



CAN ONLY THE LEFT BE TRUSTED TO REFORM THE WELFARE STATE?

BY CHRISTOPHER CALDWELL



ine 7 of the Paris Metro runs past the familiar heart of Paris: the Place de l'Opéra, the Louvre, the Île de la Cité, the Île St-Louis. From there it crosses the Seine and arcs southwest out of the Latin Quarter,

past the Botanical Gardens and the Place d'Italie. Three stops from there, though, you come up at an intersection of highways, stinking with exhaust and cluttered with billboards. Walk north on Avenue d'Ivry, and you're in a mini-city full of 30-story skyscrapers, half a dozen of them, a slightly cleaner version of Coop City in the Bronx. Windows are missing, and cheap drapes billow out of state-subsidized low-income flats. The street is lined with Thai groceries, Vietnamese video-rental outfits, and Algerian couscous joints. Young Africans—mostly Malians and Gabonese, wearing the American gangsta outfit of sweatpants and untied sneakers-play soccer in the streets. This neighborhood is considerably tidier and safer than its American equivalent, but France didn't used to have anything that would bear such a comparison. Today about a tenth of French people live in this kind of place. It's not long on jobs, the entrepreneurs of the global drug trade have begun to penetrate it, and crime is rising rapidly.

Now walk in the opposite direction, south, down Avenue de la Porte d'Ivry. Here, the state-subsidized apartment towers are smaller, the sidewalks are quieter, and the residents are largely français de souche (white people). Unfortunately, most of them belong to France's huge and seemingly permanent army of the jobless. Several dozen of the men, aged 30 or so to 60, are playing boules in a dirt lot across the street from Georges Carpentier Stadium. And you can tell it's election season, because

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two of them are carrying in their pockets—unselfconsciously, it must be said—brochures reading "The Big Change," slogan of the fascistic National Front.

There are a lot of places you can reach on foot from Porte d'Ivry, but not many that you'd recognize as France. At this point, the French hardly recognize their country themselves. Unemployment is at 13 percent. Immigrants, among them not a few France-loathing Muslims, make up a tenth of the population. The country is split on whether to join fourteen other European countries in a common currency in 1999 or to ignominiously bail out. And the bestseller list is one long litany of crisis books, like Christian Jelen's Shattered France, Pierre-André Taguieff's The Threatened Republic, Viviane Forrester's The Economic Horror, and—the question in the title is seriously meant—Jean-Claude Barreau's Will France Disappear?

## A LOSS OF NERVE

At first sight, France's problems—the economic ones, at least—would appear to be simple: The government is so alarmingly huge, with tax receipts at 45 percent of GNP, that it has elbowed aside the firms that could take advantage of the global economic boom to hire new workers. The solution would appear simple, too: shrink the bloated state.

For the first two years of his seven-year presidential term, France's Gaullist president Jacques Chirac tried. His prime minister, the bald and dour Alain Juppé, served as both henchman and fall guy. After gingerly peeling off a couple of tax breaks for the self-employed, Juppé sought in November 1995 to raise retirement ages. His opposition was ready for him. French workers saw the retirement reforms as highway robbery, and under the wacky logic that a pay-as-you-go welfare state imposes, they were right. As outrageously generous as their retirement benefits were, the French had already paid for them through equally outrageous taxes—to the tune of half their paychecks for their entire working life. The result was a semi-general strike that shut down most transport and state services, and brought much of the country

together behind them. So much for entitlement reform!

France's scheduled entry into a common European currency only compounded its problems. The nettlesome requirements, particularly the insistence that a country's budget deficit be no more than 3 percent of its gross national product, allowed Juppé to claim that the modest budget cuts were "required" by "markets" and "agreements." That is, Chirac and Juppé sought in Europe the same kind of accounting scapegoat that our own Republican revolutionaries hoped to invoke with the Balanced Budget Agreement in the 104th Congress—and they got similar results. With Germany's Bundesbank insisting that the Euro be a hard currency, it did not escape notice that a hard cur-

rency was a boon to Berlin's efforts to rebuild East Germany, and it wasn't long before accusations were flying that the reunification of Germany was being paid for by a sell-off of France's welfare state.

Time was running out on Chirac and Juppé, so in April, the president took a spectacular gamble. Calling for a referendum on European integration and on free-market reforms that he had clearly lost the stomach for, Chirac dissolved the parliament in which his center-right coalition held 465 of 577 seats. French voters kicked Chirac in the teeth, giving 319 seats to a coalition of Socialists (245 seats), Communists (37), greens (8), and others (29). The right's tally fell to 257.

Was this, as the French left was quick to claim, a "great refusal" of global capitalism? Or had Chirac blown a genuine chance to reform the French state? Certainly the strikes gave Chirac and Juppé the opportunity to risk their careers for reform, as Ronald Reagan had during the 1981 air traffic controllers' strike, or Margaret Thatcher did during the miners' strike of 1984. Instead, Juppé acted like Newt Gingrich during the government shutdown. He allowed the strikes to fester for eight weeks, inflicting permanent damage on his party and its program, and only then — when he had nothing more to lose — backed down completely, rendering the entire confrontation a waste of political capital. In fact, Juppé soon found himself the only politician in the Western world as unpopular as Gingrich, with approval ratings diving towards 20 percent. Having failed to make the political case for his program, he began to lecture voters on its economic inevitability, gaining him a reputation as a snob, a know-it-all, and a con artist. By this spring, even the freemarket economist Henri Lepage was complaining of Juppé's "arrogance," and chalking up the French right's failure to "a bureaucratic government led by a bureaucratic mind."

Is there any other kind over here? Chirac himself ran for president in 1995 against prime minister Eduard Balladur's privatization program, attacking Balladur from the left with promises to "heal the social fracture." And in the wake of his party's abysmal showing in the first round of this year's elections, Chirac booted Juppé and hinted that his next prime minister

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would be Philippe Seguin, a glad-handing rural mayor who has spent the last two years savaging European integration and the welfare-state reforms it was forcing. This gave Chirac a coherent economic program; the problem was that it differed not a jot from that of his leftist opponents.

# MUTANTS AND THEIR BOUNTY

President Chirac, badly wounded, now must share power with Socialist prime minister Lionel Jospin; and the prospects for even piecemeal reforms of the state are dim. But the French seem not to want a return to the all-out socialism of 1981, either; polled after the election on whether Chirac should resign, voters said no, by a margin of 62-29. And while Jospin's platform called

for state creation of 700,000 new jobs, by the closing hours of the campaign, Jospin was pulling back on even that promise, warning French voters "not to expect the moon."

Jospin himself, 60, is a bookish retread of the Mitterrand years, a Trotskyite in the 1960's who still quotes Marx as a social critic. But he's hardly the most radical figure of 1980's socialism. Best known for his anguished waffling, as Secretary of Education, on whether to let Muslim girls wear their chadors into public schools in 1989, he was expected to be little more than the French equivalent of Walter More than the French equivalent of Walter More than the party through years of intellectual barrenness. Mitter the party through years of intellectual barrenness. Mitter the party through years of intellectual barrenness where the party through years of intellectual barrenness. Mitter the party through years of intellectual barrenness. Mitter the party through years and pop music throughout the 1980's, destated a Jospin two years ago as "a loser."

In the absence of new ideas of sown, the Socialist Party is hunting for inspiration in every crection. Jeremy Rifkin's book The End of Work, which sank like a stone when published in the United States a few years ago, is now the centerpiece of the hottest intellectual debate in France. Then there's Viviane Forrester's runaway bestseller The Economic Horror, which has 300,000 copies in print, one of France's best-selling nonfiction works since World War II, it holds that France's economic collapse is the result of a conspiracy of lying capitalists. These and other books help the French shift the blame for their troubled economy onto the global one, providing the semblance of a governing philosophy for the Socialists—although why the impersonal forces of globalization should have singled their country out is a subject that they're less eager to pursue.

The Socialists' dependence on the votes of their Communist coalition partners has been exaggerated, but their intellectual dependence on the Communists has escaped notice. It's the only Communist party in Europe, besides Portugal's, that has kept its name—although general secretary Robert Hue claims the party has undergone la mutation, with the happy result that most of its national leaders proudly describe themselves as "mutants." The Communist magazine Humanité,

that dinosaur of the Sartre era, is hot once more, and for the first time since the publication of the Gulag Archipelago in 1974, intellectuals have started to drift into open support for the Communist Party, most conspicuously the sociologist Emmanuel Todd.

The politics emerging from the marriage of stale Socialist pols and chic "mutants" is already visible. With unions having lost two-thirds of their members in the last twenty years, very little class politics remains. (Fiscal politics—in the form of "no more entitlement reform"—is another matter.) The ideological cornerstone of the French left is a race-based politics of multiculturalism and moral superiority patterned—though its practitioners would be loath to admit it—on our own. What's more, it is carried out through publicity stunts and moralistic pageantry that go far beyond the already-appalling levels seen in America. There was Gay Pride Day, held in Paris this June, in which bands of drag queens marched to demand recognition from state and society—under the sponsorship of France's major multinationals and television networks. There was May's tennis event, in which "Yannick Noah and his friends play for the Children of the World." And there is - everywhere -Emanuelle Béart, the "face" of Christian Dior's makeup ads, who has ostentatiously associated herself with the cause of undocumented immigrants. At the Cannes film festival in May, she gave a Susan Sarandon-style peroration that went on for so long that she was whistled off the stage.

On the night of the elections, the Socialists held their victory party in a landscaped garden behind Latin America House, a beautiful mansion down the street from their Rue Solferino headquarters. There were the usual bunch of what the French call the "caviar left": long-haired 50-year-olds with dork-nobs and open collars and 23-year-old girlfriends, all of them sawing away at Parma ham and taking advantage of the open bar. But not a lot of non-whites, unless you count the several hundred North Africans and sub-Saharan immigrants dancing and chanting and banging drums outside the wrought-iron gates on Blvd. St-Germain, demanding residence permits. All in all, there were five or ten thousand young people out there, and at 8:00, just as the polls closed and the first results were being announced, the mob succeeded in crashing the barrier open and poured into the driveway, where national guardsmen held them away from the front door. It took half an hour to remove them all.

Inside, standing on a balcony overlooking the garden was Anne, an elegant, almond-eyed beauty of 27, an ardent Socialist who'd been admitted because her boyfriend, a cameraman, was covering the event. She claimed to be depressed about the level of unemployment but sounded almost exultant as she denounced the regime. "I am lucky. I have a good job. So I could just say, 'Lower my taxes,' and 'I want more money' and vote for the right. But I don't"—and here she gave a long sigh—"because...because I know where I came from. Because I care about people." As for Emanuelle Béart, Anne could hardly contain herself. "She is so brave! For her who is the representative of Christian Dior to risk her career to defend—"

Someone interrupted, "Risk her career? Christian Dior really threatened to fire her?"

"I...oh, I don't know," said Anne, a little peeved at being caught out. "I think she was able to keep her job."

### SCHOOLS FOR SCANDAL

But they're all like that. In his 1989 book *The State Nobility*, sociologist Pierre Bourdieu described how France was ruled by graduates of the Ecole Nationale d'Administration, the Ecole Polytechnique, and other meritocratic institutions. The politics that results from this groomed elite is one in which the class alliance among the state's directors is stronger than any ideological alliance that binds them to their constituents. Chirac, Juppé, and Jospin are all ENA grads, and two-thirds of cabinet members in most governments come from the elite schools. As the free-marketer Alain Madelin put it during the campaign, "Ireland has the IRA, Spain has the ETA, and we have the ENA."

The énarques, as they're called, not only rule the state but practically own it, thanks to the practice of pantouflage—the ability of functionaries and planners to scuffle from government into the private sector and back. As a bureaucrat, you can commission a new subway part, budget for it, and then quit and auction your services off to the companies bidding to manufacture it. Even shrinking government enriches the governing classes. During the premiership of Eduard Balladur, privatizations were carried out through a system that left noyaux durs—hard cores—in the hands of large investors. In theory, this system provided "safe capital" to guard against hostile takeovers from abroad. In fact, it meant privatization along Mexican lines: a cut-rate sell-off of valuable assets to senior civil servants.

Part of the problem with the French government is not that it's so bad but that it's so good. Its failures are the best argument for its successes: With the idlest over-50 population in the world, and a quarter of the under-30 population idle, too, it's amazing that France merely has economic problems, rather than an allout social collapse. Princeton sociologist Ezra Suleiman even argues, with some reason, that the French state has created most of the wealth in one of the wealthiest countries in the world, shaping a society that is safer, more convenient, more egalitarian than the United States, and even—with its high-speed trains and computerized phones - more technologically sophisticated. It has, until now, been admirably meritocratic (a French equivalent of affirmative action, for instance, is unthinkable). So paradoxically, the state has become so large that it is immune to traditional free-market criticisms: it is not inefficient, it is not unresponsive, it does not lack incentives, as the millions to be made in pantouflage make clear. Statism may have left the French unprepared for the information age, but there's no doubt that after 800 years, you get pretty good at it.

In fact, this is the end-point of the Clinton dream of reinvented government. France runs more like a corporation than a republic, in that the cream rises to the top and bosses make all the decisions. "The system is not virtueless," says editor Michel Gurfinkiel of *Valeurs Actuelles* magazine, "but the outcome is that the political process is a fake." When the citizensubjects are making good money off of it, everything goes well.

But as France's workforce shrinks and its retirees live longer, the state is failing to deliver on its promises, and pent-up frustrations are being unleashed.

And there are plenty of frustrations, for France has the last thing you'd think it would have: a civil-society problem. Americans tend to bemoan their own lack of community, and to envy Europeans their slower-paced, neighborhood-based existence. In fact, France has the same cluster of ills: an atomized population addicted to their automobiles and their fast food, alienated from those who rule them, relating to the outside world through their television sets and their refrigerators.

One symptom is that there are no largecirculation quality newspapers in the entire country. The conservative *Le Figaro* tops the list, with 349,000 readers; the left-leaning *Le Monde* is the paper of record, with

325,000; and Libération, the hard-left Parisian daily, sells 151,000. And that's it! Fewer than a million serious newspapers sold daily in a country of 60 million! The French are more dependent on television for their news than any Western nation. And although cable TV has been late in arriving, the junk that they get on TV and radio is already bad enough. It's heartening to hear Edith Piaf-style French chansons playing on the radio, and disillusioning to be told they're only playing because it's the law that 40 percent of air time be taken up with them. What would the French listen to if left to their own devices? Le Nouvel Observateur dedicated a fawning special issue several months ago to the growth of a "rap culture" in France. Per capita, rap music is as popular in France as it is in the States, and bestially violent, gunfire-filled videos, like that of Akhenaton's "Bad Boys de Marseille," are the norm.

Not that rap is always unreflective of social reality here. The French are increasingly subject to modern life's more "American" pathologies: divorce, obesity, and all of those Taxi Driver—type mental unhingements suffered by lonely people who spend too much time in their own heads. In mid-May, the suicide in the Loire Valley of two teenage girls who were Kurt Cobain nuts. A week later, the conviction of a man who wanted to poison his lover's husband and wound up killing a neighborhood girl instead. In June, the abduction of a 9-year-old girl in Chaumont while her single mother left her at home to do the shopping. Two days later, a ring of hundreds of pedophile video fans put on trial in Paris.

### **BUDDY SYSTEM**

But it is immigrants who are viewed as the primary social problem. When the French call themselves a country of immigrants, it's not just self-flattery for a multicultural age. There are 10 million French with at least one foreign grandparent—the same can be said of only 100,000 Germans and 100,000 Italians. As in the United States, the problems people blame them for

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are less purely matters of immigration than they are interactions of immigration and the welfare state. Which is not to deny that the problems are huge: In Marseilles, the hospitals teem with Algerian and Tunisian women who come to deliver babies, and then leave the country—or worse, don't.

Since the French would consider it barbaric to use the California method of preventing immigrant abuses—by drying up welfare state benefits and reducing the more twisted incentives to immigrate in the first place—they're left to deal with their immigration problem in a most barbaric way: by paying money to ship immigrants back "home." Such programs began in the 1980's, and there are still provisions for paid repatriations, but there are almost no takers. Since then, the government has sought to limit family reunifications, and earlier this year, Chirac's interior secretary pushed

through a measure that would have required French citizens to notify authorities whenever a foreigner arrived and left. The measure has led on the one hand to protests, and on the other hand to a general coarsening of racial rhetoric. Immigration is making the French madder and madder, while the policy to deal with it humanely is at an impasse.

So a growing number of people are toying with the idea of resolving it inhumanely—through the National Front, a fascistic movement led by the recalcitrant Algerian War—era militant Jean-Marie Le Pen. The Front's 15 percent in May's first round was its best showing ever, and earned it the right to send 133 candidates to the second round. (Only one triumphed, due to the unwillingness of other parties to switch their votes to them.) That 15 percent is unevenly spread, masking pockets of real strength. Among the shrinking working classes, the Front vies with the Socialists as the number-one party, and a quarter of Front voters are traditional Communists. The once-Communist ring of suburbs around Paris is a stronghold, as are Alsace-Lorraine, now filling up with Turks from Germany; Alpes-Maritimes, including Toulon, where the Front has its only deputy; and the southwestern coast around Marseilles.

In other words, the map of the Front's popularity is the map of immigration—and the desire of the FN not only to stop it but reverse it, by sending most of France's North African immigrants home, is the pith of the Front's popularity. Certain polls in the late 1980's found that 35 percent of French people, while they would not vote for the Front, said they agreed with most everything it said. The Front's appeal is a combination of legitimate gripes and frenzied radicalism. Its motto is France: Aimez-la ou quittez-la ("Love it or leave it"), and its members wear buttons that ridicule SOS Racisme, the Mitterrand-era political machine that had as its cloying slogan "Don't touch my buddy!" The Front's version gleefully shows a bald, smocked camel jockey shuffling out of France, above the slogan "See ya later, buddy."

Le Pen worries about Europe, and about the global economy in general. After presenting himself throughout the 1980's as merely one of the more colorful figures of world conservatism, espousing the free-trading policies of Thatcher and Reagan, he is today an overt protectionist, and he has become explosively anti-American. At the party's final rally at the gruesome 1930s-era Sports Palace in southwestern Paris, he warned the 6,000 spectators that France is in an economic and cultural war, "a war that we are about to lose"—and that war is with the United States. "Globalization is nothing but Americanization," Le Pen shouts. "The spread of 'democracy' is only the spread of the dollar." France will be "servilely at the boots of the New World Order!"...which means the corrupt world power that left "a million children dead of starvation!" in Iraq.

The Front is also frankly anti-Semitic. Its souvenir stand outside party rallies sells books like *Mysteries and Secrets of B'nai B'rith* and *Anti-French Racism*, along with several works on the freemasons. When Le Pen, as he usually does in the course of a denunciation, mentions that Chirac has "sought support from B'nai B'rith," the crowd reacts with wild, knowing hisses, whistles and boos, while the Leader puts on an innocent "What!—did I say something?" face.

Everyone in France, on the center-right and center-left, worries that the Front is growing stronger—or that Le Pen is, for this is a very personalized movement. Even though this was a legislative election, in which Le Pen himself was not a candidate, the militants assembled at the Sports Palace punctuated the evening with shouts of "Le! Pen! Le! Pen!" accompanied by wild rhythmic clapping, with people throwing their fists into the air and the sweat flying off their faces.

And yet Le Pen is, first and foremost, a clown. He strode plumply onto the stage in a double-breasted suit, and after a few preliminary remarks on the election, began to denounce Catherine Trautmann, the Socialist mayor of Strasbourg who had held a rally against the Front. Then he calmly walked over to the wings and returned giggling to center stage with a realistic replica of Trautmann's head on a platter. He then did an imitation of Alain Juppé as the Duracell Bunny (for someone who doesn't like the global marketplace, he's certainly up on American ad campaigns), scampering animatedly across the stage. Then he described the conservatives' two standard-bearers, Seguin and the supply-sider Alain Madelin, as resembling "that strange animal the Croco-lion, which has the head of a crocodile on one side and a lion on the other. And he's a very angry animal...You know why? Because he can't go poo-poo!" This has the Front's members rolling in the aisles. To call him a clown is neither to underestimate nor excuse him. It's purely a tactic, and one that Le Pen has mastered more than any politician in the world, save perhaps Ross Perot: The more childish and stupid he gets, the more his supporters love it—it's a burning of boats in the sight of the enemy, a proof that he's not one of those glib, well-spoken, smooth, reasonable sell-outs. Not one of them.

It is hard to tell which of France's two mainstream tendencies has been more irresponsible in dealing with the National

Front. Gaullist politicians, columnists in the conservative Le Figaro, and various supporters have haughtily steered clear, while at the same time claiming the election was virtually stolen from them because the Front didn't give them its votes. On the left, meanwhile, a pretty good definition of "fool's errand" would be the "Anti-National Front Guide" published in the left-wing weekly L'Evénement du Jeudi, which pored over government documents to find little inaccuracies in the Front's data. As if a political movement that thrives on enthusiasm for Masonic plots and poo-poo jokes can be derailed by a stickling insistence that the real number of immigrants in France is not 6.1 million but 5.4 million.

#### **BLAIR DU TEMPS**

Given that the French are faced with both a feckless right and a real extremist threat, no one in the United States should be terribly surprised that the French Socialists won. Or terribly upset, either: In a country where—after decades of the most vitriolic ideological battles in the West—left and right have little meaning, the victory of the reluctantly pro-Europe Socialists over the gung-ho pro-Europe conservatives may be a victory for small government. The Bush and Clinton administrations always maintained a vague sense—fruit of the Cold War—that it would be good for Europe to unify. But with a weak European currency and a trading bloc set up to compete against America for both exports and geostrategic dominance, that's no longer the case.

It's possible France will suffer under a type of left America hasn't known since the 1970's, with nothing to offer but snob-bish anti-patriotic vapidities. But it is unlikely Jospin will need his 37 Communist votes, nor is his program likely to go as far as the "socialism in one country" sought by his coalition partners in the Movement of Citizens. Jospin has said he will ask for no new nationalizations.

Jospin could succeed in turning the French economy around for a bit, as even Henri Lepage admits. France's bond market is strong, since the country has in the last three years bought back two-thirds of its foreign debt. While John Major has warned of runny, French "camembert currencies," the franc is now only 2 percent off a target from which a 15 percent margin is allowed. Lepage likens the French situation to that of Japan two years ago, and thinks it will be possible to devalue the franc without spiking inflation. What's more, if France does pull out of Europe it will get to spend a windfall of Juppé-era austerities.

But the success of Jospin's Socialist platform is likely to last only as long as it isn't really a Socialist platform at all. Jospin's election provides another instance in what has become a pattern in Clinton's America, Tony Blair's England, and Romano Prodi's Italy: Publics grudgingly realize that control of the welfare state is necessary and feel somehow less guilty if the left does it. Granted, that left has to be hamstrung by fiscal exigencies and thoroughly ill at ease with itself—but the French left fits that description handsomely. The more so since France is locked in the unenviable position Britain was in the late 1970's: a rich country, a world presence, but a nation that increasingly looks on itself as the sick man of Europe.

A SUMMER MEMOIR OF AN AMÉRICA THAT WORKED AND PLAYED HARD, AND THOUGH LESS MENACING WASN'T AS INNOCENT AS IT WOULD SEEM.

BY RICHARD W. CARLSON

