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Valéry Giscard d'Estaing: the Limits of Liberalism

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When Valéry Giscard d'Estaing was elected President of the Republic in May 1974, the key theme of his election campaign was 'change'. Following Charles de Gaulle (1959–69) and Georges Pompidou (1969–74) as the third President of the Fifth Republic, Giscard promised 'a new era in French politics, an era that will rejuvenate and change France' (MDD 1974, 113). This 'new era' for France would combine the necessity of change with the security of continuity, a seductively oxymoronic appeal encapsulated in Giscard's campaign slogan *'le changement dans la continuité'*. When the same Giscard left office in 1981, his presidency was summed up by *Le Monde* as 'Seven years of disappointment'. This unsparing assessment set the tone for subsequent evaluations of a presidency which, by the measure of its own promises alone, could not but be deemed to have failed. Again in the judgement of *Le Monde*, 'seven years after the great changes promised in 1974, it was back to square one' (MDD 1981, 4). While custodianship of the new hopes for change would pass to the Socialist Party's François Mitterrand, Giscard ended his term of office as the only incumbent President in the history of the Fifth Republic thus far to have run for re-election and been rejected.

This chapter considers the reasons why a presidency born under the auspices of reform should have so signally fallen short of expectations, and why this President should have left the legacy of 'a man who did not keep his promises and who lacked an *esprit de réforme*' (Machin and Wright 1982, 15). It examines the personal style of Giscard, his political philosophy and programme, the historical context of his presidency, and some of the political, social and economic pressures that would conspire to define the Giscard regime and to curtail its prospects of renewal. The thirtieth anniversary of the electoral defeat of 1981 stands as a timely moment to reassess a presidency deemed by analysts then

as now to have been one of 'unfulfilled promise' (Frears 1981, 150) and 'great disappointment' (Derbyshire 1990, 39), one that 'promised a lot' but 'delivered comparatively little'.

The Giscard style: personality and politics

After the ageing authoritarian de Gaulle and his stolid lieutenant Pompidou, Giscard appeared, at least at first, to recast the mould of the Fifth Republic President. He was young (aged 48), energetic and, it seemed, in touch. He projected himself as a new man, *'la nouveauté'* playing a central part in his campaign rhetoric despite the fact that he had served almost continuously in ministerial office since the founding of the Fifth Republic in 1958. His declared wish to 'look deep into France's eyes, tell her my message and listen to hers' (MDD 1974, 41) did ring as new, characterising a campaign which sought to portray Giscard as a down-to-earth, accessible, consensual presidential candidate (and his main opponent, François Mitterrand, as an out-of-touch *'homme du passé'*). The studied informality of posters featuring Giscard seated on a bench with his daughter contrasted with the ponderous gravitas of his predecessors. More so still the images of this new-style candidate in T-shirt, or playing the accordion, or disporting himself with a football. Once elected, he would walk rather than be driven to his inauguration ceremony, dress down for his official presidential photograph, host a series of monthly televised 'fireside chats', and engage in a number of idiosyncratic gestures such as inviting refuse collectors into the Elysée Palace for coffee or contriving invitations to dine in the homes of 'ordinary' people.

Giscard, however, was no 'ordinary' man. His had been a *voie royale* of lofty privilege through not one but both of France's most elite higher educational institutions – the École polytechnique and École nationale d'administration (ENA) – leading to a coveted post in 1952 at the most prestigious of the civil service *grands corps*, the Inspection générale des finances. From there to a special advisory role in the Finance Ministry, then to the Prime Minister's office of Edgar Faure (1954–5), a safe parliamentary seat (vacated by his maternal grandfather, Jacques Bardoux) in the Puy-de-Dôme aged 29 (1956), a junior ministerial finance post in de Gaulle's first administration aged 32 (1959), and appointment as Minister of Finance and Economic Affairs aged 35 (1962), were but short steps. Given the importance in French politics of a strong local base, these steps in career development would be combined with the usual *cumul des mandats* (multiple office holding) as municipal

councillor (Chanonat), departmental councillor (Rochefort-Montagne), parliamentary deputy (Puy-de-Dôme), and mayor (Chamalières).

Giscard's rapid early advancement was achieved through a blend of sharp intelligence, precocious talent and an 'ambition to quench' (MDD 1974, 50), but there was, too, a sense of social entitlement. Giscard had been born in 1926, in the French-occupied Rhineland city of Koblenz, into a family of financiers and politicians with pronounced political leanings to the right; his father, Edmond Giscard, was a prominent activist in Charles Maurras' monarchist Action française and Colonel François de la Rocque's authoritarian-nationalist Croix de feu before going on to earn a '*Francisque*' for his devotion to Marshal Pétain's Vichy regime (Frears 1981, 4). Some three years before the birth of Valéry, in 1922–3, he had declared his social pretensions by acquiring the aristocratic title 'd'Estaing' (claiming descent from the Admiral Charles Henri Comte d'Estaing, who had commanded the National Guard at Versailles in 1789 before being guillotined in 1794). Nor did Giscard *père* seem too concerned by the precise genealogy through which his claim to aristocracy might be pressed. Had his previous bid to secure a noble patronymic been successful, this would be a chapter about 'Valéry Giscard de la Tour Fondue'.

The *noblesse* acquired through timely birth would be redoubled when, in 1952, Giscard married Anne-Aymone Sauvage de Brantes, daughter of the Princesse Aymone de Faucigny-Lucinge et Coligny – an impeccable match which would yield four children and put the seal on a patrician identity that exuded social confidence and poise. By the time the 1974 presidential election campaign came round, prompted by the death in office of Georges Pompidou, Giscard was a telegenic and media-savvy performer who left his opponents looking dull and plodding by comparison. The united-left candidate, François Mitterrand, for all his rhetorical powers on the hustings, could not cope with Giscard's effortless superiority in the television studios. Their live debate between the two rounds of the election – the first of its kind in French presidential campaigns – was a painful mismatch that went some way to deciding the outcome of the run-off on 19 May 1974, which Giscard won by the narrow margin of 50.8 to 49.2 per cent of the vote. Drawing on wider reserves on the right than his main opponent on the left, Giscard had overturned a first-round deficit of 32.6 per cent to Mitterrand's 43.2 per cent.

Once elected, Giscard gave political substance to the style that had helped elect him. While still Finance Minister, he had argued that 'France wishes to be governed from the centre' (MDD 1974, 71), and it had been a major theme of his campaign to play to the aspirations of a new expanded 'centre' in French social, economic and political life. Through skilful use of reassuring slogans ('change without risk', 'the candidate of progress not of fear'), he positioned himself as a social and economic liberal seeking progressive reform opposite a Socialist-Communist candidate bent on revolutionary change. The clearest expression of the political philosophy with which he came to office would be his book *Démocratie française*, published two years into his presidency in 1976. Here Giscard would set out his blueprint for a '*société libérale avancée*', with the term '*libéral*' combining a commitment both to free-market economic principles and to a progressive social reformism that should keep those economic principles in check, opening a 'third way' between laissez-faire capitalism and state-sponsored welfarism (Berstein and Sirinelli 2007, 9, 15). French society, he held, like other developed Western societies, was no longer divided into the warring classes that had characterised it in earlier phases of industrialisation. Through the fruits of political stability and economic growth in the early Fifth Republic, a large middle group had emerged belonging to no specific social class but enjoying higher living standards and sharing the same broad aspirations for continued material progress in an increasingly industrialised, urbanised and secularised French society. Politics might still be about great principles and issues, but it was also about washing machines, televisions and cars (Giscard d'Estaing 1976, 38–40). In a later book entitled simply *Deux Français sur trois*, Giscard would argue in the same vein that many historic prejudices and grievances had disappeared and that two French people out of every three formed part of this 'vast middle group' whose aspirations now converged socially, economically and politically (Giscard d'Estaing 1976, 15).

Such, at least, was the theory. The reality of a less conflictual and more consensual France united around shared experience and aspirations would prove rather more elusive. Before it could be realised, too, Giscard would have to form a government in tune with his political vision, and one which might mirror in its composition the same spirit of consensus. The first Giscard administration was a carefully balanced coalition of Gaullists, Giscardians, centrists and 'non-political' technocrats. This early exercise in political *ouverture* was a virtue born of necessity, given the difficult balance of forces in a National Assembly where Gaullists heavily outnumbered Giscardians and centrists (with 183 Gaullist seats to the Giscardians' 55 and varied centrists' 64). Giscard had throughout his political career inhabited the non-Gaullist ranks of the centre-right, starting out in the Centre national des indépendants et paysans (CNIP) before forming in 1966 his own Fédération nationale

des républicains et indépendants (FNRI) and famously cultivating an attitude of mostly loyal – *'oui, mais'* – support for de Gaulle. He could have begun his term of office by dissolving the National Assembly and calling for a presidential majority, as François Mitterrand would in 1981; but the relative weakness of his party base made the outcome uncertain, and counselled rather an accommodation to the existing Gaullist-dominated right-of-centre majority that had emerged from the previous year's legislative elections. The new President therefore appointed as his first Prime Minister the coming man of the Gaullist Union des démocrates pour la République (UDR), Jacques Chirac (aged 41), who had been a junior budget minister during Giscard's second period as Finance Minister under Pompidou (1969–74) and who rallied a group of UDR deputies and ministers (the *'Appel des 43'*) to Giscard against the official Gaullist candidate Jacques Chaban-Delmas. The relationship between President and Prime Minister would end in acrimony with Chirac's resignation in August 1976, but for those first two years they would together oversee the most reformist phase of the Giscard presidency.

Early reforms – the advance towards liberalism

The early Giscard administration was marked by a strong commitment to social reform with an emphasis on personal rights and freedom of choice. In a heady first year of reform, a string of important liberalising measures were carried through in pursuit of an 'advanced liberal society' (prompting some parallels with reforms in the name of a 'civilised society' by Roy Jenkins as British Home Secretary in the mid-1960s). Abortion was legalised within the first ten weeks of pregnancy; access to contraception was made easier; divorce, too, was made easier on grounds of mutual consent (breaking with a law of 1884 obliging that fault be proved); the age of majority, and with it the voting age, was lowered to 18 (annulling legislation going back to 1792 that had fixed the age of majority at 21, and despite the risk that this would favour the left electorally); sexual discrimination was outlawed and legislation on equal pay passed; provision for the elderly, disabled, widowed and for poorly housed families was improved, and benefits were increased for large families, working mothers and single parents; the statutory minimum wage (SMIC) was raised; and a major programme of hospital and nursery building was launched.

In addition to these social welfare reforms, measures were taken to ease the authoritarian controls over certain areas of public life such as

the media and arts. The state monopoly on broadcasting was broken up through dismantling the ORTF (Office de radiodiffusion-télévision française), which was hived into seven separate companies, and the sinister-sounding Ministry of Information that had controlled it was abolished. Though these measures did not remove a strong residual state influence over the broadcast media nor end the deference of public service broadcasters towards their political masters, they were an important step in reducing the excessive control that had prevailed under the Gaullist regime. Journalists were no longer subject to prosecution, as they had been in large numbers under de Gaulle, for insulting the Head of State. The political opposition was given greater access to television, and film censorship was liberalised. In the area of private freedom, telephone tapping was brought under tighter control. In politics, greater accountability was achieved through the introduction of a weekly government question time in the National Assembly and a measure allowing 60 or more deputies or senators to test the constitutionality of legislation by submitting it to the Constitutional Council.

These early reforms had the combined benefit of being both popular and largely cheap to implement (Machin and Wright 1982, 16), but they laid bare already ominous tensions and divisions within the governing coalition. The abortion law in particular saw Giscard opposed by Giscardians, centrists and conservative Gaullists as Catholic sensibilities cut across political allegiances. In the end, the 'Veil Law' (named after its chief architect, Health Minister Simone Veil) was passed only with the support of left-wing opposition deputies, without the clause allowing abortion costs to be covered by social security and with doctors, and even hospitals, free to object conscientiously to carrying out abortions. The divorce law, too, was carried with opposition support and only partial support from the government's own benches, while a restrictive law against homosexuality enacted by the Vichy government in 1942 (Law 744 or 'Darlan Law'), and upheld by de Gaulle in 1945, remained on the statute book to be repealed by François Mitterrand only in 1982. Nor was the unreliability of Giscard's parliamentary support reserved for sensitive social issues. A capital gains tax bill of 1976 was so badly mauled by members of the presidential majority in parliament that it bore little resemblance to the law finally enacted in 1979 (Frears 1981, 152, 156).

Other reforms fell short of expectations or ran into insurmountable difficulties. Interviewed by *L'Express* in 1980, Giscard would claim with no excess of modesty to have 'given French women their place in the life of our society' (*L'Express*, 10 May 1980). To his credit, he did appoint

the first Secretary of State for Women's Affairs, and some of his early reforms in favour of women were certainly overdue. Only in 1975, for instance, did women stop being obliged by law to live in the home of their husband (*Code civil*, 1804, Article 108); only in 1975, too, did wives stop being liable to a prison sentence of up to two years for adultery, while husbands were merely liable to a fine – and then only if they had brought their mistress to the conjugal home (*Code pénal*, 1810, Articles 337 and 339). Some later reforms were also overdue, like the Peynet Ruling of 1980 making it illegal to sack a woman for being pregnant. In 1980, too, a law was passed obliging local council election lists to reserve at least 20 per cent of their places for women (a first step towards the 'parity law' introduced for national elections in 2000). Women, however, remained structurally disadvantaged in French public life, earning on average up to 30 per cent less than men and with poorer promotion prospects in the workplace. They were also proportionately harder hit than men by unemployment, with many in unskilled and semi-skilled occupations (Larkin 1988, 342–3). Manual workers, too, were promised a '*revalorisation du travail manuel*', and some measures were set in place to improve industrial working conditions; but again structural obstacles were such that the pay, conditions and promotion prospects of manual workers remained relatively poor (Berstein and Sirinelli 2007, 145–75).

Education was also an area in which thoroughgoing reform was promised. Through education minister René Haby, measures were introduced to improve equality of access and opportunity and to fit the education system better to the needs of a modern economy. The 'Haby Law' of July 1975 has been described as 'perhaps the most far-reaching of all the Giscardian reforms' (Larkin 1988, 348). Embracing the central priority of '*l'égalité des chances*' (equality of opportunity), it defined a common syllabus across primary schools and harmonised the provision of secondary education within a '*collège unique*' similar to the comprehensive system introduced as Labour government policy in Britain in the 1960s. Again, however, there were structural obstacles. The plans to fit schooling to the jobs market met with strong opposition from teachers' unions and were hampered by rising unemployment; and though the comprehensive principle prevailed thereafter in public sector schools with the elimination of selective routes '*filières*' (to the dismay of critics who blamed it for falling educational standards), other provisions of the Haby reforms were either never fully applied or simply dropped (Berstein and Sirinelli 2007, 105–42; Frears 1981, 152–4).

In the area of penal reform especially, the Giscard regime would disappoint those who had hoped for far-reaching change. With his promises

of an 'advanced liberal society', Giscard was expected to correct perceived abuses of the judicial system such as detention in custody (*garde à vue*) or the excessive powers of examining magistrates (*juges d'instruction*), the licence of the press to print stories presuming the guilt of detainees, the controversial Cour de sûreté de l'Etat (a special tribunal set up by de Gaulle to deal with terrorist offences arising from the Algerian War), and the retention of the death penalty (which had majority public support in France and strong political support on the right). Though reforms were introduced in a number of areas (such as use of police evidence in '*flagrants délits*', or 'caught in the act', cases) and conditions in France's prisons were improved, no comprehensive reform of the judicial system was undertaken. Indeed, far from liberalising the legal process, Giscard seemed by the end of his presidency to have made it harsher, notably through the passage in 1980 of the '*Loi sécurité et liberté*' with its increase in police powers and tougher criminal sanctions.

Other measures carried a more symbolic charge. Price-fixing in France had a long and vexed history, and the end of the national government's remit to determine the price of bread in particular marked a symbolic victory for free-market thinking over the age-old spectre of revolution. In another gesture towards a France that had moved beyond its revolutionary past, the Marseillaise was toned down to render it less bellicose (though it would be promptly restored to its percussive belligerence by Giscard's successor, Mitterrand). Among presidential incursions into urban planning, the Paris left-bank expressway construction was halted and restrictions were placed on new high-rise buildings. Presidential press conferences became less stiffly formal, and the new President deigned not only to meet with leaders of the opposition but even to visit a Lyons prison and shake hands with prisoners in the wake of rioting (MDD 1981, 5, 9).

In all of this there was the same concern to project a new presidential modesty, but it was a modesty with blind spots. At official receptions in the Elysée Palace the President insisted ungallantly on being served first; before an official visit to Downing Street in 1979, his aides pressed for him to be seated in 'a chair equal in status – i.e. with arms – to the Prime Minister', Margaret Thatcher, prompting an exchange of diplomatic telegrams headed 'President Giscard's Chair' (*Daily Telegraph*, 30 December 2011). Politics, even when in office, is a permanent campaign; but seven years is a long time in which to keep up pretences. Though critical of de Gaulle's high-handed presidential style, Giscard would come increasingly to exude a similarly monarchical hauteur. When the satirical weekly *Le Canard enchaîné* took to calling Giscard

'Sa Suffisance' ('His Self-Importance'), it was more wounding than the mock reverential *'Mongénéral'* by which it had designated de Gaulle. It also recalled the caustic observation allegedly made by de Gaulle himself of his ambitious young Finance Minister: *'Son problème, c'est le peuple'*. Already on the eve of his election, in May 1974, Giscard's future Secretary of State for Women's Affairs, Françoise Giroud, pointed to what would come to seem a fatal flaw in a President who sought to display the common touch yet used the formal *'vous'* in addressing his own mother (*L'Express*, 27 May 1974). De Gaulle, too, had been stiffly formal in the intimacy of family, but he at least made no pretence of being less so in other domains.

Losing reformist zeal – the retreat to conservatism

It is a crude but not altogether unfounded schematisation to see the first two years as representing the liberalising phase of Giscard's presidency and the five subsequent years as charting a deepening conservatism. The reasons for this turn away from liberalism towards conservatism were part temperamental, part political, and part circumstantial. In terms of temperament, Giscard's increasingly regal style, with its blend of self-assurance and self-assertion, sat ill with the early liberalising ethos of a supposedly more modest presidency (Gaffney 2010, 116–30). His genuine interest in the detail of policy, and his growing mistrust of delegation, also saw him gradually extend his presidential role from the formulation of broad policy and strategy to intervention in many aspects of policy implementation. Giscard had criticised de Gaulle for his excessive presidentialism, his 'solitary exercise of power' (MDD 1974, 71); but, as temperament increasingly won out over better intentions, he too would find himself exposed to accusations of presiding over a rigidly top-down 'Giscardian state' – while proposals to reform the institution of the presidency itself, either by shortening the presidential term from seven years or exploring the merits of a vice-presidency, were simply shelved (MDD 1974, 87; Machin and Wright 1982, 17; Frears 1981, 160–1).

There were clear political reasons, too, for Giscard's evolution away from his early liberalising agenda. Having chosen to work with the existing Gaullist-dominated majority in the National Assembly, he was reliant on preserving good relations with his UDR allies. The fragility of Giscard's own political base had been evident from the initial declaration of his presidential candidacy, when he had called upon 'UDR voters, independent republicans, centrists and reformists' to come together in a 'new expanded presidential majority' (MDD 1974, 41). The broader this majority, however, the more susceptible it was to fragmentation. Giscard had already incurred the resentment of Gaullists by maintaining a posture of ambiguous support, and then coming out against de Gaulle in the 1969 referendum that would prompt the latter's resignation. He was set to further offend Gaullist sensibilities through a systematic purge of public appointments made by de Gaulle and Pompidou (the so-called 'Gaullian state') and through some strongly held policy positions like his support for a directly elected European parliament. With the added element of an ambitious and querulous Gaullist leader in Jacques Chirac, the prospects of a sustained harmonious alliance were slim to vanishing.

When the break with Chirac came in August 1976, provoked by personality and policy differences (essentially Chirac's wish to extend the Prime Minister's ambit and Giscard's wish to curtail it), it marked a major turning point. The coalition of the right that Giscard had held up as a mature experiment in political pluralism was dismissed by his departing Prime Minister as a basket of frogs jumping in different directions (Knapp and Wright 2001, 205). In appointing Chirac's successor, Giscard turned not to a career politician but to a former economics professor and Vice-President of the European Commission, Raymond Barre. Lauded by Giscard as 'the best economist in France', Barre would also be given the Ministry of Economy and Finance and charged with effecting recovery in the face of the economic downturn of 1974–6. In the reshuffle that accompanied this change, the presence of Gaullists within the government was reduced in favour of Giscard loyalists and technocrats. With support from the National Assembly now less assured, the President would turn increasingly to an expanding team of advisors and technical experts, replacing the emphasis on political consensus with a new emphasis on administrative efficiency in government. Though technocracy in government had a long history in France, Giscard placed technical expertise and economic competence in particular at the very heart of his claim to be a moderniser. Combined with his relative youth, mastery of the media and assiduous cultivation of personal appeal, this increasing reliance on 'experts' was not the least of the similarities between Giscard's presidential style and that of John F. Kennedy in the United States of the early 1960s. Unlike Kennedy, however, Giscard could – and often did – invoke his own success in steering the French economy through almost a decade of prosperity as an unquestionably able Finance Minister (1962–6, 1969–74).

Following his resignation, Chirac would relaunch the Gaullist UDR in December 1976 as the 'Chiraquian' Rassemblement pour

la République (RPR), thereby laying the foundations of his own presidential vehicle and signalling his intention to challenge Giscard for the Elysée in 1981. His election as mayor of Paris in March 1977 (against the President's candidate, Michel d'Ornano) would give Chirac a power base from which to rival Giscard and would draw the battle lines already on the right for the presidential contest to come. The formation in 1978 of the Union pour la démocratie française (UDF), a tactical confederation of centrist parties in support of Giscard, confirmed the division of the French political landscape into a '*quadrille bipolaire*' with the Parti socialiste (PS) and the Communist Parti communiste français (PCF) opposite the neo-Gaullist RPR and centre-right UDF, each worth some 20–5 per cent of the national vote and each dependent on alliance with its *frère-ennemi*.

Though the combined right, to the surprise of some, retained a governing majority in the 1978 legislative elections, these were no longer circumstances conducive to constructing a new political centre and prosecuting a vigorous programme of liberalising social reforms, with the most socially conservative component of the centre-right now at liberty to withhold its support. Above this and all else, however, economic circumstances were to dictate a change of direction in the Giscard presidency. It was Giscard's historic misfortune to come to office just as the oil crisis of 1973 was plunging the industrial world into recession. His election effectively marked the end of '*les trente glorieuses*', the thirty post-war years of economic growth, industrial development, expanding trade and increasing prosperity. From now on, mounting inflation, declining industrial production, depressed international trade, balance of payment problems, and sharply rising unemployment were to be dominant features in the economic outlook. The imperative of social justice would have to compete increasingly with other pressing imperatives – market competition, industrial restructuring, rising energy costs, wage controls, the value of the franc, and budgetary rigour being among the major factors at play in seeking to combat the economic downturn, with its low growth combined with high inflation and high unemployment.

The main challenge facing Raymond Barre on taking up the premiership was to enforce an austerity programme to shore up the franc, reduce the budget deficit and stem inflation. Giscard had from the outset combined an attachment to state planning in economic policy (in tune with the sensibilities of his Gaullist allies) with a more economically liberal approach (where his own instincts more naturally took him). Having been Finance Minister in a period which had seen France open up to European competition, he came to the presidency resolved to pursue economic modernisation and make France a first-rank global player. In fiscal policy, he favoured a German-style model of monetary control, currency stability, budget discipline and wage restraint (Derbyshire 1990, 40). Having hesitated between deflationary and reflationary policies in the first phase of his presidency with Chirac, Giscard in the second phase adopted with Barre a more concerted deflationary strategy, withdrawing support from failing industries, rationalising state involvement in the economy, selectively deregulating, providing incentives for investment and fostering a stronger spirit of international competitiveness among French firms. A new politics of austerity characterised the first 'Barre Plan' of September 1976, which froze prices and utility rates, raised certain taxes, imposed tighter monetary controls, curbed wage demands and capped higher salaries. Critically, the recovery programme privileged control of inflation over the fight against unemployment, which rose from half a million in 1974 to over a million by 1977 and over 1.5 million by 1981 (Berstein and Sirinelli 2007, 147, 154), while inflation, which had risen from an average of 5.5 per cent in 1969–72 to exceed 15 per cent in 1974, remained at an average of 11 per cent (Thody 1998, 80).

These were the most damning of the economic statistics representing Giscard's seven years in power. Other figures can be adduced that paint a less bleak picture, especially relative to European averages (for levels of private sector investment, the sustained value of the national currency, industrial export market share, or development of new technologies); but it was unemployment, combined with inflation and living standards, that would do most damage in public perceptions of the Giscard presidency (Machin and Wright 1982, 22; Larkin 1988, 344–5). The thinning out of the traditional self-employed sectors of farmers and small shopkeepers and the growth in wage earners, who now accounted for four-fifths of the active population, made unemployment a key issue (Machin and Wright 1982, 16). In May 1981, when Giscard vacated the Elysée Palace, there were 1,794,900 registered unemployed in France, a figure that would rise within the year to over 2 million (Favier and Martin-Roland 1990, 114). Faced with this inexorable rise in unemployment and the entrenchment of high inflation, Giscard's priorities underwent an enforced transformation as he increasingly cut the figure of a President who no longer had 'a clear vision of where he wanted to go and how he wanted to get there' (Crandall Hollick 1981, 210).

One of the issues that best illustrates this loss of political compass during the later Giscard presidency was immigration. In 1974, this was still a relatively neutral issue, with even the newly founded Front national (FN)

hesitating to make much capital of it; by 1981, it had become one of the most charged of socio-political issues, with a close association to unemployment and other sensitive issues such as law and order (Shields 2011). One of Giscard's first acts on his accession to power was to halt primary labour immigration to France; at the same time, he set in train the beginnings of a process to transform the existing immigrant population into a better integrated component of French society. Since the setting up of the Office national d'immigration (ONI) in 1945 to service the demands of post-war reconstruction, immigrants had been used as a short-term economic resource, with North African labour migrants in particular often living in hostels adjacent to their places of work. This did not fit with Giscard's vision of a pluralistic society guaranteeing the rights and dignity of all, and in February 1975 he visited immigrant workers in Marseilles to assure them of the important role they had played, and continued to play, in the prosperity of France (MDD 1981, 5; Berstein and Sirinelli 2007, 150). The following year, a decree (of 29 April 1976) recognised family reunion as an explicit right, subject to certain requirements on length of residency, income and accommodation. Given the continuing ban on primary labour immigration, over 95 per cent of non-European immigrants admitted to France between 1976 and 1978 were family members (Schain 1985, 169–70). Those who opted to return home, by contrast, were more often single males than family groups, further accentuating the trend towards more settled, family-based, non-European immigrant communities.

The classic pattern of immigration in the post-war years had been the attraction of unskilled labour from poorer European countries (Portugal, Spain, Italy) and increasingly from the Maghreb (Algeria, Morocco, Tunisia) for the construction, steel, mining and car industries especially. Whereas single male migrants, often working on fixed-term contracts before returning to their countries of origin, had lived on the margins of French society, the arrival of increased numbers of dependants and families in the mid-1970s placed new demands on public services and welfare provision. Concentrations of North African families in some social housing estates and of their children in some schools created problems of ghettoisation and racial tensions. As the economic recession deepened, too, increased numbers of immigrants would find themselves jobless, with the recorded proportion of the immigrant population in employment falling from 60 per cent in 1946 to 42 per cent by 1982 (Le Moigne 1986, 17).

Faced with these social and economic trends, the Giscard administration had recourse to a number of measures that would leave it at some remove

from its initial aspirations for a more inclusive and pluralist society. The first, introduced in 1977 by Secretary of State for Manual Labour Lionel Stoléru, was a financial incentive (10,000 francs) to encourage immigrants to return to their countries of origin. This was designed initially for the unemployed but was extended to those in employment, despite evidence from a study in 1976 suggesting that fewer than 10 per cent of unskilled jobs done by immigrants would be taken by French workers (Cordeiro 1984, 92). In the end, fewer than 100,000 migrant workers and dependants signed up for this '*aide au retour*' scheme, with the majority of those being Spanish or Portuguese (Weil 1991, 109–10; Mestiri 1990, 64–5). While it 'created' few jobs, the scheme thus accentuated the growing preponderance of non-Europeans within the immigrant population, with all the ethnic and cultural difficulties that would pose.

With the failure to encourage the voluntary departure of immigrants in sufficient numbers, an attempt was then made to legislate for the mass repatriation of non-Europeans surplus to labour requirements. This initiative was again led by Lionel Stoléru, now Secretary of State for Manual and Immigrant Labour, and by Interior Minister Christian Bonnet. The target set in 1979 was of reducing immigrant numbers by up to 100,000 per year, with even 200,000 briefly envisaged, before the proposal was blocked by the Council of State, parliament and human rights associations. The same Interior Minister Bonnet would lend his name in January 1980 to a law still viewed today as one of the most repressive pieces of legislation to which immigrants in France have been subject. The 'Bonnet Law' tightened the conditions for entry and residence and gave greater powers for the arrest, detention and expulsion of immigrants who had entered France illegally or whose residence permit had expired. One of its most controversial provisions was the incarceration, on administrative order, of detained immigrants pending deportation. The following year, in February 1981, another law brought in by Justice Minister Alain Peyrefitte authorised identity checks 'as a preventive measure', thereby exposing immigrants to a randomised racism enshrined in law. Together with the '*Loi sécurité et liberté*' of 1980, these legal instruments progressively negated the early liberalising ethos of the Giscard administration in matters of law and order, immigration control, and broader social cohesion.

Foreign policy and defence – 'liberal' *and* conservative

This clear retreat from social liberalism by the Giscard administration does not argue for any definitive renunciation of Giscard's political

philosophy: he was still able at the end of his mandate to cite *'l'égalité des chances'* as his prime objective for education and to call for a liberal society founded on pluralism and tolerance (MDD 1981, 135; Giscard d'Estaing 1984, 115–16). They show rather some of the diverse countercurrents to which that political philosophy was exposed in office. Another arena in which the Giscard presidency was subject to competing imperatives, and especially to the unpredictable flow of events, was foreign affairs. World events had, of course, imposed themselves from the outset on Giscard's septennate in the form of the first oil crisis of 1973, which saw the price of crude oil rise steeply in the wake of the Yom Kippur War of October 1973 and the subsequent Arab oil embargo, halting post-war economic growth in advanced industrial countries. By the end of 1974, the price per barrel of crude oil had quadrupled from $3 to $12, pitching the oil-greedy economies of the West into a crisis that would be greatly exacerbated following the Iranian Revolution in 1979, the outbreak of the Iran–Iraq War in 1980, and the further steep rise of oil to $35 per barrel by 1981, an almost twelve-fold increase in seven years. To that extent, the Giscard presidency might be seen as the first regime in France where the inadequacies of national political decisions were so clearly exposed in the face of global events and economic forces that France was powerless to influence.

Such lack of influence in critical world events was not through want of ambition. In foreign affairs, Giscard sought sedulously, like his predecessors, to cultivate a major role for France. In the discourse of his Elysée, the term *'mondialiste'* took on some of the resonance that *'grandeur'* had had for de Gaulle's. Giscard inherited not just the powers but also the prerogatives of the Gaullist presidency, most notably the appropriation of foreign affairs and defence as the 'reserved domain' of the President. Where de Gaulle had insisted on French national interests as the driving force of foreign policy, Giscard brought a new inflexion through his advocacy of France's humanitarian global mission, carrying his social liberalism into championing human rights and urging greater efforts to reduce the inequalities between rich and poor countries. This mission to humanity would soon show itself to be, at its core, another expression of French nationalism as Giscard trumpeted 'the superiority of France' as 'a country which understands best the problems of its times and which brings to them the most imaginative, the most open, the most generous solutions' (Frears 1981, 127). Such pronouncements confirmed that one would look in vain to this President for a less self-aggrandising foreign policy.

In the pursuance of France's *'mondialiste'* role, Giscard followed four main lines of policy, all derivative of de Gaulle, though again with his

own Giscardian inflexions: cultivation of francophone ties, most notably through a form of neo-imperialist interventionism and clientelism in 'French Africa'; strengthening of relations, lubricated by arms and technology deals, with oil-producing countries in the Middle East such as Saudi Arabia and Iraq; a role as would-be arbiter in East–West relations, through a personalised policy of détente with Leonid Brezhnev and attempts to mediate during the Soviet Union's occupation of Afghanistan; and, crucially, continued commitment to a Europe led by France and Germany, though now containing a more potentially problematic partner in Britain. In defence, Giscard exhibited a more Atlanticist inclination than his Gaullist predecessors, retaining France's independent nuclear capability and armaments industry but building closer cooperation with NATO and extending the *'sanctuarisation'* policy of defending French territory to a policy of *'sanctuarisation élargie'* in defence of NATO's eastern borders ('a formula', according to one analyst, 'for getting back into NATO without rejoining NATO') (Frears 1981, 97; also 89–91). While advocating nuclear disarmament, France under Giscard was the largest exporter of conventional arms in the world after the superpowers, putting the 4.5 per cent of the French workforce employed in the arms industry ahead of any humanitarian scruple about the sale of weapons to unaccountable regimes in the developing world (Frears 1981, 91–4; Larkin 1988, 353). Such disregard of ethical considerations was also a feature of French support for some oppressive regimes and of France's readiness to commit troops in defence of its interests in Africa (with French troops seeing action under Giscard in Zaïre, Mauritania and Chad, while also being instrumental in effecting a bloodless coup in the Central African Republic).

Nowhere was it more true than in the formerly extensive French empire in Africa that granting independence was merely 'the pursuit of colonisation by other means' (Frears 1981, 109). Former colonies were meant to remain bound by cooperation agreements, and French financial, civil, technical and military aid was calculated to ensure continued loyalty to France as benevolent mother country. Like de Gaulle, Giscard viewed Africa as a domain of personal presidential influence, cultivating a paternalistic rapport with Heads of State across former colonies such as Gabon, Ivory Coast, Senegal and Cameroon, with France enjoying trade privileges and priority access to raw materials, energy products and industrial markets in Africa. Here again, Giscard's rhetoric of humanitarian liberalism masked a deeply conservative mission simply to maintain stability in a region so important for France's international prestige and political, cultural and economic interests. In his dealings with African

Heads of State, Giscard exuded a loftiness worthy of a 'Renaissance monarch' (Frears 1981, 120), while presidential advisors on African policy exerted an influence free of any constraining public accountability, and while residual pretensions to 'great power' status could be indulged by occasional military forays.

If Giscard in his African policy broadly continued in the Gaullist tradition, his European policy contained both continuity and significant elements of change. In his 1974 election campaign, Giscard had been unequivocal: 'Europe constitutes for me the essential priority.' He had vowed to embrace the same 'conception of Europe' as his Gaullist predecessors (MDD 1974, 88), a conception that remained informed by France's national economic interests, by a vision of Europe as a confederation of sovereign nation states, and by a commitment to French agriculture as *the* special interest to be protected ('our oil', as Giscard put it). Giscard's close personal relationship with West German Chancellor Helmut Schmidt, too, recalled something of de Gaulle's rapport with Chancellor Konrad Adenauer in the early 1960s, prompting *The Economist* in 1979 to dub them 'Europe's Siamese twins' (Frears 1981, 105, 136–7).

Even from the beginning, however, Giscard marked out some important differences from the Gaullist vision of Europe. Whereas for de Gaulle Europe was a means to a (nationalist) end, for Giscard it was more of an (integrationist) end in itself, and while de Gaulle viewed Europe through the eyes of a war-weary elder statesman, Giscard viewed it through the eyes of a technocrat economist. His ambition to bring about deeper European union was of a piece with his support for a European monetary system and currency unit, and with his advocacy of direct elections to the European Assembly (MDD 1974, 88; Frears 1981, 108). From his earliest interventions in the Chamber of Deputies under the Fourth Republic, Giscard had argued vigorously in support of the Treaty of Rome, and one of the reasons for his qualified – *'oui, mais'* – support of de Gaulle had been precisely the latter's insufficiently energetic commitment to the construction of Europe (Frears 1981, 8, 14, 28). The branding of Giscard's Independent Republican party in the mid-1960s had underlined the three main points on which it would seek to differentiate itself from its Gaullist partners: *'centriste, libéral et européen'* (MDD 1974, 71).

This adoption of militant Europeanism would prove a major source of contention between Giscardians and Gaullists. The Giscard presidency brought a new urgency to European institution-building, with the consolidation of the European Council (1974–5), the European Monetary System (EMS) (1978–9), the ECU as currency unit (1979), and the first

elections to the newly founded European Parliament (1979). These integrationist developments took Europe beyond the Gaullist conception of an *'Europe des patries'* and gave Chirac and the RPR the pretext to mount a nationalist opposition to Giscard's pro-European policies, denounced as presaging the extinction of France within a supranational Europe. This took its most acrimonious form in Chirac's so-called *'Appel de Cochin'*, a communiqué issued from his hospital bed in the Cochin Hospital in Paris where he was recovering from a car accident. Designed to evoke de Gaulle's famous *'appel'* of June 1940 against capitulation to Nazi Germany, the communiqué was issued on 6 December 1978, the day after the European Council's decision to proceed to implementation of the EMS. As the first shot in the campaign for the forthcoming European elections scheduled for June 1979, it denounced in near-hysterical terms the 'party of the foreigner' (Giscard and the UDF) for favouring the 'economic subordination' and 'subservience' of a France exposed to the ravages of a free-market Europe. With Greece, Spain and Portugal pressing their applications for membership, and French farmers and wine-growers in a state of high alert against the 'unfair' competition they would bring, Chirac played to fears of Europe as an unregulated market 'condemning to extinction whole sectors of our unprotected industry': 'We say no to a France reduced to serfdom within an empire of marketeers'.[1]

Such intemperate language showed the power of the European question to generate virulent opposition in France in the late 1970s; it also showed the political difficulties that Giscard was now facing within his own broad centre-right majority. In the June 1979 European elections, which saw the UDF and RPR go head to head in competition, the UDF list led by Simone Veil won 25 seats to the RPR's 15, with the Socialist Party (22 seats) and PCF (19 seats) taking the rest of the 81 French seats at stake. But the victory was a hollow one, leaving Giscard inhibited in his European policy (opposing the accession of Spain and Portugal for fear of alienating French farmers) and without a reliable majority for pursuing his domestic reform agenda. It would be long after departing the Elysée, in 2002–3, that Giscard would enter most fully into his role as would-be architect of a more integrated Europe by chairing the European Convention charged with drafting the constitutional treaty that would be put to referendum, and defeated, in France in May 2005.

Conclusion

This chapter opened on a question and concludes on a partial answer, or rather several. It has reviewed some of the achievements of the

Giscard presidency and set those against some of its failings; and it has identified reasons why this presidency should have presented in turn two such distinct faces – one liberal and boldly reformist, the other constrained and increasingly conservative. Further factors, too, can be adduced in charting Giscard's transition from one style of presidency to the other, and in explaining his failure to win re-election in 1981. In addition to the political, economic and social reasons discussed above, there were circumstantial factors playing against Giscard too. A series of '*affaires*' – the Bokassa diamonds affair exposing a gift of diamonds to Giscard while Finance Minister from the Central African dictator Jean-Bédel Bokassa, the mysterious murders of former ministers Jean de Broglie and Joseph Fontanet, and the apparent suicide of serving minister Robert Boulin – left the Giscard presidency tainted by scandal and dark suspicion. These were not in themselves determining incidents but, like the exposed abuses of proxy votes for French residents overseas (Frears 1981, 166), they contributed, when revealed, to a climate of cover-up that was at odds with the early claims to a new transparency in public life.

It was said at the start of this chapter that Giscard's was a failure foretold by the very extravagance of his promises. In areas such as social justice, women's rights, education, public broadcasting, and reducing the power of the state over the citizen, his reform agenda was of variable range and effectiveness. In other areas, reform was never meaningfully pursued (the presidency, the justice system) or ran counter to initial intentions (the integration of immigrants). It is much easier, of course, to assess a presidency with the benefit of 30 years of hindsight than in its final year, but the suggestion by John Frears (1981, 150) that by 'universal agreement' 'social reform was the most disappointing aspect and unfulfilled promise' of Giscard's presidency surely invites some correction. By many of today's criteria for civil liberties and welfare provision, the years 1974–81 moved France forward considerably and saw important liberalising reforms that would stand the test of time or lay the foundations for subsequent, more far-reaching reforms. Where the same analysis by John Frears shows a rare perspicacity is in identifying the relative successes of an economic policy under Giscard that continued to generate average growth rates of around 3 per cent annually, managed the restructuring of French industry, and maintained international competitiveness and buoyant exports through a carefully targeted programme of state support for 'national champions' and the development of new technologies (Frears 1981, 128–37). Seven years of deepening recession may have exposed as wishful thinking Giscard's

consumerist utopia of '*deux Français sur trois*', but the underlying resilience of economic policy and performance remained. A recent economic study of the Giscard presidency entirely validates this judgement of a French economy that weathered the world recession arguably as well as it could have, and much better according to certain key indicators (year-on-year growth, purchasing power, consumer spending, welfare support, investment levels, public debt and balance of payments) than some comparable advanced economies, including notably Britain. The years 1974–81, this study concludes, were critical in laying the foundations for the long-term adaptation of France to the challenges of the world economy today (Berstein et al. 2009).

It is an odd irony, therefore, that these two areas – social reform and economic policy – in which the successes of the Giscard presidency can be most robustly proclaimed should have proved in the end the most damaging to Giscard. Politics may, in the famous dictum of Harold Macmillan, be about 'events', but it is also about perceptions; and one of the lessons of Giscard is surely that, however well or badly one deals with events, it is the translation of one's efforts into public perceptions that will in the end prove critical. From the plethora of polls seeking to explain Giscard's failure to win re-election in 1981, the perceived insufficiency of his reform programme, and the perceived failure to reduce social inequality in particular, emerged clearly alongside resounding condemnation on the three economic indices of inflation, unemployment and living standards (Machin and Wright 1982). Here, on the human cost of the economic policies pursued, Giscard lost ground that would ultimately prove unrecoverable. With 51.8 to 48.2 per cent of the vote, François Mitterrand won the 1981 election campaigning most strongly on those socio-economic issues where Giscard's record could be presented as being weakest.

When commentators described a 1981 presidential election in which Giscard's 'record stood against him', however, they were only partly right (Machin and Wright 1982, 23, 31); for the same record might have been presented in a somewhat different, and somewhat better, light by a President and a Prime Minister more attuned to public anxieties after seven years of worsening recession. This would have been difficult in the face of obdurately high unemployment and inflation rates (austerity is hardly a mobilising exhortation), but perhaps not politically impossible. As it was, Giscard's campaigning flair deserted him as he and his deeply unpopular Prime Minister Barre projected a remote and loftily assured air against a Socialist candidate harnessing the power of hope and offering a whole new programme for change. A closing observation

on Giscard's presidency might be that he paid the inevitable price for being President through the onset of an economic recession unprecedented in post-war France; it might also be one of surprise that a politician so adept in 1974 at promoting his promises for office was not more adept in 1981 at promoting his record in office. But the final judgement has to be that a President who set out to create an 'advanced liberal society' ended by promoting an 'advanced liberal economy' which became increasingly inimical to the social project originally pursued.

Notes

1. For text of the speech see http://www.nationetrepublique.fr/076-appel-de-jacques-chirac-aux-francais-appel-de-cochin-1978.html.

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