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Dominique de Villepin: The New Man on the Right

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Dominique de Villepin was appointed Prime Minister by President Jacques Chirac in early June 2005 in the wake of the “no” vote on the EU Constitutional Treaty. Although anticipated by some, the choice of Villepin still left many people incredulous. How could a technocrat without a political base, who belongs to the President’s inner circle and is one of the individuals most closely associated with the policies of the past ten years, be an appropriate response to France’s domestic and European malaise?

But just five months later, Villepin’s performance in the job, despite the difficult economic environment, is widely viewed as good. Part of the reason for this perception is that Villepin has been a surprise: he is not saying and doing what most people, analysts as well as citizens, expected him to say and do. The “domestication” of the former French Foreign Minister—his movement away from the grand issues of international relations to the grey reality of domestic concerns—seems to be working. It has allowed him to enter into the *cercle des présidentiables*, the exclusive club of ambitious politicians considered to have a reasonable chance of becoming president one day. More generally, Villepin is joining a political fray characterized, on both sides of the political spectrum, by individual repositioning, party alliance reshuffles and looming ideological battles. All this in view of one, and one thing only: the presidential election of May 2007.

The Prime Minister’s First Steps

Whether it matters that Villepin has never held any elected position remains a source of debate in France. From a purely technical standpoint, it is irrelevant. Former Prime Ministers Georges Pompidou and Raymond Barre had not been elected to any office prior to their nominations.¹ It is, in fact, in the very spirit of the Fifth Republic, whose founding purpose was to move away from the “regime of parties”—a volatile political system with a large number of parties shifting alliances frequently that prevailed during the preceding republic—to let the President choose whomever he deems most fit for the job, be it inside or outside the political sphere.

¹ In the hybrid French system of the Fifth Republic – half-presidential, half-parliamentary – the Prime Minister, once appointed by the President, needs a majority in parliament in order to operate.

Politically-speaking, however, Chirac's choice appears odd. Arguably, the rejection of the EU constitution by French voters called for a cure both more drastic and more novel than the mere nomination of a loyal lieutenant. And the absence of a political constituency can hardly be construed as an ideal base for a presidential bid. Despite all of this, Villepin's designation could turn out to be a success.

Villepin's first act was to launch "the battle for employment." There isn't a more essential mission: France has been suffering from a high rate of unemployment for much too long, with nearly 25 years spent above the rate of 8% (in many years it has been above 10%). In this regard, the Prime Minister and French voters are on the same wavelength. One of the criteria for any new policy set by Villepin is that each government initiative must include a component to boost employment. The Prime Minister has suggested that he should essentially be judged on his performance on the unemployment front. It is highly likely that he will.

The new government has introduced many measures aimed at increasing the effectiveness of the job market. Prominent among them is a new type of job contract aimed at new hires, the CNE (*Contrat Nouvelles Embauches*), which includes an initial two-year period during which employers and employees are free to bid farewell to one another with few strings attached. This is a quasi-revolution in French labor law, which is very protective of employees. (The underlying rationale is that companies, especially small ones, will no longer refrain from hiring for fear of not being able to dismiss employees should they later need to.) In mid-October, the government announced that 100,000 CNEs had been signed. Another important axis of Villepin's reforms is to lower taxes as well as to simplify the overall tax system.

Villepin's governing method can be summarized with two words. The first one is *volontarisme* (voluntarism). The Prime Minister seeks to overwhelm France's natural resistance to reform and its current economic gloom with a relentless exercise of will power and a constant display of optimism. The second key word is focus. As mentioned above, the lowering of unemployment is Villepin's central objective. It implies domestic-centered efforts that are in sharp contrast to his pre-Iraq war international notoriety. But the Prime Minister is keenly aware that the international arena is not where French voters expect him to spend his energy. The domestication of Villepin includes a pragmatic, result-oriented approach far from the irrational exuberance that he sometimes displayed as foreign minister. Notes Nicolas Baverez, a commentator, "Villepin now reassures to the same extent that he used to worry." The new Villepin has arrived.

The Prime Minister has already had to face several of France's classic reality checks. In late September, some union workers from the unprofitable state transport company SNCF, which links the South of France to Corsica, "hijacked" a ship as part of their strike against the partial privatization of the company (the ship was later "liberated" by army and navy commandos). The overall conflict lasted three weeks. In early October, about a million people demonstrated against decreasing job security and in favor of an improved standard of living, an agenda as broad as it is perennial. But the Prime Minister had very little to offer them. According to Thierry Breton, the Finance Minister, "France lives beyond its means." Though the government anticipates a 3% budget deficit for 2006 (the maximum allowed by the EU rules that France is currently breaching), the IMF believes it will be closer to 4%. The National Statistics Institute evaluates the 2005 growth rate at 1.5%, against 2.3% in 2004.

In a country that is not at all easy to reform and for someone with little hands-on domestic politics experience, Villepin's performance has been good. The social front is no more agitated than usual; the partial-privatization of the SNCM is being implemented, as is that of the electricity giant EDF (*Electricité de France*), no small feat considering that it is an historic stronghold of the communist-leaning CGT union (*Confédération Générale du Travail*). Most importantly, whether as a result of recent reforms or not, the unemployment rate has edged downward in the past four months, moving below the mystical threshold of 10%. His popularity is up 12 points since he took office. Villepin has, quickly and rather smoothly, joined the presidential league.

Is Villepin a match for the Right's "Usual Suspects?"

Villepin is joining a club full of highly seasoned players, all of whom are adjusting to his presence. François Bayrou, leader of the center-right UDF (*Union pour la Démocratie Française*), has opted for a virulent opposition to the government that is neither systematically matched by his party's voting record in parliament nor necessarily based on genuine policy differences. Bayrou did not like former Prime Minister Raffarin's policies; he does not approve of Villepin's.

Bayrou misses few opportunities to criticize the government and is intensifying his opposition. In late October, his party voted for the first time against a key part of the government's budget. Understandably, Bayrou prefers to remain the master of a smaller fiefdom (Though the third party in parliament, the UDF has 27 *députés* whereas Villepin's UMP, *Union pour une Mouvement Populaire*, has 356). And by doing so, he does offer an alternative to mainstream right voters who are not keen on supporting the all-powerful UMP. But it is not clear where Bayrou is leading his party. According to him, "One will have to learn how to count up to three: There is the right, there is the left, and there is the centre". But the quest for the center is as old as the Fifth Republic, whose structure strongly favors bipolarity. Some National Assembly members are rumored to be on the verge of leaving the party. In fact, Bayrou's strategy appears doomed in all but one instance: a Le Pen-type scenario in the 2007 presidential elections in which many candidates divide the mainstream vote. This time Bayrou rather than Le Pen could gain the second greatest number of votes in the first round of the election, making him the *de facto* candidate of the right in the second and final round. Though unlikely, such an outcome is not impossible. That seems to be Bayrou's gamble, and, if Villepin is a candidate in 2007, that possibility is something for him to take into account.

And then there is Nicolas Sarkozy. A declared candidate for the 2007 presidential elections, Sarkozy is currently both home affairs Minister (and number two of the government)—a post he will probably leave sooner rather than later to concentrate all his efforts on the presidential race—and head of the UMP. His potential duel with Villepin attracts an amazing amount of attention from political commentators and the public. Sarkozy's key strengths are his current dominance of the UMP (whose membership has increased by a third since he took control), his wide popularity with right-wing voters, and a "get-things-done" reputation (demonstrated in the previous government when he tackled crime with some success). Clearly ambitious, he chose to express his keenness in running for president as follows: "Nothing, really nothing, nobody, really nobody, will prevent me from going to the end." As for Villepin, he benefits from a statesman-

like image stemming from his role as Foreign Minister during the Iraq crisis, he has seen his popularity rise significantly since becoming Prime Minister, and he is tackling the issue—unemployment—that matters most to the French.

Villepin sees the presidential election as “an encounter between a man and the people” whereas Sarkozy prefers that the candidate be chosen by the members of the party, a novel procedure for the UMP that would assumedly benefit Sarkozy. The Prime Minister insists that some specificities of the French model ought to be preserved and puts forward the concept of “economic patriotism” while Sarkozy, supposedly his number two, calls for a new social and economic model: “We have tried everything, except what works”. Both men are Gaullists and have made most of their career in Chirac’s wake—as a technocrat for Villepin, as a politician for Sarkozy—but only the Prime Minister displays an unabashed loyalty to the president.

Is there any room left between Sarkozy’s manifest destiny and Villepin’s *mission civilisatrice*? Sarkozy is the front-runner—a tricky position to hold a year and a half before an election—while Villepin has gained credibility as a potential presidential candidate. But there is one unsettling thing about this duel: the storyline seems so cast in stone that one starts wondering if something unexpected will not happen. There could be a *troisième homme*. Though Chirac is unlikely to seek a third term, it cannot be ruled out. More likely, another candidate could emerge and break the current bipolarization, all the more as this rising and permanently displayed antagonism could turn voters off. The *troisième homme* could be a woman, such as Michèle Alliot-Marie, the current Defense Minister who has in the past obtained positions people did not expect she would. Both experience and common sense indicate that many things can happen in 18 months.

Villepin will also need to pay attention to the extreme right. These parties—Philippe de Villiers’s MPF (*Mouvement Pour la France*) and Jean-Marie Le Pen’s FN (*Front National*)—currently face their usual dilemmas: how to transform a political victory—in this case the “no” to the EU constitution for which they actively campaigned—into seats in parliament? Can they find a way to unite, including with the Eurosceptics of the UMP led by Nicolas Dupont-Aignan, or will each leader prefer to stay at the helm of his own movement?² To put things in perspective, the MPF currently has but one *député* in the National Assembly.

It is worth recalling that the FN, probably the most scrutinized French political party, has never been represented at the national level, except between 1986 and 1988 when a Socialist-sponsored change in the voting system (the introduction of a dose of proportionality) opened the doors of the National Assembly to 35 deputies from the FN (the same number as the PC, *Parti Communiste*), including Le Pen. Once again, the extreme right appears to be going nowhere; neither moving toward power nor fading from the scene. The question then becomes: is it better for France’s political system to have about 10-15% of the electorate regularly feeling robbed of its vote—or at least disenfranchised from mainstream politics—or should they be included one way or another in power as in Austria or Italy? So far, the French right has not been able to deal with its extreme, allowing its poisonous ideas to fester without ever having to face any form of

² In October, three movements – Dupont-Aignan’s *Debout la République*, Jacques Myard’s *Nation et République*, and *Nation et Progrès* – merged into *Les Républicains*, which is to become an associate party to the UMP.

reality check. Villepin has shown no sign of wanting to alter Chirac's well established course of minimal interaction with Le Pen's party and has carefully avoided the ground traditionally trod by the far right.

It's hard to be the King

French voters demand a lot from their would-be presidents. They must show perseverance (both Mitterrand and Chirac succeeded only in their third attempt) without asserting their ambition too bluntly (a good candidate is typically someone whom everyone knows is going to run without having actually said so). They have to promise change without threatening the *droits acquis* (acquired social rights) cherished by a majority of the French. And they are expected to show just the right amount of enthusiasm, as too much of it could prove out of sync with France's high level of pessimism.

True, the results on the unemployment front in a difficult economic context will be key in reversing the deep sense of malaise in France, what former Prime Minister Edouard Balladur called a "confidence shock." But with the openings on the right and with the left in the midst of intense ideological and personal battles, Villepin will have a chance in the next presidential elections. But he will need to decipher, better at least than his competitors, the will of the French people through the fog of their gloom. The rejection of the EU constitutional treaty (a document that included many advantages for the French electorate) has shown that the task is anything but easy. And the recent elections in Germany illustrate the fact that voters sometimes don't know what they want—something that in France would only benefit the extremes. "The ticket for the second round will be at 15%", said Le Pen recently, relishing his next—and last, given his age—opportunity to rock the French political system. Villepin has 18 months to prevent this from happening again, a very short time in French politics.