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Roundtable on France
Conference Report
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INTRODUCTION

On March 7, 2006, the Brookings Institution's Center on the United States and Europe, in cooperation with the National Intelligence Council, convened a day-long roundtable on the subject of France in Washington, DC. The roundtable brought together academic experts from France and the United States with members of the U.S. intelligence community to discuss long-term trends in France and their implications for France, for Europe, and for transatlantic relations.

France has always had turbulent politics, but even by that historical standard the last year has been extraordinary. In May 2005, French voters rejected the draft European constitutional treaty in a nationwide referendum. The "no" vote, soon followed by an even more resounding rejection in the Netherlands, effectively buried the constitution and threw into the doubt the French commitment to European integration.

In November 2005, riots broke out in the suburbs of Paris and other major French cities after two youths of North African descent were accidentally electrocuted while hiding from the police. The rioters were mainly second- and third-generation immigrants whose lack of integration into French society called into question France's capacity to deal with its burgeoning immigrant population.

Finally, in March 2006, massive demonstrations and more riots erupted in Paris over the French government's efforts to ease restrictions on firing young workers. The intense reaction, and the government's subsequent abandonment of the measure, called into question France's political capacity to implement economic reforms that are widely viewed by outsiders as necessary to sustain French competitiveness.

Altogether these events led to speculation that France was essentially failing politically and therefore economically. Of course, one year does not a trend make, but with a critical Presidential election looming in April-May 2007, this seemed an appropriate time to assess just what these events meant to the long-term future of France. Toward that end, we convened three panels on the key issues brought up by the events of recent years: Reform, Integration, and Europe. Each panel contained two French and one American scholar, and allowed discussion with audience. The panel presentations and discussions are summarized below.

A few themes cut across the various panels. The first of these was a general pessimism, particularly on the part of the French participants. There was a widespread belief that the French political system was simply too blocked and too dysfunctional to find any sensible way out of the various domestic and international policy impasses brought up during the panels. This general sense of decline stands in stark contrast to France's history and present as one of the richest and most ordered societies in the world. The extent of this mismatch, as well as a realization that France periodically suffers such bouts of pessimism, lends some caution to predictions of France's terminal decline.

At the same time, France clearly has some very serious problems that it is failing to face. One reason for French paralysis that emerged strongly from all of the panels is that France is an increasingly divided and polarized society. Unlike the United States, this is less an ideological division than an elite-popular divide. Mainstream French politicians seem remarkably out-of-touch or perhaps unconcerned with what their constituents want. In this way, it was possible for the referendum on the European constitution, endorsed by all of the mainstream French political parties, to be rejected by 55% of the voters. Combined with numerous corruption scandals, the general result is an increasing distrust of the mainstream parties and fears of domestic unrest and the rise of extremist parties on both the left and the right. The first round of the French presidential election in 2002, in which over 50% of the voters voted for various fringe parties, already reflected this trend.

The proposals for escape from these political blockages were many and various. But, in the discussions, one name emerged time and again as offering—depending on one's view—a way out or a way down: Nicolas Sarkozy. Although he generated a great deal controversy and division, there seemed to be a consensus that Sarkozy was a new type of French politician who understood the nature of the elite-popular divide. Sarkozy's many policy initiatives seem designed to forestall extremism and to reach across elite-popular divide in a conscious effort to unblock French politics. Whether he would be successful, in either his candidacy or his policy initiatives was considerably more in doubt.

The doubt stemmed not only from a lack of faith in Sarkozy and his ideas, but also from another general theme that emerged from the panels: the decreasing capacity of the French state to address these problems. French citizens have long looked to and trusted the state to protect them from all varieties of ill, be they economic or military. France has the largest state sector of the western democracies and the most centralized state apparatus in Europe. But, for many years, the French state has been under pressure from above by globalization and European integration and from below by increasingly assertive businesses and non-governmental organizations and by an increasingly diverse population. The result is that the French state is no longer capable of delivering the services—health care, pensions, employment, etc—that are expected of it. In fact, the French state has been in retreat for some time, but the promises to the population have not beat a similar retreat, creating an expectations gap that does much to explain the general disillusionment with politics.

The inability of the French state to address these problems highlights the fact that none of the issues mentioned are purely domestic. They each require interaction with international partners: economic reform means adapting to France's place in global economy; successful integration requires institutionalization of the transnational links that characterize today immigration flows; an effective Europe policy means accommodating French desires to the demands of its many and various EU partners. Despite the general recognition of this fact, French debate on many of these issues stills seem strangely divorced from an awareness of France's relationship to the rest of the world.

Finally, a consistent theme that cut across the panels concerned the relationship between these various issues. Despite the fairly neat division into seemingly self-contained panels, it became increasingly clear during the day that these issues do not stand apart. Integration is hampered by the high rates of unemployment caused by France's inflexible labor markets. The problems of integrating immigrants means that the French population is even more way of further European enlargements, particularly to Turkey. Riots in immigrant communities further polarize French politics and creates space for extremist parties. Meanwhile, the tendency of French politicians to blame the European Union for domestic problems makes Europe less popular and domestic reform less likely. Of course, in politics, everything is always related to everything else. The point here is not just to emphasize the multi-faceted complexity of France's dilemmas, but also to point out that progress in one of these three areas might produce some momentum in the other two.

PANEL 1: REFORM

The issue of reform in France, the adaptation of France's economic regulations and institutions to new conditions is both a timely and apparently a perennial issue. There is a fair degree of consensus among politicians and experts that France needs political and economic reform: to put greater flexibility to labor market, to reduce discrimination in hiring, and to shore up its unfunded pensions—as well as myriad other reforms. Although many French governments have tried various reform packages, none has succeeded in implementing them and all of the alternatives remain highly unpopular among the wider population.

This was demonstrated yet again by huge demonstrations against the French government's recent efforts to introduce a more flexible labor contract for young workers. The popular backlash temporarily paralyzed France and forced the government to dramatically scale back its proposals. This was the latest in a series of failed efforts in the last fifteen years to reform the institutions of the labor markets.

As Alexis de Tocqueville aptly put it, "the most dangerous time for a government is when it starts reforming." The consensus in France is that reform has become "a nightmare." From a political standpoint, people don't know how to go about reform and most French governments have simply given in and abandoned all but the most incremental efforts. One result has been that commentators both within and beyond France have begun to consider the notion that France is politically blocked and in perhaps terminal decline. At the same time, France continues to thrive along many measures of economic activity and French companies are succeeding quite well in the global arena of economics and trade. The question for the panel is therefore to understand why reform appears so difficult in France and to assess whether it really matters.

Pepper Culpepper, John F. Kennedy School of Government, Harvard

The view among scholars and in the media is that France is stagnant and mired in the past. Work done in *Changing France: The Politics that Markets Make* (Palgrave Macmillan, 2006) challenged this assumption and asserted that effective reform is happening in France, but that it is being missed. To see this, we need to focus on three main changes since 1985 to the French political economy and what they mean for reform.

First, although France is no longer a state-centered economy, state elites remain crucial for introducing modernization reforms, often through the mechanism of the European Union. Ever since Mitterrand declared in 1983 that the future of France was in Europe and moved France toward a policy of a strong currency and low inflation (the so-called *Franc fort* policy), it has been state elites that have led the way in bringing market mechanisms and liberalization to France. They have often engineered these changes through endorsement by governments of both the left and the right of Europeanization. The issue of Europe is heavily intermingled with French reform policies.

Elites of the left and the right have embraced Europe and, through that vehicle, the market, but they have not embraced the market directly. Indeed, market discourse has little political traction in France. For this reason, politicians have pushed reform, but they have not taken responsibility for it and did not build political coalitions behind it. It also means that, although the French state, has increasingly little control over the economy, people still expect to be protected by the State.

Second, French unions have been progressively weakening and are now quite weak and divided. Union membership levels in the private sector are very low (much lower than in the United States), but unions still play an important role part in the public sector. As the public sector has shrunk, unions are facing broad weakness on the popular level and poor organization on the firm level. This means that the unionized public sector represents a smaller and smaller island of privilege in a sea of economic insecurity.

Third, France has moved from an economy based on state-level governance to one where decisions are argued over and made at the individual company level. The sectoral model of governance in which wages and benefits are set for an entire industry in one negotiation has entirely broken down. Firms are now the locus of negotiation and firms have become an important social actor in France with important social responsibilities. National-level decisions on reform, which seem incremental in design, are often implemented by the firms in manner that exceeds or undermines their stated intent. So, for example, the 35 hour work-week was a national decision imposed on firms, but it was implemented through a variety of firm-level negotiations that preserved and enhanced firm competitiveness.

French firms have adjusted well to over the last 20 years and they remain highly competitive on the world stage. The adjustment problems of the economy are not adjustment problems of French firms *per se*. Rather, it is the French populace and the French political parties that are having problems adjusting to the growing power of firms and to firm-level governance. The French public still inherently distrusts concentrations of public power in the hand of private actors and believes that labor negotiations remain public issues.

All of this means that social and economic reforms in France are going to be incremental. Politicians will not challenge the basic notions of social solidarity. However, incremental reforms may eventually end up introducing fairly important and widespread changes through their implementation at the firm level. In short, reform will happen, but it will be slow and incremental, and it will lack political legitimacy.

The long-term problem, therefore, is not reform itself, but the way reform policies are being produced. There is a disconnect between what people expect from political parties and what they are getting—a classic expectations gap. Both the left and right in France seem unable to take seriously political discontents over Europe and over the role of the market in the political economy. As result, only 1/3 of French voters even believe there is a difference between the left and right—in the country that invented that distinction. In order words, the French party system is very sick. Voters are angry that politicians don’t address the issues that they care about and that they don’t give them choices. When American political parties faced a similar situation, Ronald Reagan saw an opportunity to create a new coalition between social conservatives and economic liberals. Similarly, France will need new ideas and new coalitions, not just new personalities; otherwise we will see a continued deterioration in French parties and politics.

Nicolas Véron, Bruegel

The old French model of “reform by stealth” in which there is a disconnect between what politicians say they are doing and what they actually do is no longer working in France. During the 1990s, reform by stealth provided a decent economic performance, but now we are in a period in which a serious identity crisis will stymie former patterns of reform. There is feeling that French identity is being challenged from within and from without and that, in the words of John Rossant of *Business Week*, the “idea of France” itself is eroding. The problem is no longer just low-growth or market rigidities—something greater is at stake in terms of the French capacity for political action.

A case can be made that the pattern of reform that ran into the late 1990s is still a valid option and that it continues. The government of Jean-Pierre Raffarin accomplished a degree of pension reform according to this formula, and de Villepin has deployed stealth reform to restructure the tax system and to add flexibility to employment contracts. One might also be optimistic about the state of France. Certainly, the declinist view, so popular in France, is exaggerated: France has a healthy birth rate, polls show that people are happy about their personal economic circumstances even as they deplore the state of the national economy, and French firms are independent of the state and globally competitive. The French economy is not in a state of decline.

But what has changed from the 1990s is the ability to find a consensus among state and non-state elites around the further reforms that are necessary. The socialist government of Lionel Jospin failed politically to create that consensus; Dominique de Villepin briefly seemed more resilient, but he has apparently been undone by street demonstrations and scandal.

France’s identity crisis, accelerated by the process of globalization, now threatens to fragment French society. This trend is revealed in the continued weakening of the

French state along multiple dimensions. We can see this weakening in financial terms: the state shows persistent budget deficits and is unable to devote money to new policies such as enterprise zones. We can see it in legal terms: the state has less hold on what happens within firms, with the structure of the market, and with economic activity. Politicians declaim and gesticulate a lot, but they have very few levers for action. We can see the weakening in public opinion as well: there is a high-level of public distrust of state elites, that is politicians, civil servants, and opinion leaders. Even Lionel Jospin himself has declared that "state elites are no longer in the service of the people." Many saw the failed referendum on the draft European constitution in May 2005 as a vote against these elites.

In addition to these internal challenges, France also faces external challenges that are eroding its sense of identity. France invested years of political capital in the notion that France and the Franco-German alliance would be the integral, guiding force for the European Union. But the enlargement of the EU means that France and the Franco-German alliance are less central to the functioning of the EU. There was a real sense of national collapse after the referendum in May 2005. 75% of French citizens think the role of France in Europe, a traditional source of French pride and identity, is waning.

These challenges are currently producing distress and political fragmentation. Fragmentation is the precondition for referendum defeats, riots, and even de Villepin's idea of "economic patriotism" which holds that "dispersed ownership is a risk to French companies."

So, this is not business as usual. France's identity crisis is creating serious obstacles to the ability of the state to implement reforms. No other European country is so divided and so ill at ease with itself and its role in the world.

Jacques Delpla, Banque Paribas

Unlike in the past, France's current problems have little to do with the European Union. The EU has helped France for decades with reform, but now the country is at the stage where it has to reform things unrelated to the European Union—education, the labor market, retail regulation, etc. These areas are not in the mandate of the Rome Treaty that established the European Union and the European Commission would fail if it tried to implement reform in these areas. The current problems are home-made and they must be resolved at home and for France's own good, not because France was forced to do so for the sake of the European project.

There is a long-term economic crisis that reform must address. France is falling behind in per-capita GDP relative to the United States. In part, this is because reform is blocked. Large French companies have adjusted well to globalization, but most of the French economy (85-90%) is not subject to global competition and so its inadequacies will be not be solved by globalization. Perhaps French problems are the result of an identity crisis—that's not really a falsifiable proposition—but it makes little difference. They must be solved and they must be solved domestically.

All French elites agree that reform is necessary, but the issue is really the pace of reform. Some want gradual, incremental, even stealthy reform. They know these measures will be painful and the people will not accept them if they happen too quickly. Partial reforms do help a bit, but they do little for the overall problem. Small reforms just antagonize vested interests without uprooting them. They push the problem into some other sector and maintain the insiders' ability to extract rents from the system in some form or another. As we have seen recently, even reform of the labor market on the margin generates massive opposition.

Several solutions are on offer:

- First, continued gradual reform, but at a slightly quicker pace—something that has already been demonstrated not to work.
- Second, a Scandinavian-style compromise in which privatization and flexibility in the labor markets are compensated for by increases in unemployment payments, job re-training and other welfare state benefits. This will not work in France because unions are so weak that they cannot afford to accept any decrease in the size of the public sector.
- Third are Thatcher-style radical reforms. These would take some time to implement and to demonstrate their benefits and in the meantime would generate strong protest and very divisive politics.
- Fourth, reform with direct compensation in which the societal gains from reform are distributed back to those individuals made by worse off by the changes.

Successful reform will need to take the fourth path. It will have to be comprehensive, quick (done in one year) and will have to involve compensation. The benefits from reform are potentially huge: the IMF estimates that if France took the necessary measures, GDP would increase by 10% over the next five years. Other estimates envision increases over the next several years of as much as 25%, implying ample scope for compensation.

In general, the idea is that vested interests, such as pension holders, should receive the net current value of their rent in a one-off payment in return for giving up that rent. Technically, this is not possible according to European Union rules, but the Commission would be pragmatic if it saw this as creating a genuine prospect for reform.

Will it happen? If the Socialists win the next Presidential election, it probably will not. But it may if Nicolas Sarkozy wins. Sarkozy doesn't believe in the possibility of partial reform because he believes that the world and France are moving (and aging) too quickly for it to work.

Discussion

The discussion focused on whether or not reform was politically plausible in France and whether any French politician had the capacity to create the necessary consensus. Some argued that things had to get worse and that there had to be a massive crisis before the political logjam over reform could be broken. Others felt that a political maverick, possibly Nicolas Sarkozy or someone like him, might break through with a program of rapid reform. In general, however, the feeling was that the various vested interests in France (state sector, private monopolies, pensioners, Unions, etc) would easily undo any bold reform project and many doubted that Sarkozy or any of the current crop of French politicians were really mavericks.

The EU was offered up as a possible route for promoting internal reform—essentially asking the EU to mandate necessary French internal changes. But many noted that this would only add to French enmity toward the European Union. It would continue the tendency for French politicians to promote reform in their policies and deplore it in their politics. In this view, the basic problem is the growing disconnect between French elites and the French populace which has lead to growing to distrust of political system and the rise of extremist, populist parties on the left and the right.

PANEL 2: INTEGRATION

As the November 2005 riots so vividly illustrated, France's large and growing Muslim minorities present a profound challenge to France's vision of itself as a unified civic culture. Concern over integration is nothing new in France. It has been near the top of the French political agenda for over a decade. But there is some speculation that the next presidential election will represent a watershed in integration issues, perhaps heralding the emergence of a sixth republic equipped with institutions designed to cope with a France newly formed by a half-century of immigration.

This transition will not be easy for France, however. Alexis de Tocqueville noted many years ago that the British can modify their institutions without destroying them, but the French apparently cannot. A complacent and timid political class, combined with a powerful and sometimes reactionary nativist impulse among the population, may militate against any sustained effort to improve the integration of immigrants and their descendents into French society.

The riots in the suburbs of Paris in November 2005 were a symptom of how serious this problem has become and they brought the plight of France's disenfranchised and dis-integrated housing projects to the attention of the world. The questions for the panel are therefore did the riots promote any political consensus on how to address the problems of integration in France? How did they affect France's vision of itself as political culture? Will France now need to adopt the style of minority politics that French politicians have so long deplored in the United States and elsewhere?

Sophie Body-Gendrot, CNRS

France is far from a homogenous community. It has both the largest Muslim and Jewish community in Europe and these communities have many rivalries and disputes. Since the beginning of the second Palestinian intifada in 2000, France has experienced more and more violence against Jews perpetrated by Muslim youths. Families are moving out of their communities due to ethnic violence, while those that stay tend to become radicalized. Violence gives the youth in these hopeless communities the power to intimidate and to express their frustrations. Violence is power in a powerless life.

This development has led to the "ethnicization" of social relations in France. More and more people are being labeled as "Muslim", "North African", etc. in a country that has long denied the status of ethnicity or race. Even the youth in France identify each other in this way.

In this context, the November 2005 unrest should be seen as a "disorder" rather than a riot. The demonstrators articulated no political demands, nor did any leaders emerge. This is because these events were really less of a change from normal times than has been supposed.

There were only three elements that were new and that made these events more known than the usual daily problems of these troubled areas. First, the police failed to react quickly enough. Usually, the police are quite attuned to incidents that might spark violence and react quickly, but this time they were preoccupied with hooligans at a local soccer game. When two youths were electrocuted in Clichy-sous-Bois, while hiding from the police, there were only sixty terrorized gendarmes to bear the brunt of the reaction. Second, the extent to which the youths used cellphones, blogs, SMS, and other new technologies to communicate and rally their forces was new. Third, there was the new phenomenon of groups from different housing projects competing for attention and media coverage. Because the riots were close to Paris, the media covered them quickly and extensively. The various gangs soon became involved in a competition for media coverage that served to escalate the violence. As always, other parties exploited the situation and used violence for their own purposes, often to exact revenge against some previous wrong.

So the disorders are not indicative of a major change in the status of minorities in France, but they do demonstrate the continued problems that these communities have. These problems should not be exaggerated: most of the second and third generation immigrants, especially the women, will probably do well in French society. The ones we talk about are the minority who don't manage—they have the power of nuisance and intimidation but they are still not a huge number. Muslims are heavily concentrated in the Paris, Lyons, and Marseilles regions. There are approximately 5 million of them, of which 1.5 million are second generation or greater. There are 717 problems areas in 800 French cities, areas representing about 8% of the population. This is significant, but it is not indicative of imminent social tumult.

The violent minority are frequently used, in political speech, to represent broader French problems. Society is looking for someone to blame for hard times and, as Emile Durkheim noted in the context of the Dreyfus Affair, society tends to blame those groups that are already disfavored. In this case, everyone blames young males of Muslim background.

In fact, France is an extraordinarily secular society and religion does not play an important role in the life of most Muslims, including the young. Yet, it as Muslims that they are labeled. They are seen as outsiders and victims of exclusion. They have little hope for social mobility and a bleak future, yet from television they know precisely how the "other half" lives. They experience daily discrimination in a society that supposedly doesn't even recognize ethnicity.

Their normal contact with the state is with the inexperienced teachers, civil servants, and police who are were unlucky enough or untalented enough to be sent to these areas. They live under heavy surveillance from a police force that has been condemned three times by a government commission on torture. Racial profiling is constantly practiced. The end result is that these youths experience multiple forms of ruptures, a negative social identity, and extreme disenfranchisement.

It is not clear what can or will be done about this situation. So far, we have seen only symbolic politics. Eighty-two percent of the French population believes there will be more “disorders” in the future. But the people on the scene: the housing managers and the mayors feel that they know what to do about such outbreaks. They can talk to gang leaders, close basements and other rallying points, and take other measures to prevent the spread of disorder.

The residents are really more exasperated by the daily low-intensity violence and they are asking for more law and order. This concerns meshes with Nicolas Sarkozy’s plans, so his election could make a real difference. However, he will face some real obstacles. The police absolutely oppose the type of community policing necessary to confront this low-level violence. They don’t want to “babysit grandmothers” and, in any case, the idea of community policing makes little sense when the police are organized on a national basis. Similarly, the teachers unions oppose any sort change that might improve education in these areas—they see themselves as teachers rather than educators.

The solution lies in real governance. In France, governance usually means the public sector, but firms must also play a part. Citizens should be acting with, rather than acting for. For such local problems, we need to place an emphasis on bottom-up solutions rather than state solutions and we need to establish communication between communities on what works.

State organizations have really been decimated recently. It may be that social relations in France have become harsher because the state is no longer acting as a buffer. As the state withdraws, the law of the jungle emerges. If so, the recent disorders are just the tip of the iceberg.

Robert Leiken, The Nixon Center

There are many gaps between the reporting in the media about the riots (or disorders) and what we know about them. Three stereotypes in particular are quite widespread,

(1) **The riots were primarily about unemployment**. There is some truth to this as unemployment is as high as 40% in some the areas where the riots took place. This reflects the insider/outsider distinction so prevalent in French society. But attacks on firefighters, burning cars, and vandalizing buildings are not typical responses among those protesting unemployment. In fact, much of the violence was specifically aimed at the “first responders.” A car would be set on fire as bait for the police and for firefighters who, when they arrived on the scene, would be attacked. This appeared to reflect competition between neighborhood street gangs for attention and the rather basic fact that kids were on vacation from school.

(2) **The riots were a sort of French intifada.** This was a common view in American and Eastern European media. It doesn't represent simple ignorance—there was substantial basis for supposing there was an Islamist character to the violence. There had been a lot of previous incidents and government reports had presented evidence of an Islamist influence in French schools. The Stasi commission indeed suggested that there was a broad attack on the French educational system going on, one that justified banning the veil in French schools.

The first generation of guest workers that came to France in the 1950s and 1960s were not particularly religious. Islam came to France in the 1970s with the shift in immigration toward family reunification—600 mosques were created in France in the 1970s. Radical Islam is even less deeply rooted, a phenomenon of the 1990s that represents not the traditional Islam of the home country, but a de-territorialized Islam, a religiosity rather than religion, that doesn't correspond to any concrete political culture.

There was no evidence of an Islamist influence on the riots. In fact, the violence had very little Muslim or Arab character to it. There were many non-Arabs and non-Muslims in the riots. The rioters made no real political demand except to be left alone by the police and by M. Sarkozy. The OUIF (Union of French Islamic Organizations), the leading French Islamist organization, and Muslim leaders such as Tariq Ramadan condemned the riots. Indeed, there is real contradiction between recent government reports (Auban, Stasi) that claimed that Islamism had a strong influence in the housing projects and the notable absence of any manifestation of that influence during the riots.

One hypothesis to explain this contradiction is to understand the struggle between Islamism and hooliganism in the housing projects. The rioting was carried out by hooligans and small street gangs. To Islamist groups who emphasize adherence to law and discipline, these gangs represent alternative forms of conduct and a competing culture. In this sense, gangs and Islamism are two adversarial forms of assimilation, with gangs having a distinctly western flavor to them, and each has their own form of protest. But this does not imply that Islamism and its rejection of the values of the host country has not penetrated into French society through influence over second, third and even fourth generation immigrants. In the absence of an effective reassertion of state control over these areas, one can therefore imagine two competing futures, one of Islamist balkanization, another of gangster anarchism.

(3) **Even if the riots were not caused by Islamism, they will produce Jihadists.** This does not necessarily follow. The riots were caused by people striking out suddenly and blindly and then somewhat spontaneously forming large groups. Terrorism is organized, planned, meticulous, and sends a political message. It is usually carried out by small groups, not masses. If there is a danger that

> some of the rioters will end up as terrorists, it will be because they pass through the French prison system, a notorious source of terrorism recruitment. There were some 4700 arrests during the riots, though we don't know how many of them went to prison.

Discussion

The discussion raised the issue of whether the analysis projected a commonality onto the various immigrant communities that simply did not exist. Integration, it was noted, takes time, but all French parties are working toward that goal. One commentator also raised the possibility that the reason that the riots did not have an Islamist basis was the state had been successful in recent years in constructing civil society institutions that had an interest in containing violence. The French Council for the Muslim Religion (CFCM) had been instrumental in organizing a political, rather than a violent, response both to the headscarf ban and to the publication of the Danish cartoons depicting the Prophet Mohammed. It was generally agreed that the French had extensive and effective system of monitoring Islamist activity and was well-prepared to prevent its emergence.

It was noted that mayors and community leaders believe the state has failed to deliver resources to help the problem of integration, implying more riots along the lines of November 2005 are possible in the future. The suggestion was made that France needs more positive discrimination on the model of American affirmative action policies. These policies would probably try to be based on socio-economic factors rather than race and were seen as most necessary in education, especially in the *Grandes Écoles*. Many felt, however, that positive discrimination was not only antithetical to the French model, but had already been tried in the form of enterprise zones and had not worked. The role of women in these communities was also broached and it was noted that, if allowed out of the home and educated, they tended to integrate better than the men.

Finally, the issue of selective versus non-selective immigration was raised and there seemed to be a general feeling that France would move toward selective immigration based on skills and away from family reunification.

PANEL 3: EUROPE

France has long seen itself as the leader of the European Union. But that role is now under threat both from the expansion of the EU and from France's own domestic politics that are growing steadily more hostile toward the EU. Not only did France vote against the European Constitutional Treaty, but in President Chirac's address to the nation during the November 2005 riots, he did not mention Europe once. In such circumstances, can and will France continue to lead the EU? How does this evolution affect France's role in the world?

Jean-Louis Bourlanges, Member of the European Parliament

Rather than ask if France is still a leader of the European Union, it makes more sense to ask whether France has *ever* been the leader of the European Union. In fact, Europe was always something that France had little choice but to accept and the idea of leadership was always just an elegant way to rationalize that necessity.

EU was an intelligent answer to a difficult situation, the problem of assuring French security vis-à-vis Germany. Certainly, France played an important role in the invention of the EU in the 1950s. And it is true that since the earliest days, it is impossible to find any major EU project that was not initiated by the Franco-German alliance. But that doesn't necessarily mean that France was a leader of the EU. Rather, it was a balanced situation in which France had effective veto power over EU initiatives, but needed its German partner to effect positive results.

But the Franco-German partnership is no longer one of equals. Since German unification, Germany has become the dominant partner and the center of gravity in the EU has shifted east toward Germany. France was late to reform economically while Germany has achieved impressive results in trade, moving well ahead of France.

The impact of these events must not be exaggerated. France still has many advantages. It has a relatively good demographic situation—nearly a replacement birthrate—while Germany must contend with the continuing economic burden of absorbing the former Communist east. Moreover, the European agenda in recent years has become more political, increasingly focused on external foreign policy issues rather than internal economic issues where, for reasons of history and inclination, France still enjoys more sway than Germany.

The bigger problem is perhaps that there is now much less reason for a Franco-German alliance. The EU is no longer based on reconciliation between France and Germany. The two countries have more distant relations than in the past and very limited goals that want to achieve through Europe. Indeed, both have largely gained all that could be gained from their relationship with the EU. France has achieved peace and security, economic development, financing of the agricultural sector, and an international stature that it could not have managed alone. Germany has achieved respectability, legitimacy and unity.

Now the only thing they both want from the EU is assistance in holding back the tide of economic deregulation. In both countries, the place reserved for European purposes is very narrow and they suffer from a common lack of ambition. The Franco-German engine may be intact, but the car does not move.

Indeed, the concept of leadership of the EU does not really make any sense given the current political climate in Europe. There is no alternative leadership to the Franco-German alliance and yet they are doing nothing. The British presidency did well technically, but politically it demonstrated that the United Kingdom will never be an alternative to the Franco-German alliance. It seems that the enlarged Union is ungovernable and will only become more so. Any major initiatives will be taken by smaller, restricted groups, such as the so-called EU-3 or the Euro countries.

Nicolas Jabko, CERI-Sciences Po

It is hard to understand French attitudes toward the EU without reference to the May 29, 2005 referendum. The “no” vote on the European Constitution does not imply that the French hate the EU. Indeed, polls show that a majority of (72% of the “no” voters) still support European integration, but they opposed the constitutional draft that they were presented with. The poor results in the referendum could well lead to a re-launching of the European integration process with France playing a leading role.

The voters clearly did want a different Europe. This does not mean that they wanted less Europe or more Europe, but rather a more “social” Europe. They voted not against the EU, but for a different EU as can be clearly seen from the slogans of the “no” campaigners on both the left and the right.

Part of the problem is the essential misunderstanding about the EU that has developed in France over the past couple of decades. The French wanted an EU that would protect them from the global market, a shield against globalization. They got that to a certain extent, for example in the form of the Euro. But a large part of the EU is about marketization, which is a real trauma for the French, especially for the French left.

Elites, as well as the populace, are dissatisfied with the current state of the EU. French politicians say that the EU is bureaucratic strait-jacket that prevents the French government from doing it wants and needs to do in, for example, industrial and fiscal policy. Among the populace, the perception has developed in France that the EU, far from being a shield, is actually a Trojan horse for globalization. This perception was a major reason for the rejection of the constitution.

But elite and popular dissatisfaction with the EU does not imply that France is incapable of providing the EU with leadership. There is still in France a base acceptance of the EU, a stark contrast with the United Kingdom where even EU membership does not enjoy cross-party support. This means that Europe cannot rely on the United Kingdom for a constant policy vis-à-vis Europe while French leaders will always enjoy a permissive consensus within France toward French membership and leadership of the EU.

Within Europe, France is still the “indispensable nation.” Without French leadership, the EU will go nowhere. Perhaps this is arrogant, but it’s true as the leaders of the small countries acknowledge in private. Of course, just because French leadership is necessary, doesn’t mean you will get it. Perhaps the failed referendum of May 29 began a self-perpetuating cycle of mutual disillusionment between France and Europe. But that is not a necessary outcome.

Certainly, nothing will happen on the European constitutional front until after the May 2007 Presidential election in France. President Chirac isn’t foolish enough to burn himself twice on the same stove. But most French politicians recognize that the EU is only the way forward for France and the only forum through which France can have a powerful voice on the international stage. Europe is still necessary to France’s national interests to, for example, avoid repeats of the Balkan situation in which France was incapable of responding to a crisis in its own backyard.

So because France is necessary for European movement and Europe is necessary for France’s national goals, we may see a renewal of French leadership in the EU in the future. It’s not inevitable, but it is possible. Certainly, it will require effective leadership within France to move forward and the French do have a habit of beheading their leaders. Still, for any new leader reason will dictate a renewed commitment to a re-launching of the European integration process.

John Van Oudenaren, Library of Congress

France has several traditional objectives in its Europe policy. In terms of foreign policy, they have long seen the European Union as a “force multiplier”, a means to project and magnify French influence on the world stage. This strategy has both a defensive component—to avoid a revival of German power—and an offensive component—to attain more influence vis-à-vis the United States and the Soviet Union. French elites, however, never wanted to see the EU develop in such a way that it would threaten French autonomy, the distinctive features of the French social model, or the opportunity of French politicians to play a leading role in international forums.

They have continuously tried to achieve a balance between these two competing objectives, to use the EU as a force multiplier without losing France in the process. Sometimes, the price of influence has been too high. In the 1950s, for example, they could not bring themselves to sacrifice the French Army to gain a European Defense Community that might contain German power.

This existence of this balancing act explains many of the French positions on Europe. They have a preference for an intergovernmental Europe that preserves national vetoes and the ability to cut deals outside of the EU framework. They have maintained a special attention to the Franco-German relationship both because Germany shares their pick-and-choose approach to European integration and because Germany's peculiarities in the postwar period made them a compliant partner. Finally, they have shown a relative lack of enthusiasm for enlargement, dating all the way back to the enlargements to the United Kingdom and Spain, because it dilutes French influence.

The result of these policies is a mixed picture. The Franco-German partnership hasn't broken down. Indeed, one might argue that during the Iraq Crisis in 2002-3, the Franco-German partnership worked rather too well for its own good. Rather, the problem now is that there is a gap between what France and Germany want to do together and what the other countries in the EU will accept. Other member states now have much greater problem with Franco-German decisions and decision-making procedures.

The French have gone far along the path of supranationality, sometimes too far apparently for their own comfort and have felt the need to inject politics and national governments even into the hyper-supranational atmosphere of the European Central Bank. Similarly, they have gone quite far in their dealings with Commission, but have also had a number of notable run-ins with the Commission. Finally, they have completely lost control of enlargement, realizing that they can't just say no, even in the case of the Turkey.

Because their traditional tools for exerting leadership in the EU seem to have lost some of their efficacy, there is currently a bit of a flailing about in France for new ideas that might reassert French leadership in Europe. Sarkozy favors the idea of reforming EU institutions, perhaps by implementing bits and pieces of the failed constitutional treaty. Dominique de Villepin favors focusing on grand projects, such as a border police, that might reinvigorate enthusiasm in the EU.

One can be fairly upbeat about France's prospects for reasserting leadership in the EU. One advantage is the slow but steady socialization of the new Eastern and Central European member states into EU habits of action. Indeed, France has a better chance of making political headway on the EU level than it does on solving its internal problems. For this reason, French politicians might choose to delude themselves and imagine they can solve their reform and integration issues via the EU. Unfortunately, these are very much domestic issues.

Discussion

The discussion began with the question of whether the European Union had essentially accomplished its goals and therefore was essentially done moving forward in any major way. There was a sharp disagreement over why France might want EU leadership and whether the EU had any important role in dealing with the major issues that France currently faces. There was similarly strident disagreement over whether the best way forward on European integration was through a major project that might stimulate the public imagination or through institutional tinkering that might improve the EU's capacity or democratic legitimacy.

There was general agreement that French unease with Europe resulted from a fear of globalization, a consequent crisis of identity and the tendency of French politicians to shift blame to the EU rather than from any profound disillusionment with the idea of Europe. There was according to one participant, a chasm between the rhetoric and the reality in French discourse on the EU which created expectations that the EU could not conceivably meet and frustrations that the EU could not conceivably alleviate.

SPEAKER BIOGRAPHIES

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Jean-Louis Bourlanges has been a Member of the European Parliament from France since 1989. He was elected on the Union for French Democracy (UDF) ticket and sits with the Alliance of Liberals and Democrats for Europe group. In 2004, he was elected Chair of the Committee on Civil Liberties, Justice and Home Affairs and is currently a member of the parliamentary commissions on International Commerce and Constitutional Affairs. Formerly he served as a member of the city council in Dieppe (1983-1989) and the Regional Authority of Haute-Normandie (1986-1998). He received his diploma from Sciences Po.

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