are. It's a good topic for political science, but I don't have a ready answer to that.

That is actually an outcome of what the West wanted. Western countries have been at the forefront in terms of democratic and political progress, they want political powers to be increasingly more transparent, more controlled, that they should constantly be reporting back: first to the voters, then to opinion polls, then to the media, every day, every minute. In practical terms, that's what Western countries wanted, despite there being nothing similar for businesses, of course. Similarly, other powers developing outside the public sphere are less transparent, they are less controlled. I think this is a real risk for democracy and, to reinstate the strength of democracy, we would have to go back to the issue of legitimacy. Democratic legitimacy, that's almost a philosophical issue.

Now, with regards to the contradiction between French diplomacy and Europe. I am not the one saying that European diplomacy is remaining national in nature. I am saying that we don't have the right to abandon our national foreign policies because this will be done either at a European level only or at a Western level only. We're not allowed to do that, that's giving up. I'm not saying this out of nationalism, I'm not a nationalist at all. Now, how do we combine the two? Well, you mentioned defense and foreign policy: if we don't reach an agreement between France, Germany and Britain, then nothing happens. And putting magic formulas such as common security and foreign policy in treaties is not going to make this happen automatically as if you switched on the light. Therefore, there may be a contradiction, but it's not in what I say, it's in these facts. There is no way you can magically replace the 27-country approach or the 5-or-6-main-country approach with a common, supranational approach. For there to be a supranational approach, nations have to accept it. And if nations don't, then crying is a waste of time. If it doesn't happen, so be it, let's just cope with it.

Therefore, I think the European construction is going to continue, through processes that will seem out-of-fashion compared to the supranational utopia, and this will happen when Europeans come to grasp with world issues, and understand that the situation in the world is not all that easy, that there is a threat to our interests and that we absolutely need to have strong common policy. For example, there should be a strong common policy vis-à-vis Russia, at least by the gas-purchasing countries. Europeans should come to an agreement on China, on deciding if China is a partner, a customer, a competitor, or a threat. This issue is relevant in Washington too, it's so difficult to combine these different answers for Russia and China.

The Europeans are not more successful than the Americans. In American election campaigns, from what I've seen, candidates always feel the outgoing President was too cozy with China. And when you're elected President, you work in a spirit of partnership, because interdependence has a remarkably strong effect. So, we all need to clarify this combination.

Fourth question (Put to the speaker in English)

# [...]

### Hubert Védrine

That's a broad question. My first comment would be that the world is not controlled by anybody. Even the vast power of the United States, which nothing else compares to, cannot control or organize everything. Therefore, there is no organization of the world. There is no plan, no program. The world is a test of strengths, a field of forces. This applies to all of your issues.

My second comment is that the Millenium Declaration is all very nice but it is wishful thinking. In countries where people talk of Santa Claus, I say that this declaration is like the letter you write to Father Christmas. It's very nice, it's what would happen if there were an international community, where we would apply the UN Charter. It's a dream world, one we perhaps will achieve one day, but we are not in that situation today.

As for the social issue now. I think that in the context of globalization, in the multipolar system that is coming about, the people of the West are both going to continue to have tremendous influence and at the same time are losing their monopoly on history. The West today no longer has the monopoly they have enjoyed for several centuries, since the beginning of the great discoveries, expansion, and colonization. So, even when they truly believe they are right, they can no longer impose anything they like on China, Russia and all the others. That's a crucial point. The West is not ready to handle this intellectually, because it has now been several centuries of something different. The West's response to this might be violent, actually it could either be depression or violence. This component affects every attempt to reform or to organize. Westerners continue to think that they should be setting the norms, defining democracy, the same way they spread their religions and their legal system. They would want to set the democratic standard, impose the social standard and environmental standards.

I think the outcome will vary considerably in different fields. In social matters, I think it's totally impossible to impose change from the outside, on China and the working conditions in the mines there, for example. These conditions are absolutely abominable, but they're exactly what the 19<sup>th</sup> century novels of, for example, Dickens and Zola describe. There is no external lever, we will not be successful.

However, when it comes to the environment, there is a lever that the the West has. Initially, these countries tell us: "You cannot impose constraints on us because this is the same way you developed." The greenhouse effect today is an outcome of two centuries worth of European development. But the Chinese won't be able to say this for long because the pollution in China is horrendous, including for the Chinese themselves. Also, the Chinese don't live on the moon, they live on the same planet. I think that, through environmental issues, and I'm not a romantic environmentalist, there is an area of interdependence.

This area is much more tangible than social or democratic issues, where Westerners want to impose their democracy at all costs, to no avail. You can threaten, you can impose sanctions, but the amount of sanctions Europeans and Americans would like to impose is simply grotesque when you look at the impact: this is utterly unsuccessful. However, with environmental issues, there is interdependence, there are preoccupations that derive from various topics. If we manage to rebuild a system of universal values and something similar to what was done in 1945 after the war, when we built the great multilateral system, my view is that it will be in this area:

I'm talking of post-Kyoto, awareness of chemical issues and pesticides, biodiversity, forests and water. That is an area which is memory-free, where historical, cultural and religious mindsets played a much more minor role. There are clearly distinct interests involved, but this is not insurmountable. And if mankind is to rebound globally, I would expect that to happen in this field rather than, I'm repeating myself here, through democratic proselytism, or conditionality on social issues.

And this allows me to finish on a non-pessimistic note.