French Socialist approaches to the Political Economy of European Integration and the ideological redefinition of French social democracy.

For the ECPR 2006 Nicosia Workshop ‘Mapping Elite Attitudes to Globalisation, European Integration, and Regionalisation’; Bruno CAUTRÈS & Andrew GAMBLE.

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Introduction: PS re-imaginings of the EU political economic space

This paper will not dwell at length of the PS conception of globalisation, partly this has been elaborated elsewhere (Clift 2002; 2003a), partly because the Jospinian account of the nature of globalisation, and the need to ‘contest’ and regulate aspects of globalisation, and the crucial role of European activism (Jospin 1999, 2001) is a consensus position within the party. The focus here will be on PS visions of how Europe should be ordered, and should act, within the process of ‘contesting’ and regulating aspects of globalisation, and the discursive framings in which these discussions are placed.

Since the early 1980s, the French parti socialiste (PS) has expended immense energies re-imagining what the character of the European political economy. Europe is primarily seen as the site and means of French Socialist ‘response’ to globalisation. A number of narratives about how best to imagine the EU political economic space co-exist within the PS. These are familiar to any student of the PS, the broad outlines not having changed dramatically in over a decade. One vision is a version of ‘Developmental State Europe’ (Gamble 2006: 43), with EU institutions and policies pursuing industrial protection, industrial innovation, and the enhancing of European industrial capacity. A second vision is of the EU entrenching a defensive maginor line of resistance to further liberalisation, involving upwards social harmonisation across the EU to prevent ‘social dumping’ and ‘délocalisations sauvages’. Thirdly, Europe is seen as incarnating a model of civilisation, or model of capitalism. A fourth theme, not developed here, is ‘Gaullist’ Europe, a global geo-political actor offering a pole of resistance to U.S. Hegemony within world order.
In the first three overlapping narratives, two unifying themes persist. The first is the assertion of *volontarisme politique*, or the power of politics to prevail in changing market outcomes, and reshape the social and economic context, as encapsulated in the PS foundational refrain *changer la vie*. *Volontarisme* involves an activist, interventionist economic policy approach, prioritising the discretionary actions of policy-makers. Underpinned by the Republican *étatiste* tradition, state intervention in economic activity in France has been predicated upon the state conceived as ‘guiding force’, providing capitalism with the necessary direction (Jospin 1999, 2001). The rejection of a fatalistic view of the nature of and responses to globalisation pervades the thinking. The (qualified) successes of the Jospin government, notably in reducing unemployment between 1997 and 2000, the 35h hour week, and universal health cover are offered as evidence of the potential efficacy of policy activism (PS 2005, 2-3).

The reference to the French Republican tradition hints at the second recurrent theme, namely the ongoing desire to re-describe the European political economic space in the French image. There is at best limited recognition of the collective action problems such a French vision faces in transforming the European political economy. The PS calls for a new ‘social treaty’ institutionalising and protecting (French) social rights, for example, as a solution the EU crisis as manifested in the rejection of the constitutional treaty. There is no hint of recognition of the problems of such a crisis resolution strategy gaining wider acceptance.

That this obvious point has not been ‘factored in’ to PS Europe discourse suggests that its function is not solely (perhaps even primarily) to develop a practicable vision for the future of EU political economy. This paper explores some of the other motivations behind the PS’s European vision with reference to the internal party context and electoral environment the PS inhabits, but focuses mainly on the political economy of the PS European project.

**PS analysis of globalisation, and the role of *la construction Européene***

Hyperglobalist assertions play a role in PS framing of globalisation, notably in repeated references to ‘*délocalisations sauvages*’ and ‘*mondialisation sauvage*’ (PS
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2004, 13). These tend to be deployed in critiquing the Right wing government, and its inadequate ‘response’ to globalisation. There is recognition of the problems with rhetorical framing of hyperglobal interpretations in terms of imperatives. The PS vision problematises a rhetoric of globalisation extrapolating a particular set of implications from a singular reading of those processes; ‘we do not accept policies which interiorise the pseudo imperatives of globalisation to promote deregulation, the weakening of services publics and increasing job insecurity (PS 2004, 14). Combining this questioning of the ‘real’ implications of globalisation with a reiteration of volontarisme, the PS differentiates its position explicitly from those who perceive of European construction as link in the chain of neo-liberal globalisation. Europe as a ‘global actor’ must be capable both of enabling citizens to protect themselves from the effects of ‘savage deregulation’, and also of creating a more secure, socially just, and solidaire world (PS 2004, 13).

PS Aspirations for reshaping European Political Economic Space

The scale of PS ambition for the transformation of la construction européenne is staggering. The following summary of the PS’s European political economy wish list is not exhaustive, but captures most repeated exhortations. These have been themes of the PS vision for over a decade, and have all been reaffirmed recently;

- European minimum wage (PS 1999; 2005, 13).
- European employment pact – involving binding European commitments to full employment, backed by penalties and sanctions if commitments not met. In shifting the Luxembourg Summit job commitments from soft law to hard, the stability and growth pact is, ironically, cited as model! (PS 19999, 6-7)
- Replace the stability and growth pact with a ‘Jobs and Growth pact’. Job rich, sustainable growth to be at the heart of European public finance and European Central Bank decisions (PS 2004, 7-8; PS 2005, 13).
- Alongside reform of the European Central Bank, adding commitments to employment and growth, the need for political management of Euro exchange rates, through an empowered Eurogroup, characterised as ‘economic government’ (PS 2004, 2, 7-8; 2005, 13; Strauss-Kahn 1999; Pisani-Ferry 2002).
• ‘l’Europe sociale’, a ‘Social Treaty’ alongside the economic and monetary treaties, enshrining the ‘social model’, with ‘social convergence criteria,’ involving commitments to raising levels of social protection and upwards harmonisation of social rights (PS 1999; 2004, 2 & 3-7; 2005, 13)

• Grands travaux – up until 1999, the Delors White paper was still a point of reference for this agenda (PS 1999, 6). Recently, these travaux have become specifically R & D focussed. European borrowing is planned to fund such job-creating investments, building on Jospin’s 1998 call for £12bn in European funds to create jobs.

• A Europe wide 35 hour week (PS 1999) – first making sure all observe the 48 hours, then reducing it progressively.

• European social contract rooted in European social dialogue (PS 1999, 8)

• Tax harmonisation, especially on savings, on company profits, and on polluting energies (PS 1999, 9; 2004, 8)

• Protection of services publiques and ‘a new conception of services d’interet générale to promote social cohesion at the European level (PS 1999, 9)

• An ambitious, long term, European level innovation and technology-oriented industrial strategy including a ‘plan d’alliance’ at the European level (PS 2004, 5). Helping European companies achieve the requisite critical mass to compete in the new global marketplace. (PS 1999, 11), and replacing the dominant logic of competition with one of intérêt général (PS 2004, 5).

• ‘new social rights’ empowering workers rights within restructuring and merger decisions, entailing corporate governance reforms, and reforms EC merger directives (PS 2004, 4)

• European level life-long learning commitments (and special training for young people) – supported buy EU (PS 2004, 4)

• European borrowing mechanisms to increase funds for transeuropean projects in technology and transport, and increasing (doubling) the size of EU budget, with new expenditure focused on research (PS 2004, 9; 2005, 13).

• Repealing ‘anti-social’ directives (e.g. on services, working time) and elaborating a new directive protecting European public services (PS 2005, 13)
In its most recent iteration, the shopping list of reform was packaged as a response to the current crisis of European integration, given the collapse of the Constitutional Treaty project. The PS proposed, at its Mans conference in late 2005, a ‘relaunch plan’ for the EU (PS 2005, 13). Their reforming zeal extends further still. If space permitted, these discussions of transforming the governance of the European political economy would be placed in the context of PS ambitions to transform global governance – including wholesale reform of how the WTO, World Bank and IMF operate (with the EU role transforming to operate as a single actor within the latter two), and movement towards debt annulment, increased aid, securing ‘global public goods’, and ‘the defence of public services’ (PS 2004, 14; PS 2005, 5-10).

The end of PS ‘double discourse’?

‘there was a need to deny in its language what the party conceded to reality, which explains the ‘double discourse’ which characterized socialist texts.’
(Jospin 1991: 102)

Placed in the historical context of French Socialism, where radical and maximalist party positions have been developed and espoused with scant regard to feasibility, such a long shopping list of unlikely EU reform objectives is explicable. However, in recent times the party claims to have been infused with a ‘culture of government’, and ‘realism’. Jospin’s approach prioritised these themes, and Hollande has sought to embrace this element of Jospin’s legacy. Indeed, the Party’s ligne majoritaire has sought to make political capital out of its pragmatic, realistic approach to Europe, and not succumbing to the instinctive lurch towards radicalism of the French left in opposition. This commitment was reaffirmed in the 2005 Mans conference, ‘nothing lasting can be built on illusions, or worse, lies … our actions must be consistent with our words. It is our moral obligation to be a little less revolutionary in opposition, and a little more so in government’ (PS 2005, 3). Greater realism and pragmatism on European issues has the potential to differentiate the PS from Chirac’s habitual speaking with forked tongue on the relation between National political economic objectives, and European constraints, most notably in 1995.
This can be situated in the context of a process spanning the last decade and a half of ideological redefinition, ending the PS tradition of transcendental rhetoric. Jospin referred to the ‘double discourse’ operating within PS texts since the foundational congress at Epinay (1991: 102). The party’s pronouncements were always suffused with radical transcendental rhetoric and flourishes – heavily influenced by the *vulgate marxiste*, and explicable in the context of competition with the then strong PCF (See Clift 2003a: 110-113; Jospin 1991: 17 & 102). The party’s ideological transformation since the 1991 *Arche* conference, which accepted capitalism as the ‘new horizon’ within which socialism would operate, has seen PS doctrine eschew these transcendental socialistic flourishes. A ‘secularisation’ of French socialism has taken place, involving a simultaneous shift away from extravagant maximalist programmes, and away from an analytical framework heavily influenced by Marxism (Clift 2003a: 112).

Yet for all this emphasis on realism, the Mans conference saw a shift in the centre of gravity of the PS position on and aspirations for Europe, in a more maximalist and radical direction (from an already ambitious starting point). The *ligne majoritaire* warmed to the expansive aspirations and combative EU-reorientation approach of the EU constitution ‘no’ campaigners within the party. The *ligne majoritaire* European stance, since May 2005, moved closer to the maximalist Left of the Party, *nouveau monde*. The common position on Europe around which the PS has made a hasty peace involves exhorting (even more fervently than before) a range of radical changes in the EU structures, and political economic underpinnings, none of which look likely to prevail. PS unity over its opposition to the Bolkestein directive in February 2006 is a case in point.1 Anachronistically, this shift in position and framing of EU aspirations was accompanied by renewed commitment to realism, honesty, and no return to the ‘double discourse’. The PS supposedly abandoned a ‘strategy of rupture’ for a ‘culture of reform’ at the *Arche* conference back in 1991 (PS 1991). However, its maximalist inclinations endure – notably in relation to its aspirations for reorienting the process of construction européenne. It is surely illusory to imagine that much, perhaps any of the PS European political economy ‘shopping list’ has a realistic chance of being enacted in the short to medium term.

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These torturous evolutions on la construction Européene can in part be explained when placed in the context of PS electoral strategy. The PS suffers from persistent electoral frailty, able to make significant advances at some elections, but liable to suffer bruising defeats at the next (Jospin 1999; Clift 2003a 185-210 & 2004). One (slightly crude) explanation of this roots the problems the PS experiences in building a durable cross class coalition. A key impediment to such a strategy is that, as Grunberg noted in his sociological analysis of the Maastricht referendum, the European issue always opens the socio-economic cracks in PS support, with couches populaires remaining more Eurosceptic than the PS middle class support (Grunberg 1994: 22). The same sociological cleavage helps explain the pitiful 14.5 per cent Rocard’s official PS list received in the 1994 European elections. As Grunberg notes, PS ‘electoral success of the 1970s and 1980s was built on a synthesis of the values and expectations of the middle classes and “couches populaires”’ (Grunberg 1994: 23). With these constituencies increasingly divergent over the European question, a synthesis has proved elusive. The European position arrived at the Mans conference is but the latest attempt to define a European position that will appeal to the PS’s entire electoral constituency. The scale of ligne majoritaire aspirations for the European position does not end there. Looking to the bigger picture of the French electoral landscape and timetable, there is clearly a hope that such a position on Europe can garner support within the wider French left.

Outside the ligne majoritaire, this certainly influenced Fabius in his 2004 damascene conversion to hostility towards an excessively (neo-)liberal Europe. He began to share platforms with elements of the far Left at ‘no’ to the EU Constitutional Treaty events, hoping that this could provide him with a unifying platform appealing to the whole of the Left in France. Such aspirations are wildly optimistic, but at the very least, a non-aggression pact between the political forces of the mainstream left in France and a sizeable proportion of the rest of left is a sine qua non of mounting a serious challenge for the presidential and legislative elections in 2007. The PS current European stance, various PS contenders for 2007 hope, could provide the basis on which to build that non-aggression pact, and help the PS ratisser large in 2007.
PS Identity and Europe

The deeper explanation of the current, paradoxical, European ‘double discourse’ must be rooted in the historical positioning of Europe within PS identity. Europe is at the heart of the PS’s broader political economic vision, more so than most European social democratic parties. It has come to form an ideological and identity anchorage point for the PS since the early 1980s, when so much of their ideological referential has been in flux. Today, the PS’ broader political economic vision is inconceivable without reference to Europe. Internationalism has always pervaded French socialism, as represented by the ideas of Jaurès and Blum (who are constantly being evoked in this context). The 1946 and 1969 declarations of principles affirmed that, ‘the PS is at once both national and international’ (Bergounioux 1999: 94-99). In the wake of the 1983 U-turn, and the 1984 Fontainebleu summit which saw the process of European integration actively pursued with a renewed vigour by Mitterrand, the PS’s internationalism underwent a thorough Europeanization. Mitterrand’s impact on both European integration itself, and approaches to Europe within the party, today pervades the PS’s identity. Cole captures the essence of the Mitterrandian position;

‘Europe was viewed by Mitterrand in Gallic tradition, where French interests were regarded as inseparable from those of Europe itself. Europe was perceived as a surrogate nation-state, the vehicle through which the French genius could manifest itself, for the benefit of the other peoples of Europe’ (1997: 150).

By 1990, it was deemed necessary to rewrite the PS declaration of principles adopted in 1969 – which was considered too heavily predicated on autonomous action at the national level to correspond to the changed realities of the international context. The 1990 declaration reads;

the PS situates itself with a national and international context ... the PS has chosen Europe in order to give the nations which comprise it the means to confront the challenges of the future ... the PS is attached to the acceleration of the process of European construction in all its dimensions: political, economic and social. (Bergounioux 1999: 101)
This commitment to Europe, understanding *la construction Européenne* as a canvas on which to paint Europe in the French Socialist’s image, still pervades party discussions. In the 1999 Convention on Europe, the party agreed a position that betrayed delusions of grandeur in the Mitterrandian vein, committing the party to ‘spread its national values’ (those of 1789) because it ‘believes in their universality’. The degree of self-confidence and the self congratulatory tone are arresting; with the advent of *la construction européenne*, ‘that essential characteristic of our national culture which captures our cultural exceptionalism – the universalism of the French project - can at last spread across the whole continent if we have the confidence in our own values to convince other nations to adopt them in exchange for what they can bring in return.’ The passage ends, somewhat oxymoronically, ‘European democracy will be the best conduit of French universality on our continent, and in the World’ (PS 1999, 20). This tone continued in 2005, with Fabius’ motion at the Mans conference noting ‘internationalism and Europe are at the heart of our socialism. Inspired notably by Jaurès, Blum and Mitterrand, we have always worked for a strong Europe, the bearer of an ideal of civilisation’ (Fabius 2005, 5).

Given this frame of reference, it is no surprise that Europe became such a significant part of the ‘lessons on 1983’, as the PS began to rethink its approach to globalisation in the 1990s. The conviction is widely held that European integration offers the only viable ‘response’ to globalisation, and therefore the PS, and indeed all European social democrats, must engage fully in the process of European construction. Two leading thinkers within the Fabiusian and Rocard/Jospin camps respectively capture the position;

“The commitment to deepen European construction is the guiding ‘red’ thread, which explains what the PS has done since 1983. The absolute priority of European integration to give back to the old nation states the economic means they are losing as a result of globalisation.” *Henri Weber*²

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² Interview with Henri Weber 29/9/97
“The realisation dawned that national reformism in one country was no longer possible. This convinced many within the party elite, who were not a priori favourable to the European consensus, that there absolutely had to be an extension of Europe. These people became convinced that the only way that a Europe power could respond to globalisation was through European cooperation. Without that, there was no possible effective policy. This is what explains why, despite the difficulties, the reservations of public opinion, and despite internal cleavages within the Left, the majority of socialists have remained favourable to European construction. Their analysis of the process of globalisation accepts the necessity for the European nations to construct a regional power-bloc.” Alain Bergounioux

This is seen as a point of consensus across the PS, even by those left critics sharply critical of the ligne majoritaire. Thus, in 2004, the Nouveau Monde courant, then including Emmanuelli and Melenchon, recognised that ‘we are all persuaded that the EU can and must constitute a counterweight to (neo-)liberal globalisation and US hegemony’ (Emmanuelli et al 2004, 1).

**L'Europe Sociale**

The project of construction européeene within the PS can helpfully be placed in the ideational context of the French Socialist interpretation of the French Republican tradition. When thus situated, it becomes possible to discern the roots, and underlying meaning, of the most persistent and prominent rallying cry of the PS in relation to Europe, l’Europe sociale. To understand this concept, and what it signifies within the PS, it must be mapped onto the French Socialist reading of French history, and the French revolution, drawn from Jaurès thesis of the République Sociale. Within French socialism, Jaurès’s Republican thesis saw 1789 as only the first step towards a true republic, laying the political foundations, leaving French socialists the task of translating political égalité (before the law) into a more thorough-going social égalité (of condition). The role of the state, as the embodiment of the Republic, is to extend this egalitarian mission from the political domain to the social and production spheres.

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3 Interview with Alain Bergounioux 18/9/97
République Sociale remains important within PS ideology, and it marries egalitarian and statist (dirigiste) elements within French socialism.

These ideas resonate within the PS when the project of l’Europe sociale is discussed. This was demonstrably true in the late 1990s when the Gauche Socialiste faction (then the vehicle of Jean-Luc Mélenchon) reclaimed explicitly Jaurès’ thesis as the essence of Gauche Socialiste opposition to the ligne majoritaire (Gauche Socialiste 1997: 4). Theirs was a stance of strident opposition to a Europe of accommodation to neoliberal globalisation which they saw as institutionalised in the Dublin Pact and the Amsterdam Summit. Within the PS, the aspiration remains that Europe can be the site of the realisation of the French Socialist Republican project. It presupposes EU institutions and policies playing a similar dirigiste role at the European level that the French Socialists envisage for the French state at the national level. This highlights some of the flaws of the PS approach to reorienting the European political economic space along French lines. For all the assertion of the ‘universality’ of French values, this ideational terrain is not widely understood outside France.

L’Europe sociale and social policy

The PS vision is not of a space where multiple different social models co-exist (Gamble 2006; Hopkin & Wincott 2006), but a single common social policy framework. The PS has a prescriptive approach to social policy reform in the EU. This social policy agenda is situated in the context of a response to globalisation in two ways. There is a defensive dimension to l’Europe sociale’ vision, arresting the perceived liberal market-oriented drift in European political economic reform. Thus, levelling upwards to French minima is seen as a necessary step in the evolution of social policies and institutions in the EU in order to fight ‘le dumping sociale’ and ‘délocalisations sauvages’ (PS 2004, 3). Social convergence is essential both to ‘combat delocalisation’ and to avoid ‘drawing the people of Europe into a destructive competitive spiral’ (PS 2004, 4). One recurrent theme is to model EU proposals on existing structures, hence Jospin’s criteria on accept the Euro, mimicking the convergence criteria, back in 1997. The PS calls for a ‘Social Treaty’ alongside the economic and monetary treaties, enshrining the European ‘social model’, through
binding ‘social convergence criteria’ commitments (PS 1999) and upwards harmonisation of social rights (PS 2004, 2-7; 2005, 12-13).

In relation to enlargement, this agenda is optimistically defended as bringing these societies up to the social level of the rest of EU. In addition to combating social dumping and delocalisation, this is justified egalitarian and redistribution terms. The prospects for success of such an upwards harmonisation, even before the advent of the new member states, were inauspicious. This is quite apart from the understatement of the variety and Byzantine complexity of welfare policies and institutions across countries, belying any notion of a ‘level playing field’, which seems to be the logic underpinning the PS proposals. In the wake of the ‘no’ vote, by the end of 2005, the PS reaffirmed its ‘maginot line’ position with a five-point plan to deliver L’Europe Sociale, including European funds to help workers who are ‘victims of restructuring,’ and a ‘refusal’ of the marketisation of education health and culture must be reaffirmed (PS 2005: 12).

L’Europe Sociale and the European developmental State

In addition to L’Europe sociale is also a forward-looking strategy, with calls for upwards social policy harmonisation mapped onto the Lisbon agenda, committed to making the EU the most dynamic knowledge based economy in the world. The proactive Europe Sociale strategy emphasises future-oriented investment in research, education, and training as the means to realise the Lisbon agenda, and galvanise Europe’s response to the gauntlet thrown down by globalisation. The PS re-imagines European political economic space in terms of a developmental state. The social treaty, enabling protecting social cohesion and harmonising (upwards) social standards in the new member states, forms the basis of a new development strategy in the knowledge economy, prioritising education, training, and research; ‘Europe must seek its dynamism within the knowledge economy, through research, and securing the widest access to science and technology, not through dumping and a social race to the bottom amongst member states’ (PS 2004, 3).

The linking between aims to equip Europe to succeed in the ‘knowledge economy’ and the Lisbon agenda highlights, at one level, a commonality with other European
social model reformers, such as Tony Blair. The reorientation of EU spending towards research and development, and away from agricultural subsidies is a shared objective. The best way to enable citizens to benefit from the advantages, and avoid the ill-effects, of globalisation, the PS argue, is to invest heavily in research, innovation, education, and prioritise the objectives of sustained, supported growth, and the reinforcement of social cohesion. (PS 2004, 14) However, the understandings of what the Lisbon agenda entails in other areas, notably labour market policy and welfare policy, are widely divergent (Clift 2003b). Notably, the PS embrace of the Lisbon strategy involves explicit commitment to a redistributive economy (PS 2004, 3).

A range on dirigiste measures dovetail with plans for prioritising research, part of a vision articulated at both the national and European levels (PS 2005, 13-17). At the national level, the volontariste approach is heavily predicated on various forms of state intervention. Some familiar dirigiste notes are struck, notably technological ‘grands projets’ in energy, IT and biotech sectors, and the state’s central role in orchestrating an industrial policy seeking to achieve an evolution of traditional industries in the face of competition from low labour cost producers. PS advocacy of the creation, at the heart of the French state, and economic forecasting and industrial strategy office (PS 2005, 13-4, 16) recalls the French developmental state outlined by Shonfield (1969). French Socialists have long been interested in reinventing, at the EU level, a (fairly traditional version of) French industrial policy and strategy.

Revealingly, the European and national elements of this new industrial strategy are discussed in similar terms, with no particular problems envisaged in transporting the national level dirigiste and volontariste approach to the European scale. Elsewhere I have explored how familiar French dirigisme informs their approach to the Euro and stability and growth pact (Clift 2006). Here, suffice to say that PS continues to call for an institutionally strengthened ‘economic government’, and reform of European Central Bank statutes to ensure that jobs and growth are offered at least as much emphasis as price stability. The Euro reform agenda includes plans for a scaling up of European research and development spending, along developmental state Europe lines. Most optimistically, it seeks to exclude research, education, training, and transport expenditure from stability and growth pact deficit calculations because they are core to the Lisbon strategy (PS 2005 12-13).
The PS envisages an ambitious, long term, European level industrial strategy, particularly in the realms of innovation and technology. In a thinly veiled gibe at the EC approach, the PS argue that industry and employment in Europe cannot be ‘abandoned’ to the market and free exchange (PS 2004, 6). There are also calls, at the EU-level, for financial resources being deployed, in combination with tax and regulatory instruments, to inject dynamism into research and development policy to protect Europe’s ‘industrial fabric’ from delocalisation (PS 2004, 6). Another refrain detectable within this agenda is the ‘competition state’ (Cerny 1997). EU financial and regulatory resources, as well as Delors-style public works projects, should be deployed in ‘initiatives to support the attractiveness of locations in terms of infrastructure, transport, public services, and know-how’ (PS 2004, 6). The PS thus advocates a profound change in how European industrial policy is carried out, and the political economic model underpinning it. Such a shift would, the PS hope, transform the European Commission’s policing of industrial policy. The new (decidedly French-looking) European industrial strategy would help European companies achieve the requisite critical mass to compete in the new global marketplace (Airbus is offered as a prime example), and would be combined with changing commission competition regulation to permit more interventionism (PS 1999, 11).

The final element is European level neo-mercantilist trade measures, ‘putting in place of the tools to better protect European industry and its future’, specifically from ‘délocalisation’. PS advocates the protectionist use of minimum environmental and social standards (similar to current technical standards), making meeting these a condition of access to European markets for suppliers to EU firms. This is justified as ‘a powerful lever to facilitate upwards convergence of social models’ (PS 2005, 11). The tension between this agenda and extensive PS commitments to a fairer global trading order, and reducing the North / South gap within world order, are not recognised or explored.

_L’Europe sociale_, European Developmental State, and European Public Services.

The place of public services within this vision is important, partly because contemporary debates about the Bolkestein directive highlight the divergence between
PS aspirations and the actual direction of EU political economic reform. The defensive ‘line in the sand’ preventing further liberalisation and marketisation of the EU is a powerful undercurrent of this agenda; ‘we refuse a dogmatic approach to the internal market, which contributes to the marketisation of all human activities, and has a damaging effect on employment’ (PS 2004, 5). At the 2005 Mans conference, the mooted moratorium on all liberalisations, and the calls for a new European directive guaranteeing the endurance of the public services, and the refusal of the marketisation of education health and culture were reaffirmed (PS 2005: 12). These became an important unifying theme for a fractured PS in the wake of caustic EU Constitution schisms.

Here again, the thinking behind the proposed directive is the desire to export a particularly French notion of what ‘European public services’ are and might be. Allied to the Jaurès and the République sociale, and the French Socialist conception of l’europe sociale, is a particular understanding of the term service publiques. The French Republican concept of ‘service publique’ is more expansive than the closest English equivalent of public service ethos, connoting in addition equality, solidarity, co-operation, inclusion and intérêt générale (see Cole 1999). It is in terms of these cultural values that the PS couches its arguments for new European directives on public services.

This idea is integral to understanding the rationale behind, and the role of public authority. Service publique has been evolving as the process of ideological redefinition within the PS progresses. It has begun to signify a shifting balance between state and market (see e.g. Jospin 1999). This has changed the framing the commitment to public services. Still defended as ‘integral to the principle of Republican equality,’ the mission of service publique, has evolved; ‘In addition to its historic functions of social, civic and territorial cohesion, in an open world we must add a contribution to the global competitiveness of the national economy’ (PS 2001: 63; see also Clift 2003a: 128-9). Whereas service publique was earlier presented as integral to securing national economic objectives, European public services reform is now articulated as part of a pro-active European developmental state approach. This (distinctively French) approach to public services is styled as ‘integral to the European social model’ (PS 2004, 5; 1999, 9).
At the national level, Jospin’s couched strategic restructuring and industrial policy by novel means in terms of *service publique* when faced with EU pressures to open up state-owned monopolies to competition. In response to EU directives concerning the partial opening of the energy markets, the Jospin Government also successfully ‘defended’ public sector monopolies *Electricité de France* (EDF) and *Gaz de France* (GDF) against liberalization and market opening by exploiting the constitutional prerogatives of the *service publiques* (Cole 1999; Clift 2003a: 176-9).

At the European level Jospin embarked upon a mission to defend and export the French concept of ‘*service publique*’, insisting upon inclusion of a notion of social cohesion regarding public services in the Treaty of Amsterdam;

European directives give the member States the manoeuvring room necessary in order to maintain and develop the missions for their public service enterprises. In utilising this leeway, we can at the same time preserve, in France, our original conception of public service, while constructing a common vision of the role of public services, which would permit the Europe of the 21st century to affirm its model of society and its attachment to economic and social cohesion.ii (see also PS 1999: 9)

The PS goes further today, arguing for new directives to replace the dominant logic of competition and marketisation with one of *intérêt générale*. A ‘plan d’alliance’ at the European level is advocated, on the model of the European Electricity plan. This is further evidence of the ambitions for a European industrial strategy, but also sets out PS conceptions of the EU role in the organisation, regulation and evaluation of public services. The list or relevant European public services *d’interet générale* is long, with the PS advocating guaranteed access to the ‘European collective goods’ of education and health, housing, transport, communications, water and energy (PS 2004, 5). Again the EU is recast as the French *dirigiste* state, pursuing neo-mercantilist industrial interventionism on a continental scale.

**Models of capitalism, models of European political economy.**
PS discussion of the political economy of EU integration is repeatedly rooted in a conception of a French model of capitalism (PS 1996, 1999, 2004, 2005). There is ambiguity within PS texts whether the model of capitalism it advocates, and seeks to protect, is a (fairly tightly defined) French one, or the broader conception of a ‘European’ model. The European dimension is key because of its size and its economic might, offering ‘the political space … to confront globalisation’, but also because it incarnates ‘a democratic model of solidarity’ (PS 2004, 13). Often, the ambiguity dissolves when greater precision is offered, because at root the PS imagines the ‘European’ model in the French image.

In relation to the standard models of capitalism iteration – liberal market economy ‘versus’ co-ordinated market economy – France is a ‘statist’ outlier (Schmidt 2003), a point celebrated in PS discussion. This exceptionalism of the French model informs the French socialist civilising mission transforming the European political economic space in its own image. Most recently the PS embedded their Mans conference proposals within ‘a model of development,’ ‘which requires some control over the economy, fuller fairer redistribution of the fruits of growth, and preservation of fundamental public goods, which takes fully into account the non-market sector’ (PS 2005, 2). Discussions of both ‘developmental state’ objectives for the EU, and the defensive ‘line in the sand’ protection of the European social model, sit within this framework.

The models of capitalism dichotomy formed one of the main battle lines at the time of the internal party referendum on the EU constitutional treaty. Fabius, who was completing at the time his rapprochement with the left of the party, raised the spectre of ‘Europe a l’anglais’, a large, weakly institutionalised, free exchange zone that ‘encouraged’ fiscal dumping, prevented social harmonisation, and made price stability the primary objective of monetary policy (Fabius 2004, 2). The models of capitalism grille de lecture thus underpinned objections to the Treaty, as it did for the Nouveau Monde camp in 2004, which comprised Emmanuelli and Melenchon, who opposed the ‘prohibition’ within the financial arrangements of the Treaty of any ambitious ‘volontariste public investments’ on a European scale (Emmanuelli et al 2004, 1). This position, the need to resist neoliberal inspired European construction process, and more broadly ‘cultural submission to the Anglo-Saxon model towards which neo-
liberal globalization pushes us on all fronts.” is the same offered by Melenchon’s Gauche socialiste at the Brest conference in 1997. In late 2005, the models of capitalism dichotomy formed the basis of an attempted rapprochement after the EU constitutional referendum schism. Hollande’s motion for the 2005 Mans Conference, in criticising the Right wing government for the ‘liquidisation of our social model’ (Hollande et al. 2005, 2), posited a choice between ‘the liberal model’ prioritising lower taxes, lower social security contributions, and lower levels of employment regulation, and the ‘socialiste project’ founded on social justice and ‘égalité des destins’ (Hollande et al. 2005, 2).

This dichotomous, prescriptive, and rather simplistic engagement with models of capitalism, advocating convergence on the French model, leads the French Socialists to commit similar analytical mistakes to proponents of the simplistic Anglo Saxon convergence thesis they find so unpalatable. However, the national capitalisms debate has evolved, and talk of wholesale model translation, or crude assertions of convergence are less prevalent. Concepts such as ‘recombinant capitalism’ (Crouch 2005), ‘hybridisation’ (Clift & Perraton 2004), and ‘Common Trajectories, variable paces, divergent outcomes’ (Hay 2004) have added nuance to these discussions.

This complexity and subtlety does not always find its way into the discussion within PS texts, which at times display a tendency toward dichotomising simplification, yet other models have become part of PS discussions of European political economy. The prescriptive ‘other social models should emulate ours’ tone now co-exists with approving discussion, notably of Nordic capitalism, in combining economic growth and equality. In addition to recognition of others’ strengths, there is implicit recognition of French weakness. The European political economic space, it is hoped, provides the opportunity to address some of the weaknesses reported in discussions of the French model, notably in relation to innovation and research and development.

This more sophisticated engagement with discussions of various political economic models, recognising their relative merits, and of the ongoing coexistence raises the prospect of ‘recombinant’ evolutions of European capitalism. Such thinking could provide a way out of the PS impasse created by the fact that it is wholly unrealistic to assume that the current PS ‘shopping list’ can be used as a blueprint for reform of the
European political economy. If the PS can think about the future of European capitalism in genuinely European terms, rather than mooted convergence on a French model, it could provide the beginnings of a more constructive dialogue on the political economy of the EU in the 21st Century. As yet, this way of thinking about Europe plays second fiddle to the aspiration of reshaping Europe in France’s image. Brief approving references to the Nordic Welfare States fail to tackle the very difficult issue of how these could re-combine with French labour market policies. The activist employment oriented elements of Swedish labour and social market policy, for example, are at odds with French employment policy norms – as hostility to the contrat de premier emploi demonstrates. The term ‘European social model’ is used to paper over the cracks (nay, chasms), and assume away the difficulties in reconciling very different social models. However, in time, more detail may emerge about which ‘French’ elements should be prioritised, and which elements of other European social models the PS are willing to advocate combining with. More importantly, this could lead to greater precision over what mechanisms, institutions and structures can facilitate this ‘recombinant’ evolution of European capitalisms, and how the EU can orchestrate and facilitate this process.

**So What?**

Two intriguing puzzles remain. Firstly, how can we explain the paradox of a ‘secularised’ party which so recently embraced Jospin’s Réalisme de gauche reverting to the old maximalist positioning, whilst in the same breath espousing Jospinian realism and pragmatism. Secondly, what does it tell us about the project of redefining the political economy of social democracy that so much of the re-imagining of the EU political space underpinning the PS approach is likely to remain in the realms of the imaginary?

The latter illustrates a problem for French social democracy in achieving coherent ideological redefinition in the 21st Century. It is rooted in what Anderson calls the paradox of social democracy, ‘[t]he politics of a rational left needs to be international in a new and more radical way today: global in its conclusions. But it has not yet ceased to be national in its conditions’ (Anderson 1992: 351). Still wedded to its methodologically nationalist roots, the PS has nonetheless wholeheartedly embraced
the supranational regionalist project. Yet in so doing, it has projected onto that European political economic space a series of ambitions rooted in its frustrations at constraints on methodological nationalist egalitarian and dirigiste reformism.

However, still a prisoner of its methodological nationalism, it cannot imagine the EU political space in any other terms than of the French Socialist project for France as developed during the 20th Century. In many, perhaps most instances, the proposed transplant of its reformist method and rationale to the EU level is hamstrung by the unpalatability (perhaps even incomprehensibility) of its agenda to European partners.

More prosaically, it may be that all of this has more to do with internal party wrangles and electoral positioning than viable blueprints for the future of the European political economy. Should the PS regain power and have an active role to play in shaping the EU’s political economic future any time soon, much of its shopping list will be shelved in favour of more pragmatic, practicable stances.

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i *Pour de nouveaux choix de société*, p. 63.

ii Jospin’s Speech to the Colloquium: *Énergie, Poste, Télécommunications Quel avenir pour le service public en France et en Europe?,* 26 March 1998

http://www.premier-ministre.gouv.fr/PM/D260398.HTM

iii *La Gauche Socialiste* ‘État d’Urgence sociale – Pour Une Autre Cohérence’, Contribution at the Brest Congress.
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