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France: Factors Shaping Foreign Policy, and Issues in U.S.-French Relations

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May 21, 2008

Abstract. This report examines the key factors that shape French foreign policy. From that context, it analyzes some of the reasons for the tensions in and the accomplishments of U.S.-French relations. The report is illustrative, rather than exhaustive. Instead, the report reviews issues selected because they exemplify some of the essential features of the U.S.-French relationship. Some issues, such as the effort by the United States and the EU-3 (France, Britain, and Germany) to curb Iran's military nuclear program are analyzed more extensively elsewhere by CRS.



CRS Report for Congress

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Updated May 21, 2008

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Summary

The factors that shape French foreign policy have changed since the end of the Cold War. The perspectives of France and the United States have diverged in some cases. More core interests remain similar. Both countries' governments have embraced the opportunity to build stability in Europe through an expanded European Union and NATO. Each has recognized that terrorism and the proliferation of weapons of mass destruction are the most important threats to their security today.

Several factors shape French foreign policy. France has a self-identity that calls for efforts to spread French values and views, many rooted in democracy and human rights. France prefers to engage international issues in a multilateral framework, above all through the European Union. European efforts to form an EU security policy potentially independent of NATO emerged in this context.

From the September 11, 2001, attacks on the United States through the Iraq war of 2003 until today, France has pressed the United States to confront emerging crises within a multilateral framework. France normally wishes to "legitimize" actions ranging from economic sanctions to military action in the United Nations.

The election to the French presidency of Nicolas Sarkozy in May 2007 may improve U.S.-French relations. Sarkozy has taken a more practical approach to issues in U.S.-French relations than his predecessor, Jacques Chirac.

Trade and investment ties between the United States and France are extensive, and provide each government a large stake in the vitality and openness of their respective economies. Through trade in goods and services, and, most importantly, through foreign direct investment, the economies of France and the United States have become increasingly integrated.

Other areas of complementarity include the Balkans peace operations, the fight against terrorism, and the stabilization of Afghanistan and Lebanon — all challenges where France has played a central role. A major split occurred over Iraq, however, with many countries either supporting or independently sharing French ideas of greater international involvement.

Developments in the Middle East affect French foreign and domestic policy. France has a long history of involvement in the region, and a population of 5-6 million Muslims. Paris believes that resolution of the Arab-Israeli conflict is key to bringing peace to the region. Surges in violence in the Middle East have led to anti-Semitic acts in France, mostly undertaken by young Muslims.

This report will be updated as needed. See also its companion report, CRS Report RL32459, *U.S.-French Commercial Ties*, by Raymond J. Ahearn; and CRS Report RL33957, *Elections in France*, 2007, by Paul Gallis.

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This report was written at the request of the co-chairs of the Congressional French Caucus.

France: Factors Shaping Foreign Policy, and Issues in U.S.-French Relations

Introduction

The end of the Cold War has altered the U.S.-French relationship. Before the collapse of the Soviet Union, the United States, France, and their NATO allies viewed the USSR as the principal threat to security. France was known for its independent streak in policy-making, both with its European counterparts and the United States, notably under President de Gaulle in the 1960s. Nonetheless, there was cohesion throughout the alliance at such moments as the Berlin crisis of 1961, the Cuban missile crisis the following year, and the debate over basing "Euromissiles" in the 1980s.

Several factors shape French foreign policy that may be of interest during the 110th Congress. After several years during which Jacques Chirac contested elements of Bush Administration policy, the new French President, Nicolas Sarkozy, is seeking improved bilateral relations.

Nonetheless, differences between the United States and France in the approach to foreign policy are likely to persist. France has a self-identity that calls for efforts to spread French values and views, many rooted in democracy and human rights. France prefers to engage most international issues in a multilateral framework, above all through the European Union (EU). France is also a highly secular society, a characteristic that influences views on the state's relation to religion.

Since the conclusion of the Cold War, the perspectives of France and the United States have diverged in some cases. Most core interests remain similar. Both countries' governments have embraced the opportunity to build stability in Europe through an expanded European Union (EU) and NATO. Each has accepted the need to ensure that Russia remain constructively engaged in European affairs. Each has also recognized that terrorism and the proliferation of weapons of mass destruction are the most important threats today.

Post-Cold War developments have brought new challenges, which have affected the U.S.-French bilateral relationship. German unification and the entry of central European states into the EU and NATO may have shifted the continent's balance of political and economic power away from the French-German "engine" and towards central and eastern Europe. While French-German initiatives remain of great importance in Europe, German perspectives are increasingly eastward; and, in some eyes, central European states feel closer strategically and politically to the United States than they do to France. Nonetheless, France remains a key player in European affairs and few initiatives can succeed without its support and participation.

The United States, a global superpower since the Second World War, has remained deeply involved in European affairs. In the view of some Europeans, however, by the mid-1990s, Washington appeared to be slowly disengaging from Europe, while wanting at the same time to maintain leadership on the continent. French and German, and some would say British, efforts to form an EU security policy potentially independent of NATO and the United States emerged and evolved in this period. The Europeans based this policy in part on the belief that the United States had growing priorities beyond Europe, and in part because Americans and Europeans were choosing different means to protect their interests. The U.S. decision to go into Afghanistan in October 2001 with initially minimal allied assistance was one example of this trend; the U.S. war against Iraq, with overt opposition from France and several other allies, was another.

During the Bush Administration, France, with other European allies, has pressed the United States to confront emerging crises within a multilateral framework. Terrorism and proliferation are threats that cross borders, and often involve non-state actors. France, where possible, normally attempts to engage elements of the international community in responding to such threats, and to "legitimize" actions ranging from economic sanctions to political censure to military action at the United Nations. In the view of many U.N. officials, the United States has disparaged the United Nations, and is impatient with its decision-making process.² France has promoted a view of a "multipolar" world, with the EU and other institutions representing poles that encourage economic development, political stability, and policies at times at odds with the United States. While Jacques Chirac was president, Bush Administration officials have reacted with hostility to such efforts, charging that "multipolar" is a euphemism for organizing opposition to U.S. initiatives.

In the recent past, some U.S. observers characterized France as an antagonist. The previous French ambassador reportedly charged that some U.S. officials deliberately spread "lies and disinformation" about French policies in order to undercut Paris.³ Occasional mutual antagonism was already evident during the first years of the Fifth Republic (1958-present), when President de Gaulle sometimes offered singular views on international affairs, often at odds with Washington and other allies, and in 1966 withdrew France from the military structures of NATO. In the 1960s, France began to develop its own nuclear deterrent force.

French assertiveness is generally seen in a different, more constructive, light in Europe. Other Europeans often credit French initiatives in the EU and in other institutions as fresh in perspective, or moving a discussion into a new realm; Paris played a major role, for example, in the conception and implementation of the EU's Economic Monetary Union (EMU).

¹ Anand Menon, France, NATO and the Limits of Independence, 1981-1997: The Politics of Ambivalence (New York, St. Martin's Press, 2000), p. 69-71.

² "U.N. Is Wary of Dangers in Taking Lead Role in Iraq," *New York Times*, April 18, 2004, p. 8.

³ "U.S. French 'Marriage' Edgy but Still There...," *Rocky Mountain News*, (interview with Ambassador Jean-David Levitte), April 15, 2004, p. 41A.

Traditional French assertiveness accounts in some ways for France punching above its weight on the international scene. France is a country of medium size with modest resources. Yet it has played a persistent role, for example, in establishing EMU, building a European Security and Defense Policy (ESDP), and in orchestrating opposition to the U.S.-led Iraq war. While U.S.-French relations have at times been contentious, there is also a complementarity and an intertwining of U.S. and French interests and actions. Nowhere is this more clear than in the realm of commercial interactions.

Trade and investment ties between the countries are extensive, providing each side a big stake in the vitality and openness of their respective economies. Through trade in goods and services, and, most importantly, through foreign direct investment, the economies of France and the United States have become increasingly integrated. Over \$1 billion in commercial transactions take place every *business day* of the year between the two sides. This huge amount of business activity, in turn, is responsible for creating an estimated 1.7 million American and French jobs.⁴

Other areas of complementarity include the Balkans peace operations, the fight against terrorism and the stabilization of Afghanistan and Lebanon — all challenges where France has played a central role. A major split occurred over Iraq, however, with many countries either supporting or independently sharing French ideas of greater international involvement.

This report examines the key factors that shape French foreign policy. From that context, it analyzes some of the reasons for the tensions in and the accomplishments of U.S.-French relations. The report is illustrative, rather than exhaustive. Instead, the report reviews issues selected because they exemplify some of the essential features of the U.S.-French relationship. Some issues, such as the effort by the United States and the EU-3 (France, Britain, and Germany) to curb Iran's military nuclear program are analyzed more extensively elsewhere by CRS.⁵

Factors Shaping French Policy

A Global Perspective

France, like the United States, believes that it has a special role in the world. The core of the perceptions of France's role in the world stems from the Revolution that began in 1789. The Revolution was an event of broad popular involvement: widespread bloodshed, expropriation of property, and execution of the king fed the

⁴ French-owned companies operating in the United States and U.S.-owned companies operating in France directly employ over 1.2 million persons and bilateral merchandise trade flows create an estimated 500,000 jobs (based on the Department of Commerce estimate that every \$1 billion in exports creates 10,000 jobs). This CRS estimate of 1.7 million jobs does not include jobs associated with the \$20 billion in trade in services between the two countries.

⁵ See, for example, CRS Report RL31956, *European Views and Policies toward the Middle East*, by Kristin Archick.

notion that there could be no turning back to monarchical government. Not only was the monarchy overthrown and a powerful church structure forcibly dismantled, but French armies, and ultimately French administrators in their wake, transformed much of the continent into societies where more representative, democratic institutions and the rule of law could ultimately take root. The Revolution was therefore a central, formative element in modern European history, notably in Europe's evolution from monarchical to democratic institutions. The cultural achievements of France before and since the Revolution have added to French influence. French became the language of the élite in many European countries. By 1900, French political figures of the left and the right shared the opinion that France was and must continue to be a civilizing beacon for the rest of the world.⁶

The view that France has a "civilizing mission" (*la mission civilisatrice*) in the world endures today. For many years, the French government has emphasized the message of human rights and democracy, particularly in the developing world and in central Europe and Eurasia.

Many French officials, particularly Gaullists,⁷ have been highly assertive in seeking to spread French values throughout the world. Dominique de Villepin, the last prime minister under Jacques Chirac, wrote that "at the heart of our national identity, there is a permanent search for values that might be shared by others." Gaullists have sought to embed French views in EU initiatives, sometimes in concert with Germany and sometimes alone. In the 1990s, one cabinet official called for an "inner circle" in the EU, defined as "a small number of states around France and Germany" that must move forward to secure EMU, a common foreign and security policy, and a military force able to protect the Union's interests. President Sarkozy also believes that France must play a leading role in shaping EU initiatives. France's rank and influence in the world are important to French policymakers. Membership on the U.N. Security Council, close relations with parts of the Arab world and former worldwide colonies, aspects of power such as nuclear weapons, and evocation of human rights are central to France's self-identity in international affairs.⁸

Others sometimes contest France's evocation of values. By the mid-20th century, some French colonies, such as Algeria and Morocco, sharply disputed whether actual French policy met the ideals of Paris's message. Algeria fought a

⁶ In a vast literature, see John Weightman, "Fatal Attraction," *New York Review of Books*. February 11, 1993, p. 10; and François Furet, *La Révolution de Turgot à Jules Ferry*, 1770-1880 (Paris, 1988), p. 511-512, 516-517.

⁷ The term "Gaullist" originated during Charles de Gaulle's presidency (1958-1969). President Chirac was a founder of the Gaullist Party, once known as the Rally for the Republic. Gaullists have traditionally believed in a strong national voice and an independent foreign policy for France, and that France must play a central role in shaping Europe and in influencing world affairs. Gaullists are also normally fiscal conservatives who have supported a statist position in the economy; some current Gaullists support elements of privatization in the French economy.

⁸ De Villepin cited by Daniel Vernet, "Dominique de Villepin ou le gaullisme ressucité," *Le Monde*, December 11, 2003. Thierry Tardy, "France and the United States: The Inevitable clash?," *International Journal*, vol. LIX, no. 1, Winter 2003-2004.

twenty-year war for independence. Today, some Europeans praise the intellectual underpinnings of French "reason and good sense" that combat "prejudice and fanaticism." However, they see occasional contradictions in French policy, as when France sought to lift sanctions against Iraq when U.N. WMD inspections temporarily ended there in 1998, then only belatedly accepted a new inspections regime in 2002, even though French officials had privately been stating their belief that Iraqi WMD programs were likely continuing, or when France balks at what some view as more democratic power-sharing in the expanding European Union.⁹

The European Union

France was one of the founding members of the European Union (initially known as the European Coal and Steel Community, and then the European Community) in the 1950s. Improved trade and economic development were central objectives in a Europe still struggling from the dislocation caused by the Second World War, but overarching objectives from the beginning were political rapprochement between Germany and its former enemies, and political stability on the continent. The EU was conceived in this context, with strong U.S. support.

France has been a catalyst in achieving greater political unity and economic strength in the European Union. Jacques Chirac, the French president from 1995-May 2007, altered the traditional Gaullist view that France could act alone as a global power and be the Union's most important member. Rather, today, the Gaullists believe that France can best exert its power through the EU, acting in tandem with Germany and occasionally with Britain.

At the same time, the defeat of a referendum in spring 2005 endorsing an EU "constitution" meant to make EU decision-making more effective may be a sign of popular doubts about the direction and strength of the Union. The defeat of the "constitution" at least temporarily diminished France's leadership role in the Union.

Some European governments object to the view that France, Germany, and Britain can guide EU policies. They describe the claim for leadership of the three countries as a nascent "*Directoire*," or initiative to dominate the EU and push smaller member states to follow the three governments' lead. French officials dispute the idea of a "*Directoire*." In their view, initiatives in the Union should not be held back by governments that wish to proceed more slowly. Chirac described the efforts of France and Germany, and occasionally Britain, as those of a "pioneer group" that wishes "to go faster and further in European integration." Some French officials say that France "does not wish to be resigned to a Europe which would only be a space of internal peace." Rather, in their view the EU should become a force for positive, broad-reaching change in Europe and the world.¹⁰

⁹ Christoph Bertram, in "La diplomatie Villepin jugée par les intellectuels," *Le Monde*, December 4, 2003, p. 16; interviews.

¹⁰ "Le Premier choix de Paris reste la relation avec Berlin," *Le Monde*, February 18, 2004, p. 2; "Après le fiasco de Bruxelles, Paris relance l'idée d'une Europe à la carte," *Le Monde*, December 16, 2003, p. 10.

French officials cite a range of examples where a "pioneer group" of EU countries has taken the lead in forging forward-looking policies. France, Germany, and other countries led the way in implementing the Schengen agreement (open borders for people) and EMU, which not all EU countries have embraced. In 2003 and 2004, France, Germany, and Britain played the key role in persuading Iran to accept International Atomic Energy Agency (IAEA) inspections of its nuclear energy sites for possible evidence of nuclear weapons production. French officials state that they want the EU to have a strong Commission and a strong President of the Commission, although the Council, where ministers from member states meet, must remain paramount in decision-making. France has supported initiatives to streamline voting in the EU, and to place more areas of decision-making under "qualified majority voting (QMV)," to avoid a rule under which one government among the 25 member states may veto a decision.

France will hold the EU's rotating presidency for a six-month period beginning July 1, 2008. President Sarkozy has said that he will use th French EU presidency to press EU member states to develop a more coherent defense policy, and will propose a "European Security Strategy" under which members would pledge to train their forces more assiduously and spend more on defense. Foreign Minister Kouchner has noted that the EU stated the need for a more "autonomous capacity" in military matters in 1998, but that insufficient progress to this end has been made.¹¹

President Sarkozy is also likely to propose a more vigorous Mediterranean policy. The EU's "Barcelona" initiative in 1995, intended to bring the EU and Mediterranean littoral countries closer together economically and politically, has largely faltered. Sarkozy reportedly believes that the EU must develop closer relations with the Mediterranean world and promote political stability and economic growth there if fundamentalism and emigration are to be stemmed. Sarkozy opposes Turkey's candidacy for EU membership, but has said that hte door is open to eventual membership by Balkan countries, including Serbia. 12

Officials in some EU governments believe that France's leadership is constrained by policies occasionally viewed as erratic. In one example, France, with Germany, was a principal progenitor of EMU, conceived to bind the EU economies more closely together by subjecting them to legal strictures over debt and a range of monetary policies. France initially described EMU as above all a political measure, in which EU member states agreed upon joint economic policies for the good of all. When France (and Germany) decided to abrogate the "Stability Pact" governing these policies in late 2003, some member states complained that Paris was acting in its own political interest, at the expense of others. ¹³ In this view, France had initially persuaded other governments to embrace EMU as a turning point for the Union, but

¹¹ Bernard Kouchner (editorial), "Pour une défense européenne," *Le Monde*, March 11, 2008, p. 21.

¹² "Le discours de politique étrangère de M. Sarkozy," *Le Monde*, September 1, 2007; and "La Méditerranée," (editorial), *Le Monde*, April 14, 2007, p. 22.

¹³ Interviews; "EU Scolds France on Budget Discipline," *International Herald Tribune*, January 29, 2004, p. 11.

at a moment when its economy was experiencing difficulties decided to walk away from a key element of the policy.

At the same time, former Secretary of Defense Rumsfeld's description in 2003 of Europe as divided between "old" (France, and other governments that criticized the Administration's policy towards Iraq) and "new" (those governments that supported Administration policy) was not well-received in central Europe. While these governments may at times spurn French leadership, and desire a strong strategic partnership with the United States, they nonetheless view EU membership and the continental stability that it may bring as an equally vital interest. These governments believe that they must work closely with France to shape EU political and economic policy, and oppose any Administration efforts to divide the European Union. ¹⁴ Poland, for example, a close U.S. ally, has backed President Sarkozy's call for a more developed autonomous defense capacity for Europe through the European Union.

Multilateralism

Multilateralism is important to all U.S. allies and in particular to all 25 members of the European Union, which is itself a multilateral entity painfully put together over a fifty-year period. For the Europeans, decision-making in international institutions can lend legitimacy to governmental policies. Member states of the EU share certain attributes of sovereignty and pursue joint policies intended to provide political and economic stability, goals that the United States has supported since the 1950s. Globally, Europeans perceive the U.N. as the locus for decision-making that can provide an international imprimatur for member states' actions in international security. The U.N. carries special significance for European governments that experienced two world wars. Europeans see the EU and the U.N. as belonging to a civilizing evolution towards cooperation rather than confrontation in world affairs.

France is in a key position in the framework of multilateral institutions. It enjoys a permanent seat and holds a veto in the U.N. Security Council. Important EU policies are not possible without French support. French officials play central roles on the European Commission, in the European Central Bank, and the IMF, and are eligible to lead, and have led, each of these institutions.

France wishes to confront the greatest threats to its security through international institutions. French officials identify terrorism as the country's most important threat. France has considerable experience in combating terrorism and today is generally regarded as highly effective in that domain. At the same time, France believes that an anti-terror foreign policy must include a comprehensive multilateral effort to diminish the prevalence of poverty in the developing world and to encourage the spread of literacy, democracy, and human rights. While military action may also be a tool against terrorism for Paris, French leaders prefer to begin any effort to confront an international threat in a multilateral framework.

¹⁴ Interviews with Polish, Romanian, Hungarian, and Czech officials, February 2003-December 2005.

Sarkozy is in this tradition that emphasizes multilateralism. Shortly after his victory in the presidential elections on May 6, 2007, he expressed his admiration for the United States, but added that the Bush Administration should reverse course and lead the effort to combat global warming. Sarkozy has endorsed the Kyoto Treaty and the findings of scientists who believe that the global climate is becoming warmer.

The Use of Force and the United Nations

For the French government, the conflict in Iraq in 2003 raised questions about the legitimate use of force. France, together with several other European governments, has been critical of the Bush Administration's national security doctrine that endorses "preemptive action" in the face of imminent danger. Sarkozy has said that the U.S. invasion of Iraq in 2003 was a significant mistake that has contributed to the destabilization of the Middle East.

Although the French government does not reject the use of force, it maintains that certain criteria must be met for military action to acquire legitimacy. In the words of de Villepin, fear of terrorism and other threats make "the use of force ... tempting. [Use of force] is justifiable if collective security or a humanitarian crisis requires it. But it should only be a last recourse, when all other solutions are exhausted and the international community, through the Security Council, decides upon the question." In a speech to the U.N. General Assembly in clear reference to the U.S. invasion of Iraq, Chirac said, "In today's world, no one can act alone in the name of all and no one can accept the anarchy of a society without rules. There is no alternative to the United Nations.... Multilateralism is essential.... It is the [U.N. Security Council] that must set the bounds for the use of force. No one can appropriate the right to use it unilaterally and preventively."¹⁵

For the most part, France's record over the past decade has been consistent in following the precept that the U.N. must endorse the use of force in a crisis. For example, France, along with other countries, since 1990 has obtained a U.N. resolution for the potential or actual use of force for interventions in the first Gulf War, Bosnia, Afghanistan, Congo, the Ivory Coast, and Haiti. One notable exception came in 1999, when France joined its NATO allies in going to war against Serbia in an effort to prevent ethnic cleansing in Kosovo. In that case, until the eleventh hour, the French government sought a U.N. resolution for NATO's use of force. At the same time, in the face of an increasingly likely Russian veto, French officials and counterparts from several other European allies began indicating that Serbian actions had reached a stage where using force to prevent a humanitarian catastrophe in Kosovo would be justifiable without a U.N. resolution. When a Russian veto became certain, there was a consensus in NATO that the use of force was justifiable in this instance even in the absence of a U.N. resolution.

¹⁵ De Villepin, "Discours d'ouverture," Meeting of French ambassadors, Ministry of Foreign Affairs, Paris, August 28, 2003; and Jacques Chirac, Speech before the U.N. General Assembly, excerpted in *Le Monde*, September 24, 2003, p. 2.

¹⁶ Interviews and discussions with U.S. and French officials, February-March 1999.

President Sarkozy has strongly supported the effort by the "EU-3" (France, Britain, and Germany) and the United States to curb or end Iran's illegal enrichment of uranium because it could lead to the development of Iranian nuclear weapons. Should the U.N. fail to agree upon further sanctions against Iran, Sarkozy has said that he supports U.S. and French sanctions and development of EU sanctions against Iran in the absence of a U.N. resolution.

Religion and the State: "Le Foulard"

France has a long history of religious violence. Political factions went to war in the 16th century over religious differences and dynastic claims; the conflict left many thousands dead and the society badly divided. One cause of the Revolution was a desire by many to end the Catholic Church's grip on elements of society and dismantle a church hierarchy widely viewed as corrupt and poorly educated.

In the late 19th and early 20th centuries, the government sought to ensure that public schools did not become embroiled in religious controversies. Parliament passed a law in 1905 intended to ensure separation between religion and politics. The law enshrined laïcité as a principle of French life. Laïcité is not simply secularism, but rather an attempt to balance religious freedom and public order. The government protects freedom of religion, and there is no state church in France; at the same time, there is an effort to ensure that religious groups do not engage in political activism that would be disruptive of public life.¹⁷

A current controversy in France has pitted elements of the Muslim community against the government. Approximately 36% of France's Muslim community describe themselves as "practicing." Within this group are Muslims who seek to ensure that their children may pursue what they view as traditional Islamic practices in France's public school system. Some French Muslim families require their girls to wear head scarves ("le foulard") to school. French public schools are coeducational. Some Muslim families object to elements of co-education; for example, they do not want their female children to take physical education, nor do they want them to take biology classes where reproduction is discussed. Some families also do not want male doctors to treat their female children at public hospitals. The French government believes that such families are causing disruption in the public school system, especially in a period of increased tensions between Muslims and Jews in France, and a period of political tensions with the Muslim world over the issue of terrorism.

After an extended debate, the government presented a bill to Parliament to ban "conspicuous" religious symbols in schools through secondary-school level. The law prohibits the wearing of head scarves; it also bans religious symbols such as large

¹⁷ For a discussion, see Justin Vaïsse, "Veiled Meaning: The French Law Banning Religious Symbols in Public Schools," Brookings Institution, March 2004. For the French government's view, see "Laïcité in France: Promoting Religious Freedom and Tolerance," supplied by the French embassy, March 2004.

¹⁸ Justin Vaïsse, "Veiled Meaning: The French Law Banning Religious Symbols in Public Schools," Brookings Institution, March 2004, p. 3.

crosses and the yarmulke. In the parliamentary debate over the bill, then Prime Minister Raffarin said that the purpose of the legislation is "to set limits" in the face of growing religious militancy. Some religious signs "take on a political sense and cannot be considered a religious sign," he said. "I say emphatically, religion must not be a political subject." Some Muslim governments, such as that of Iran, sharply condemned the bill. Moderate Muslim groups in France supported it as a means to reduce tensions in the school system and in broader society. The bill passed by a wide margin in March 2004, with government parties and elements of the left supporting it.

Some observers in France criticized the bill because they viewed it as essentially a negative instrument. In this view, the government should do more to integrate Muslims into French society. The debate evokes a familiar theme in recent French history. At the turn of the 20th century, for example, many opposed the large migration into France of Italians and Spaniards, ethnic groups viewed as coming from societies where political violence was rife. Yet these groups have become well assimilated into French society, their members commonly occupying senior positions in politics and the professions. In contrast, many observers in France believe that large elements of the Muslim population have not been assimilated. One observer, a member of the government-appointed commission to study the issue of head scarves in schools, opposed the law. In his view, France should seek a balance that embraces diversity yet preserves a degree of uniformity that sustains the French "identity." He believes that the law unfairly stigmatizes the Muslim population.²¹

Sporadic riots since late 2005 have troubled the suburbs surrounding Paris, Lyon, Toulouse, Lille, and other cities. For the most part, these are working class suburbs populated by North Africans; unemployment levels are high, and educational levels are low. In many ways, these suburbs are a society apart, their inhabitants cut off from most of the opportunities afforded French youth who are not Muslim. The rioting has largely taken the form of violence against property. The government declared a state of emergency and responded with curfews and with police, who cut off the neighborhoods from the nearby cities.²²

Sarkozy has a difficult relationship with the Muslim community. He referred to the rioters in 2005 as "scum" who should be "washed away by a power hose." There was some violence in French cities the night of his election to the presidency, although not all of the disturbances were by Muslim youth. Some of those burning cars and destroying other property were young people from beyond the Muslim

¹⁹ Cited in "French Premier Urges Approval of Scarf Ban," *International Herald Tribune*, February 4, 2004, p. 3.

²⁰ Justin Vaïsse, "Veiled Meaning: The French Law Banning Religious Symbols in Public Schools," Brookings Institution, March 2004, p. 5.

²¹ Jean Baubérot, "Laïcité, le grand écart," (editorial), Le Monde, January 4-5, 2004, p. 1.

²² CRS Report RL33166, *Muslims in Europe: Integration in Selected Countries*, coordinated by Paul Gallis, November 18, 2005, p. 21-31; see also Jonathan Laurence and Justin Vaisse, *Integrating Islam: Political and Religious Challenges in Contemporary France* (Washington, DC, 2006).

community apparently protesting his proposals to tighten labor laws. Sarkozy is also the first leading French official to propose "affirmative action" programs, such as job placement for youth, for Muslims.

Anti-Semitism in France. Since 2000, there has been a noticeable increase in anti-Semitic acts of violence in France. Most of the acts have occurred in the suburbs around Paris, and in southern cities such as Marseille and Montpellier. Molotov cocktails have been thrown at several synagogues and schools, rabbis have been assaulted, and in one instance, a school bus with Jewish children was stopped and threatened by a gang of street thugs. No one has been killed in these attacks.²³

France has a total population of 60 million, of whom approximately 600,000 are Jewish. According to a 2002 study by a French Jewish community organization, most French Jews today are white collar professionals, and are well integrated into French society. "Mixed" marriages with non-Jews have become increasingly common in the past two decades, but a strong community sense remains. In a 2002 poll, 42% of the Jewish population said that they keep kosher, while 29% said that they are non-observant. Since the increase in 2000 in anti-Semitic incidents, 6%, mostly young Jews in their teens and twenties, responded that they have thought about moving to Israel (the figure was 3% in a 1988 poll); at the same time 58% said that they had not thought of moving to Israel (an increase from 40% in 1988.)²⁴

In France, there is broad agreement that most anti-Semitic acts have been committed by young North African Muslims. However, there is also concern that non-Muslims are increasingly engaged in anti-Semitic violence. Over the past decade, there has been a close correlation between surges in violence in the Middle East and increases in anti-Semitic acts in France. The Gulf War of 1991, the Palestinian Intifada since fall 2000, and Israeli military action on the West Bank and in Gaza since spring 2002 have all been followed by increases in anti-Semitic violence in France.²⁵

The history of Jews in France is replete with important political milestones and a strong measure of controversy. In 1791, during the Revolution, France was the first European country to extend citizenship to its Jewish population. There have been three Jewish prime ministers (Léon Blum in 1936-1937, Pierre Mendès-France in 1954-1955, and Laurent Fabius in 1984-1986). Blum was asked by General de Gaulle to head a post-war provisional government in 1946 (he declined due to ill health). French Jews hold senior positions in government, business, and academics.

Some American commentators have responded to the acts of anti-Semitic violence in France by charging that the country as a whole is anti-Semitic. They see a continuity among the Dreyfus trials of the 1890s, in which a French Jewish military

²³ "Jacques Chirac remobilise le gouvernement contre l'antisémitisme," *Le Monde*, November 18, 2003.

²⁴ "Qui sont les juifs de France?", *Le Figaro*, November 18, 2002.

²⁵ "Les Juifs et les Arabes en France," *Le Nouvel Observateur*, January 24-30, 2002, p. 5; "Wave of Anti-Semitism Called Threat to France," *International Herald Tribune*, October 20, 2004, p. 3.

officer was wrongly convicted of espionage due to anti-Semitic sentiments in the government and the army, the Vichy regime of 1942-1944, which collaborated with the Nazis and sent French Jews to their deaths in concentration camps, and the anti-Semitic violence that increased after 2000. They describe the strong showing of Jean-Marie Le Pen (17.85%), in the past convicted of anti-Semitic crimes by French courts, in the 2002 presidential elections as evidence that the French population retains strong anti-Semitic sentiments. ²⁶ Israeli officials have charged that the French government's Middle East policies create an atmosphere where anti-Semitism can grow. One right-wing extremist Jewish group (*Hérout*) contends that the French government is "pro-Arab" and anti-Semitic. Some prominent French Jews intimate that the French government's criticism of Israel is a cloak for anti-Semitism. ²⁷

Other views contest the assertion that France is an anti-Semitic country. Charles Haddad, the president of Marseille's Jewish Council, has said that "This is not anti-Semitic violence; it's the Middle East conflict that's playing out here." Most politically moderate Jewish groups, led by the Representative Council of French Jewish Organizations (CRIF), have stated that they do not regard the French population as anti-Semitic. They have also commended the French government for passing a strong law (the Lellouche Law) in December 2002 that cracks down on anti-Semitic violence and other racist crimes. Chirac and other members of his government vigorously condemned anti-Semitism, and held a number of public events criticizing such acts. David Harris, the executive director of the American Jewish Committee, has commended the French government for its efforts. Sarkozy, while raised a Catholic, has Jewish ancestry on his father's side. He has also strongly condemned acts of anti-Semitism, and is a strong supporter of Israel.

Issues in U.S.-French Relations

European Security and Defense Policy (ESDP)

France has been at the forefront of efforts to build an EU security structure independent of NATO. In the 1990s, the EU began to implement a Common Foreign and Security Policy (CFSP) to express common goals and interests on selected issues and to strengthen its influence in world affairs. Since 1999, with France playing a key role, the EU has attempted to develop a defense identity outside NATO to

²⁶ See, for example, Charles Krauthammer, "Europe and 'Those People': Anti-Semitism Rises Again," *Washington Post*, April 26, 2002, p. A29. Most analysts believe that Le Pen's strong showing was due to his attacks on immigrants and crime, and not to his anti-Semitic views.

²⁷ "Les Juifs et les Arabes en France," *Le Nouvel Observateur*, January 24-30, 2002, p. 5; "Les Juifs de France et la France, une confiance à rétablir," editorial by several members of French Jewish community, *Le Monde*, December 30, 2003, p. 1.

²⁸ For Haddad, see "Attacks on Jews Leave Marseille Wondering about a Rupture," *New York Times*, April 8, 2002, p. 2; "Les clés d'une débâcle," *Libération*, April 24, 2002, p. 1; "Jacques Chirac remobilise le gouvernement contre l'antisémitisme," *Le Monde*, November 18, 2003; and [letter from David Harris], "Anti-Semitism in France," *International Herald Tribune*, January 7, 2003, p. 7.

provide military muscle to CFSP. The European Security and Defense Policy (ESDP) is the project that gives shape to this effort. Under ESDP, the EU is creating a rapid reaction force of 60,000 troops and institutional links to NATO to prevent duplication of resources.²⁹ Since January 2003, the EU has launched several police and military missions under ESDP in the Balkans, and led a small international peacekeeping mission in the Congo, which France headed.

Recently, France and Germany, with some support from Britain, have sought to enhance EU decision-making bodies and a planning staff for EU military forces under ESDP. The Bush Administration once opposed elements of this effort, particularly the proposal for a planning staff, as duplicative of NATO structures and a waste of resources. On December 12, 2003, NATO and the EU reached a compromise. There will be two planning staffs, with officers from EU states forming an EU planning cell at NATO's Supreme Headquarters Allied Command Europe (SHAPE) in Mons, Belgium, and NATO officers will be attached to a new, separate EU planning cell. The EU-NATO agreement reaffirmed elements of an existing arrangement (called "Berlin Plus"), under which the EU will consider undertaking operations only if NATO as a whole has decided not to be engaged. If NATO is engaged, then the EU will not seek to duplicate NATO's operational planning capabilities.³⁰ The arrangement is intended to meet the U.S. concern that there not be two existing, and potentially competing, plans for an operation.

EU defense ministers, under a plan offered by France, Britain, and Germany, agreed in April 2004 to create up to nine "battle groups" of 1,500 troops each to act as "insertion forces" in the beginning stages of a crisis. Under this plan, the forces would also be available to NATO. If brought to fruition, the battle groups would be in action within 15 days of a decision to use them, and could sustain themselves for four months before a larger force replaces them.³¹

ESDP remains a work in progress. The EU includes several self-described "neutral" governments that do not have a strong interest in European defense structures. In addition, a number of governments, including several central European governments that joined the EU in May 2004, remain close to the United States and view NATO as central to their strategic interests; for the foreseeable future, these governments are unlikely to follow any effort by an EU member to distance EU defense from NATO and Washington.³²

At the same time, some Bush Administration officials appear increasingly optimistic that these developments mean that ESDP will not undercut NATO. Some

²⁹ For a more detailed analysis, see CRS Report RL32342, *NATO and the European Union*, by Kristin Archick and Paul Gallis; and Barthélémy Courmont, "France in an Evolving NATO," *Defence nationale et sécurité collective*, November 2006, p. 14.

³⁰ Interviews, November 2003-December 2005; Statement of (then) NATO Secretary General Robertson, cited in *Atlantic News*, December 17, 2003.

³¹ Interviews, December 2003-December 2005; "Battle Group Plan Advances," *International Herald Tribune*, April 6, 2004, p. 3.

³² Interviews, 2003-2005.

also believe that Sarkozy will be more pragmatic on European security issues that Chirac.³³ Proposals by Sarkozy and Kouchner for an "autonomous military capacity" within the European Union have been endorsed by Bush Administration officials. Kouchner believes that such a capacity is necessary for Europe to prevent conflicts, resolve crises, and undertake reconstruction projects, such as in Kosovo. France appears to be preparing an EU presidency beginning July 2008 that will urge European governments to build more able military forces, capable of acting at times independently of NATO, and at times using NATO resources.³⁴

President Sarkozy has strongly urged other EU members to increase their defense spending and build great combat capability to undertake missions outside Europe. France's defense spending for 2008 will again be greater than 2% of GNP, a level that exceeds an unofficial NATO standard, and will be "around 2%" for President Sarkozy's term, ending in 2012.³⁵

NATO

France joined NATO as an original member in 1949. During the early years of the Fifth Republic, President de Gaulle had a number of disputes with the United States, in part over policies, in part over the small number of Europeans in senior allied command positions. France withdrew from NATO's integrated command structure in 1966, but has retained a seat on the North Atlantic Council (NAC), the alliance's political decision-making body. Although absent from the command structure, France participates in a range of NATO military operations. There appears to be a consensus that U.S.-French military relations are excellent, despite much publicized differences between Washington and Paris on political issues.

Several factors in the 1990s contributed to renewed French doubts about NATO. Some French officials did not want the United States exercising strong leadership in the alliance when Washington appeared to be giving Europe diminished priority after the Cold War. U.S. positions on involvement in the Balkan conflicts of the early 1990s led some French and other European officials to question the alliance's efficacy, given that Europeans saw the Balkan wars as a major threat to security. The United States eventually engaged its forces in the Balkans in several NATO operations, including in the Kosovo conflict in 1999. Some French officials believe that the Bush Administration has distanced the United States from NATO in its efforts to create "coalitions of the willing," a practice that in their view undermines

³³ Interview with Administration officials, March-May 2007.

³⁴ Kouchner, op. cit.

³⁵ "L'effort de défense devrait se maintenir 'autour de 2%' du PIB," *Le Monde*, March 22, 2008, p. 9.

³⁶ For a thought-provoking discussion, see Anand Menon, *France, NATO and the Limits of Independence, 1981-1997: The Politics of Ambivalence* (New York, St. Martin's Press, 2000).

the principle of collective defense and allied unity, as well as the rationale behind enlarging the alliance to bring in a broad spectrum of new governments.³⁷

French officials recognize that military self-sufficiency in an era of global threats is not possible, and that EU defense efforts may eventually have a regional but not world-wide reach. Put simply, France and the EU lack the military resources to resolve major crises on their own. For these reasons, France in the last several years has become more engaged in NATO operations. For many years, French governments had opposed proposals for NATO "out-of-area" operations, meaning military operations outside the Treaty area in Europe, as well as operations beyond Europe. The crises in the former Yugoslavia in the 1990s, requiring a large military capacity to bring stability, and the September 11 attacks, requiring a military force able to sustain combat operations in a distant theater, altered French thinking. Former President Chirac, reflecting on these developments, said, "You have to be realistic in a changing world. We have updated our vision, which once held that NATO had geographic limits. The idea of a regional NATO no longer exists, as the alliance's involvement in Afghanistan demonstrates." 38

Nonetheless, occasional sharp differences in NATO between Paris and Washington have emerged at the political level. For example, in February 2003, France (and Germany) sought to block a U.S. effort in the NAC to discuss sending NATO forces to defend Turkey in the event that the impending conflict in Iraq might spur Baghdad to strike Turkey. Paris and Berlin contended that sending forces and equipment to Turkey would amount to tacit approval of a U.S. decision to go to war, and would be a provocative act. France, and several other allies, wished instead to continue U.N. WMD weapons inspections in Iraq (discussed more fully below).

The Bush Administration reacted angrily to France's efforts in the NAC. In April 2003, then Deputy Secretary of Defense Wolfowitz told the Senate Armed Services Committee that France had "created a big problem" in NATO over aid to Turkey. He would later announce the Pentagon's decision to exclude companies from France and other countries opposing the Iraq war from contracts to rebuild Iraq. Richard Perle, part of the neo-conservative movement and then an advisor to the Pentagon, said, "France is no longer the ally it once was." The following month, some Senators suggested altering the NATO decision-making process to curtail France's voice. ³⁹

France and Britain are the only two European allies with flexible, mobile forces that can sustain themselves long distances from their territories. In the 1990s, France began a multi-year effort to downsize and professionalize its military forces. Smaller, more flexible units were created. U.S. military officials say that French forces have improved substantially in the past decade, and have a highly educated

³⁷ Interviews with French officials, 2006-2007.

³⁸ Jim Hoagland, "Chirac's Multipolar World," *Washington Post*, February 4, 2004, p.A22 (editorial based on an interview with Chirac).

³⁹ Hearing. Senate Armed Services Committee, 108th Congress, 1st sess., April 10, 2003; Perle cited in Stacy Schiff (ed.), "Vive l'Histoire," *New York Times*, February 6, 2003, p. A35; *Congressional Record*, May 7, 2003, p. S5818-5824.

and motivated officer corps. NATO Supreme Allied Commander Europe (SACEUR) General James Jones has said that "France probably has the military in Europe most able to deploy to distant theaters." At the same time, U.S. military officials also say that some problems persist in an overly centralized command structure, occasional poor equipment maintenance, and minimal depth in some units. French military officials concede that the Defense Ministry lacks the resources to train its forces in joint and other large-scale operations.⁴⁰

NATO's most important mission is the stabilization of Afghanistan. The alliance's International Security Assistance Force (ISAF) is attempting to stabilize Afghanistan through combat operations against the Taliban and building the country's economy and political institutions. The Bush Administration is seeking to persuade allies to contribute more forces to counter a growing Taliban insurgency.

France has approximately 1,500 troops in ISAF, some of whom are responsible for security in Kabul. In fall 2007 Paris moved 6 combat aircraft from a French base in Tajikistan to a large NATO base in Kandahar, in southern Afghanistan, a region where the Taliban are very active. These aircraft support NATO troops on the ground and conduct surveillance missions. Separately, French C135s refuel French, British, Dutch, and U.S. aircraft. French troops also train elements of Afghan regular army and special forces. French forces train and patrol in four Operational Mentor and Liaison Teams (OMLTs), a new NATO concept in which some allied governments send troops to prepare Afghan forces for combat, the naccompany them on combat missions.⁴¹ At NATO's Bucharest summit in April 2008, Sarkozy said that France would send 720 more combat troops to Afghanistan, to serve in the east under U.S. command. Some will be special forces, the rest mechanized combat units.

Sarkozy has said that France may rejoin NATO's integrated command structure, but that certain conditions must be met. In his view, European officers should receive more slots in NATO's command structure, and NATO must concentrate on its core mission of collective defense and leave political and reconstruction projects to other international institutions (such as the EU and the U.N.). In addition, the EU should develop a full command and planning structure for its forces. ⁴² U.S. officials, once opposed to this idea, now appear to be moving to embrace elements of it. For some U.S. officials, military forces trained for EU operations could deliver added capacity to NATO Europe's ability to manage crises. Sarkozy reportedly believes that the EU must become more capable of fully planning and fulfilling missions, and that an enhanced EU planning cell is necessary to this end. Britain and several other

⁴⁰ Rupert Pengelley, "French Army Transforms To Meet Challenge of Multi-Role Future," *Jane's International Defence Review*, (June 2006), p. 45-46.

⁴¹ "Le dispositiv français pour l'Afghanistan," Defense Ministry website, [http://www.defense.gouv.fr], accessed January 16, 2008; interviews with French and U.S. officials, October-December 2007; "À Kandahar, dans la base sous haute sécurité, d'où opèrent les Mirages français," *Le Monde*, November 25-26, 2007, p. 3.

⁴² "Discours de politique étrangère," *op. cit.*; "Le grand marchandage France-Otan," *Le Monde*, November 10, 2007, p. 5; and "La France veut profiter de sa présidence de l'UE pour relancer la défense européenne," *Le Monde*, October 17, 2007, p. 11.

EU countries have traditionally opposed this idea, and preferred that NATO unequivocally remain the cornerstone of European defense.⁴³

Terrorism

Many U.S. and French officials believe that bilateral cooperation between the United States and France in law-enforcement efforts to combat terrorism since September 11 has been strong, but at the same time a range of political factors is complicating the relationship.⁴⁴ France has long experience in combating terrorism, a tightly centralized system of law enforcement, and a far-reaching network that gathers information on extremist groups. Limits on resources and important social and political issues sometimes affect elements of France's anti-terrorism policies.

Unlike the United States, France uses its military as well as the police to ensure domestic order (however, France has no equivalent of the U.S. National Guard, which can be deployed in national crises). The French military is in the midst of an effort to modify its forces to be more effective in counter-terror efforts at home and abroad.

Terrorism has an extensive history in France. Since the 1960s, terrorists have repeatedly struck French targets. Since the late 1970s, France has captured a number of members of the Basque terrorist group, the ETA, and extradited them to Spain. In recent years, a violent Corsican separatist group has carried out assassinations and bombings in France. In the past half century, France has created a number of intelligence agencies and specialized police forces to combat such groups, usually in a successful manner. In 1994, French police thwarted a hijacking at the Marseille airport; terrorists had reportedly intended to crash the plane into the Eiffel Tower. In a notable instance, in September 1995, an Algerian terrorist organization, the Armed Islamic Group (GIA), carried out bombings in the Paris subway that killed a number of French citizens. The reaction of the French government, according to U.S. and French officials, was swift, ruthless, and effective, and the bombings ceased.

Al Qaeda has carried out at least one successful attack against France. On May 6, 2002, Al Qaeda operatives exploded a car bomb in Karachi, Pakistan, that killed 11 French naval personnel. The French navy had sent men to Karachi as part of a contract to supply submarines to the Pakistani government.⁴⁵

France has taken several steps to increase existing efforts to combat terrorism on its own soil. On September 12, 2001, France revived an existing law enforcement measure, *Vigipirate*, that enhances the ability of the government to ensure order. The

⁴³ Interviews with U.S. and French officials, September- December, 2007.

⁴⁴ This section is an abbreviated, updated version of the section on France in CRS Report RL31612, *European Counterterrorist Efforts since September 11: Political Will and Diverse Responses*, coordinated by Paul Gallis. The study was originally prepared as a memorandum for Representative Doug Bereuter and the House Select Committee on Intelligence, and became a CRS report with Mr. Bereuter's permission.

⁴⁵ "Face au terrorisme, M. Chirac prend seul la tête de l'executif," *Le Monde*, May 10, 2002, p. 2.

government established *Vigipirate* in 1978; without legislative action, the government may activate the system. The system provides for greater surveillance of public places, government authority to cancel holidays or public gatherings that could be the target of terrorist attacks, the activation of elements of the military to secure infrastructure, and tighter security at airports, train stations, embassies, religious institutions, nuclear sites, and other locations that may come under threat. Upon activation of *Vigipirate*, the government called 35,000 personnel from the police and military to enforce such measures, including 4,000 personnel assigned to guard the Paris subway system. *Vigipirate* is still in force, although not at the highest level of alert.

Coordination has improved between the United States and France in counter-terror policy since September 11. As Interior Minister, Sarkozy was intimately involved in ensuring coordination. The two governments exchange selective intelligence information on terrorist movements and financing. In January 2002, the French and U.S. governments signed an agreement allowing the U.S. Customs Service to send inspectors to the major port of Le Havre. There, U.S. inspectors have joined their French counterparts in inspecting sea cargo containers for the possible presence of weapons of mass destruction intended for shipment to U.S. ports. 46

Middle East Peace

France's long, intertwined history with the Middle East influences its debate on terrorism and its involvement in the region. While the French government supports key U.S. objectives in dismantling Al Qaeda, there is great political sensitivity in France to any issue that involves the Muslim world. A legacy of the French colonial empire is the presence of 5 to 6 million Muslims, mostly North Africans, living in France, a population that successive French governments have found difficult to integrate into society. There is tension in the French population between those of Caucasian background and those of North African origin. In a 2002 poll, 33% of those contacted believed that North Africans "cannot be integrated" into French society; 56% said that "there are too many immigrants in France."

France, along with the EU and all European countries bordering the Mediterranean, views the Middle East as a neighboring region whose political developments strongly affect European affairs. For this reason, France takes a strong interest in such issues as the Middle East peace process, terrorism, and Iraq. These issues immediately arouse a debate over sensitive social questions in France.

The Road Map. Under Jacques Chirac, French officials, and their counterparts in many EU states, were privately critical of the Bush Administration's policy that, in their view, unduly favors Israel and supports an aggressive Israeli policy towards the Palestinians. France, as an EU member, takes a strong interest in the "Road

⁴⁶ "Terrorisme: Français et Américains se félicitent de leur coopération en matière de renseignement," *Le Monde*, December 31, 2003, p. 5; "Help from France Key in Covert Operations," *Washington Post*, July 3, 2005, p.A1; interviews.

⁴⁷ Ariane Chebel D'Appollonia, "The National Front and Anti-Semitism in France, "Center on the United States and France, Brookings Institution, July 2002.

Map." The EU, the United States, the U.N., and Russia developed the Road Map as a plan to encourage negotiations between Israel and the Palestinians that would lead to the creation of a Palestinian state and an end to the Israeli-Palestinian conflict. France has urged the Palestinian Authority to prevent terrorist attacks against Israel, and Israel to withdraw from settlements from Palestinian lands occupied during the 1967 war and to release political prisoners. 48

Under Chirac, French officials disagreed with the Administration's view that Israel, in using military force against the Palestinians, was striking a blow against terrorism; in contrast, they believed that Israel's policy fueled a terrorist reaction throughout the Middle East. After a meeting with the heads of state of six other EU governments in November 2001, Chirac said that the group was unanimous in thinking that, while the Middle East conflict was not causing terrorism, "it is true that it makes it easier and creates a climate that... is favorable to Muslim extremists and fundamentalists, notably bin Laden."

France joined with other EU governments in criticizing the Bush Administration's April 2004 decision to back elements of former Israeli Prime Minister Sharon's plan to withdraw from Gaza and at the same time claim settlements for Israel on the West Bank and renounce the Palestinians' right of return to Israel.⁵⁰

Under President Sarkozy, French and U.S. policy on the path to a Middle East peace agreement are now more closely aligned. France has condemned Israel's policy of new settlements on the West Bank, and described as "interesting" President Bush's January 2008 proposal that an international mechanism be created to compensate Palestinian refugees expelled from their homes by Israel. France supports Israeli-Palestinian negotiations to create a viable Palestinian state.⁵¹

The United States and France cooperate closely in the effort to limit Syrian influence in Lebanon. France leads a stabilization force in southern Lebanon, in which the United States does not participate. For a century, France has had close relations with Lebanon and maintains an enduring commercial and cultural relationship with the country. French and U.S. officials have worked together to use the U.N. and other resources to diminish the Syrian presence and influence in the country.

⁴⁸ De Villepin, "Discours d'ouverture," Meeting of French ambassadors, Ministry of Foreign Affairs, Paris, August 28, 2003.

⁴⁹ "Les dirigeants européens soulignent les limites de l'action militaire," *Le Monde*, November 6, 2001, p. 4.

⁵⁰ "Point de presse conjoint de M. Jacques Chirac...et de M. Hosni Mubarak...," French Ministry of Foreign Affairs, April 19, 2004; "Jacques Chirac: 'pas conforme au droit international," *Le Monde*, February 14, 2004, p. 2.

⁵¹ See, for example, "Press Briefing," Ministry of Foreign Affairs, Paris, January 15, 2008.

Iran

France, with Britain and Germany, comprise the "EU-3" that has worked with the United States to curb Iran's possible nuclear military program. While French officials say that they were surprised by the Administration's December 2007 National Intelligence Estimate that stated that Iran does not have an active nuclear weapons program, they add that the EU-3's central purpose is to curb or end Teheran's nuclear enrichment program, a precursor to any such weapons program. Sarkozy continues to support U.N.-endorsed sanctions against Iran, including reduction or elimination of Iran's importation of gasoline. Sarkozy has said that France may join the United States in bilateral sanctions against Iran if the U.N. does not endorse the new the new sanctions proposed there by the Bush Administration and the EU-3.

On January 15, 2008, Sarkozy announced that France and the United Arab Emirates (UAE) had reached agreement for a French military base in Abu Dhabi. The base will have 400-500 soldiers, a combination of air, ground, and naval personnel, and is intended as a signal to Iran that France will defend its allies and interests in the Persian Gulf. The base can accept a surge in French forces for exercises or a crisis, and will become operational in 2009.⁵²

Iraq

France participated in the U.S. led Gulf War of 1991, and for several years supported the U.N. weapons inspections in Iraq. France also supported a U.N. resolution at the end of the Gulf War to prohibit the export of Iraqi oil until the Hussein regime complied with an agreement to end its WMD program.

The Iraq War of 2003. During the late 1990s, the French government began to distance itself from elements of U.S. policy in Iraq when the United States and Britain resorted to occasional military force to persuade the Hussein regime to comply with elements of the settlement that concluded the 1991 Gulf War. U.N. weapons inspectors left Iraq in 1998, when international will to enforce the inspection regime weakened. France, along with other governments, expressed concern that living conditions in Iraq were deteriorating, and sought to lift international sanctions against the Hussein regime. Both the Clinton Administration and the Bush Administration strongly opposed such a move.

When the Bush Administration took office, it quickly raised the level of U.S. criticism over Iraq's opposition to U.N. inspections for weapons of mass destruction. In fall 2002, after some hesitation, France backed the U.S. effort to reinstate U.N. weapons inspections. U.N. Resolution 1441 required Iraq to comply with the inspections. In late 2002 and early 2003, the Bush Administration stated that Iraq was impeding the inspections and concealing WMD, and was thereby in "material breach" of Resolution 1441. In the Administration's view, breach of the Resolution's requirements justified further action, including the possible use of military force, to

⁵² "La France se doit être présente dans le Golfe, explique Morin," *Le Monde*, January 16, 2007, p. 1.

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ensure compliance. The French government, backed by Germany, which had joined the U.N. Security Council in January 2003 as a rotating member, contended that while Iraq was not in full compliance with Res. 1441, it was not yet in "material breach" of the Resolution's strictures. The French government wished for the inspections to continue, asserting that there was as yet no clear evidence that WMD was being concealed. Privately, some French officials were saying that Iraq likely had concealed WMD, but that the inspections regime was sufficient to constrain Saddam's regime.⁵³

A crucial period in the U.S.-French dispute over Iraq came in February and March 2003. In February 2003 the Administration circulated drafts of a resolution at the U.N. that would have permitted military action against Iraq. While the U.N. Security Council had agreed to inspections for WMD, the Administration began to add additional ideas. Administration officials called for "regime change" in Iraq, and the establishment of a democracy that would serve as a model and a spur for new representative governments throughout the Middle East. France and other governments balked at these added objectives, asserting that sustainable reforms in Iraq and elsewhere could not be imposed by others.

The Administration also asked that NATO begin planning to provide Turkey with defensive systems in the event of an attack by Iraq in an impending conflict. In addition, the request asked that NATO members backfill for some U.S. forces in the Balkans, that might be needed in the event of conflict with Iraq. France, Germany, and Belgium objected in the North Atlantic Council (NAC), NATO's supreme political body. They contended that granting the request would be the equivalent of acknowledging that Iraq had impeded U.N. weapons inspections, as yet unproven in the view of the three governments, and be a pretext for war. Ultimately, the German and Belgian governments relented, and France agreed that the decision to aid Turkey could be taken in another NATO body where Paris is not a member. The result in late February 2003 was a decision to provide defensive assistance to Turkey. This dispute generated calls in Congress that NATO decision-making be altered to exclude France, and fueled a popular barrage of U.S. criticism against France and several other allies. Secretary of Defense Rumsfeld began to refer to a "new" Europe of countries that supported the U.S. position on Iraq, and an "old" Europe of countries such as France and Germany that opposed U.S. policy.⁵⁴

However, France and Germany would not relent in their opposition to the Administration's draft U.N. resolution authorizing the possible use of force against Iraq. France and Russia, each holding a veto, threatened to use it if the resolution were submitted to a vote. Then foreign minister de Villepin said, "We think that a

⁵³ Thierry Tardy, "France and the United States: The Inevitable Clash?," *International Journal*, vol. LIX, no. 1, Winter 2003-2004, p. 6-7; interviews, November 2002-February 2003.

⁵⁴ CRS Report RS21510, NATO's Decision-Making Procedure, by Paul Gallis.

military intervention would be the worst solution and that a recourse to force should be the last path...." He added that only the U.N. could authorize an invasion.⁵⁵

In March 2003, the Bush Administration decided to go to war in Iraq without a new U.N. resolution. Several key allies, led by France and Germany, with indirect support from Turkey, opposed the decision. Other allies, led by Britain, Italy, Poland, and Spain, backed the Administration.

U.S. forces overthrew Saddam Hussein's regime in April 2003. The Administration has sought to gather an international coalition to stabilize Iraq. France put forward requirements to be fulfilled before Paris would provide military forces or other forms of assistance in Iraq. The French government criticized the U.S. description of the coalition's presence in Iraq as an "occupation," without a detailed plan and timetable for ending the occupation and turning sovereignty over to the Iraqi people. In September 2003, Chirac said, "It is very difficult for the Iraqis to accept a situation which, in one way or another, is one of occupation. The situation can only deteriorate." De Villepin called for "a rapid transfer of sovereignty...." The answer to the problems in Iraq is not more troops, he continued, but a "true provisional government whose legitimacy will be underpinned by the U.N. and will benefit from the support of the countries of the region." There must be, in the French view, he continued, a U.N. resolution that would endorse such an arrangement. 57

In fall 2003, the situation in Iraq began to deteriorate, under the impetus of a gathering insurgency. Diplomatic efforts at the U.N. and in the alliance to develop more support for U.S. policy in Iraq continued. In December 2003, then Deputy Defense Secretary Wolfowitz issued an order stating that governments not involved in the coalition in Iraq would see their companies excluded from competition for contracts to rebuild the country, a step that he described as being "necessary for the protection of the essential security interests of the United States..." ⁵⁸

Simultaneously, the Administration asked France and Germany, two governments excluded from such competition, to agree to restructure their debt with Iraq. France accepted a U.S.-German compromise plan negotiated in the context of the Paris Club to write off 80% of Iraq's foreign debt; this percentage is higher than the 50% of debt forgiveness that Paris had advocated, although it falls short of original U.S. requests for nearly complete debt forgiveness for Iraq. In France's view, Iraq retains the potential for great wealth from its petroleum resources, and

⁵⁵ "Le 'non' de Paris, au prix d'une grave crise," *Le Monde*, December 28-29, 2003, p. III; Thierry Tardy, "France and the United States: The Inevitable Clash?," *International Journal*, vol. LIX, no. 1, Winter 2003-2004, p. 7.

⁵⁶ "Paris-Washington, deux diagnostics opposés sur la situation en Irak," *Le Monde*, September 25, 2003, p. 2.

⁵⁷ De Villepin, "Discours d'ouverture," Meeting of French ambassadors, Ministry of Foreign Affairs, Paris, August 28, 2003 (conference of ambassadors at the Ministry of Foreign Affairs, Paris).

⁵⁸ Deputy Secretary of Defense Wolfowitz, "Determinations and Findings," Department of Defense, December 5, 2003.

other, poorer countries would more clearly benefit from debt forgiveness. Iraq owes France \$3 billion, Germany \$2.4 billion, and the United States \$2 billion. ⁵⁹

The French government has refused to send forces to be part of the U.S.-led multinational force in Iraq. French officials say that Paris did not approve the conditions under which the United States launched the war and does not wish to be associated with the occupation of Iraq. At the NATO summit in June 2004, France and several other allies initially opposed sending a NATO force to Iraq. Chirac said that "any involvement of NATO in [the Middle East] seems to us to carry great risks, including the risk of confrontation of the Christian West against the Muslim East." Ultimately, all allies agreed upon a training mission, but some countries do not wish to send their forces to Iraq to train Iraqi security forces. France was one of these countries, but has offered to train Iraqi police in metropolitan France.⁶⁰

Sarkozy has criticized as a "mistake" the U.S. invasion of Iraq in 2003, but added that France should have handled pre-war opposition to the conflict in a more diplomatic and less intrusive manner. "I am hostile to this war...there can only be a political solution," he said in September 2007. He has called for a "clear horizon" for the withdrawal of U.S. troops.⁶¹

Trade⁶²

U.S. commercial ties with France are extensive, mutually profitable, and growing. With over \$1.2 billion in commercial transactions taking place between the two countries *every day* of the year, each country has an increasingly large stake in the health and openness of the other's economy.

France is the ninth largest merchandise trading partner for the United States and the United States is France's largest trading partner outside the European Union. More than half of bilateral trade occurs in major industries such as aerospace, pharmaceuticals, medical and scientific equipment, electrical machinery, and plastics where both countries export and import similar products. Many of these products are components or capital goods used in the production of finished products in both the United States and France.

The United States and France also have a large and growing trade in services such as tourism, education, finance, insurance and other professional services. In

⁵⁹ "Give Me Liberty or Give Me Debt," (ed.) *Financial Times*, June 10, 2004, p. 14; and "French President Spells out Limits on Iraq Support," *Financial Times*, June 11, 2004, p. 6.

⁶⁰ Interviews of U.S. officials, July 2004; "Allies To Support Iraq with Troop Training," NATO, Brussels, June 29, 2004; "Paris et Washington s'affrontent sur le rôle de l'OTAN en Irak," *Le Monde*, June 26, 2004, p. 2.

^{61 &}quot;Discours de politique étrangère," op. cit.

⁶² This section is drawn from CRS Report RL32459, *U.S.-French Commercial Ties*, by Raymond J. Ahearn.

recent years, France has been the sixth largest market for U.S. exports of services and the sixth largest provider of services to the United States.

While trade in goods and services receives most of the attention in terms of the commercial relationship, foreign direct investment and the activities of foreign affiliates can be viewed as the backbone of the commercial relationship. The scale of sales of U.S.-owned companies operating in France and French-owned companies operating in the United States outweighs trade transactions by a factor of almost *five*.

In 2006 France was the eleventh largest host country for U.S. foreign direct investment abroad and the United States with investments valued at \$65.9 billion (historical cost basis) was the number one foreign investor in France. During that same year, French companies had direct investments in the United States totaling \$159 billion (historical cost basis), making France the fifth largest investor in the United States. French-owned companies employed some 472,000 workers in the United States in 2005 compared to 619,900 employees of U.S. companies invested in France.⁶³

Most U.S. trade and investment transactions with France, dominated by multinational companies, are non-controversial. Nevertheless, three prominent issues — agriculture, government intervention in corporate activity, and the war in Iraq — have contributed to increased bilateral tensions in recent years.

Agriculture. Agricultural trade disputes historically have been the major sticking point in U.S.-France commercial relations. Although the agricultural sector accounts for a declining percentage of output and employment in both countries, it has produced a disproportionate amount of trade tensions between the two sides. As trade is under the jurisdiction of the European Commission, the problems, of course, are not technically bilateral in nature.

From the U.S. perspective, the restrictive trade regime set up by the Common Agricultural Policy (CAP) has been a challenge. It has been a longstanding U.S. contention that the CAP is the largest single distortion of global agricultural trade. American farmers and policymakers have complained over the years that U.S. sales and profits are adversely affected by (1) EU restrictions on market access that have protected the European market for European farmers; by (2) EU export subsidies that have deflated U.S. sales to third markets; and by (3) EU domestic income support programs that have kept non-competitive European farmers in business. But from an EU and French perspective the CAP has been substantially reformed in recent years and cannot be characterized as the largest source of distortions in agricultural trade. On the contrary, under this view there is ample evidence that EU (as well as Australian, New Zealand, and Canadian) farm exports have been hampered by U.S. food aid policies in some developing countries.

⁶³ U.S. data drawn from the Bureau of Economic Analysis, Department of Commerce. French data place the number of jobs created by French-owned companies operating in the United States at 550,000, nearly 100,000 more that the U.S. data.

France's agricultural sector, which in terms of output and land is the largest in Europe, has long been the biggest beneficiary of the CAP. Over the past several years, French farmers have received about 20-25 percent of CAP outlays that have averaged around \$40 billion. Acting to continue benefits and subsidies for its farmers, the French position can determine the limits and parameters of the European Commission's negotiating flexibility on a range of agricultural issues that are of keen interest to the United States. The most prominent and perhaps important example relates to current efforts to get the WTO Doha round of multilateral trade negotiations back on track by reducing agricultural subsidies and other barriers to market access. Other examples where the French position arguably has made settlement of disputes more difficult include expanded trademark protection for wines, cheeses, and other food products linked to specific regions, and a ban on the importation of beef treated with hormones.⁶⁴

Government Intervention in Corporate Activity. Despite significant reform and privatization over the past 15 years, the French government continues to play a larger role in influencing corporate activity than does the U.S. government. This difference is manifested not only in the French government's continuing direct control of key companies, but also in its continuing proclivity to influence mergers involving French firms. President Sarkozy has continued to support this policy orientation in a number of ways. Nevertheless, although bilateral disputes may be more prone to occur because of the French government's interventionist tendencies, the dictates of EU laws as well as the urgent need to raise the revenues through privatization efforts and to enact market-oriented reforms, are weakening the French dirigiste tradition.

In 1997 the then socialist government restarted a process of privatization and opening of government-controlled firms to private investment that had begun in the 1980s, and the program was continued by the center-right government that took power in 2002. In 2003 and 2004, the government reduced its stakes in large companies such as Air France-KLM (to 44.6 from 54.0 percent), France Telecom (to 42.2 from 54.5 percent), Renault (to 15.6 from 26.0 percent), and Thomson (to 2.0 from 20.8 percent). The government still has stakes in Bull and Safran, and in 1,280 other firms. While the trend has been to privatize many large companies (fully or partially), the government still maintains a strong presence in sectors such as power, public transport, and defense.⁶⁵

Despite its privatization program, the French government continues to promote national champions and "economic patriotism," a concept that has been used to

⁶⁴ Trademark protection for geographic indications is also an issue of great importance for Italy (parma ham and parmesan cheese), Greece (feta cheese), Hungary (tokay wine), and Portugal (porto wine). Denmark, Italy, and Germany are other EU countries taking the lead on limits on research and use of GM crops and most all EU members strongly support the ban on the importation of beef treated with hormones. For further discussion of these disputes, see CRS Report RS21569, *Geographical Indications and WTO Negotiations*, by Charles Hanrahan, and CRS Report RS21556, *Agricultural Biotechnology: The U.S.-EU Dispute*, by Charles Hanrahan.

⁶⁵ U.S. Department of Commerce, Country Commercial Guide-France, 2007.

justify opposition to foreign takeovers of French firms. This tendency has been apparent in an effort by the government to strengthen a French takeover law and a parallel effort to scrutinize sensitive foreign investments more closely. In the summer of 2005, the government orchestrated a quick merger of two utilities, publicly traded Suez SA, a French utility, and state controlled Gaz de France (GDF), to fend off a potential takeover by Enel of Italy. President Sarkozy is now exploring ways to create "national champions" in other industries such as nuclear power and defense. Such mergers would involve Areva, the state-owned nuclear group and other French companies, plus the huge defense/aerospace companies Thales and Safran. ⁶⁶

At the same time that Sarkozy is supporting interventionist policies designed to enhance France's economic and industrial strength, he is also promoting market-oriented domestic reforms on issues such as taxation and labor markets. In this context, President Sarkozy views increased competition as a way to get France's over-regulated economy on track for stronger growth.⁶⁷

Foreign Policy Discord. In the era of the Cold War, there was considerable concern that trade disputes between allies could undermine political and security ties. Deep differences over the Iraq war between the United States and many of its allies, particularly France and Germany, reversed this Cold War concern into whether foreign policy disputes can weaken or undermine strong commercial ties.

Specific concerns that divisions over Iraq could spill over into the trade arena arose in early 2003 with reports of U.S. consumer boycotts of French goods and calls from some U.S. lawmakers for trade retaliation against France (and Germany). The spike in bilateral tensions and hard feelings, however, appears *not* to have had much impact on sales of the products — such as wines, perfumes, handbags, and cheeses — most prone to being boycotted.⁶⁸ The data show that U.S. imports of all four of these French products increased in absolute terms from 2003 to 2007. Moreover, the French share of U.S. total imports of these products increased for cheese and curd, stayed the same for perfumes and travel goods, and declined only for wines — a decline that started well before the Iraq War.⁶⁹ Because the *dollar* grew substantially weaker during this 2003-2007 time frame, U.S. demand for these products remained strong.

Although there are few signs that goods and services clearly identified with France or the United States are being boycotted, some polls have found evidence of

⁶⁶ Financial Times, "National Champions: French Energy Mergers Test Europe's Free Market Puritans," September 27, 2007.

⁶⁷ Hollinger, Peggy, Financial Times, "Sarkozy's Uneven First 100 Days," August 23, 2007.

⁶⁸ This is an illustrative, not exhaustive, list of products that are likely to be targets of boycotts because they have a strong element of brand identification with France, and tend to be luxury items.

⁶⁹ French wines have experienced a long-term declining share of total U.S. imports. In 1998 French wines accounted for 47.05% of total U.S. imports, in 2000 42.34% and in 2002 35.12%. These declines have continued in 2003 (35%) thru the first 11 months of 2007 (31.6%).

public support among some segments of the U.S. population for expressing opposition to foreign policy disagreements in the shopping malls. Nevertheless, a substantial economic backlash appears unlikely because of the high degree of economic integration. Effective boycotts would jeopardize thousands of jobs on both sides of the Atlantic.

Assessment

The United States and France retain a strong measure of economic and political interdependence. In economic terms, some \$360 billion in annual commercial transactions, the vast majority due to sales by U.S. companies producing and selling in France and French companies producing and selling in the United States, serves as a strong form of economic glue that binds the two countries together. This deep and growing level of economic integration increases the stakes each country has in the vitality and openness of each other's economy, as well as works as a counterweight to the adoption of restrictive policies which could jeopardize hundreds of thousands of jobs in both countries. In political terms, France acknowledges the security that only U.S. forces can provide on a global scale, evident in the conflict against terrorism and the post-September 11 campaign to overthrow the Taliban and weaken Al Qaeda. The United States also plays a key institutional role in stabilizing Europe, a measure of which is Washington's leadership in NATO.

Additionally, France does act to buttress U.S. international efforts and to lend legitimacy to Washington's foreign policy initiatives, measures that demonstrate a complementarity of interests and action that is still the norm, even if at times that norm appears to be diminishing. French forces fought in the Gulf War of 1991, and, with much greater ability, in the Kosovo conflict of 1999. France has followed important U.S. initiatives that seek to enhance global stability, as in NATO's eventual acceptance of the once controversial idea that NATO go "out of area," and act on a global scale. In the conflict against terrorism, France has supplied the Bush Administration with political contacts in countries, such as Algeria and Tunisia, that have proven valuable. With other EU countries, France has worked closely with the United States in law enforcement efforts to combat terrorism.

Important divergences have emerged over the past decade. The belief in France that the United States at times acts "unilaterally" was already evident in the 1990s when the French government criticized Congress and the Clinton Administration for defeat of the Comprehensive Test Ban Treaty, sanctions against Cuba, and a program of national missile defense. This belief has sharpened during the current Bush Administration, due to its rejection of the Kyoto Treaty, its criticism of the International Criminal Court, and its Iraq policy. French public opinion has grown increasingly critical of the United States since late 2002. In October 2001, shortly

⁷⁰ "Hubert Védrine effectue une tournée éclair au Maghreb," *Le Monde*, October 3, 2001. p. 9.

⁷¹ "Chirac's Attack on Congress Has a Bigger Target," *International Herald Tribune*, November 9, 1999, p. 2.

after the terrorist attacks on the United States, 67% of those polled had a favorable opinion of the United States; in June 2005, that figure had slipped to 31%. In October 2001, 53% of those polled had "confidence in the United States to deal responsibly with world affairs." By May 2004, that figure had fallen to 13%, but by the summer of 2006, 39% had a positive view of the United States.⁷²

The French view of the United States is complex. While the French people view the United States as the sole superpower, the French media often describe the United States as having feet of clay. Hurricane Katrina fueled this sentiment. The French media was both puzzled by and critical of the U.S. government's seeming initial inability to assist Katrina's stream of refugees and to remove the dead from the streets. Katrina also led to an outpouring of generous support from France, both in terms of the governmental emergency supplies and private and NGO giving.⁷³

In France, there is a growing professional and academic interest in the United States. Universities now regularly offer courses in U.S. politics, culture, and foreign policy. Professional organizations, notably the *Cercle Jefferson*, encourage mutual U.S.-French understanding. The *Cercle* includes all the former French participants in the State Department's International Visitor program, and seeks to improve understanding and encourage dialogue with their American counterparts in government and the professions.⁷⁴

France's belief in the importance of international institutions is deeply ingrained, a sentiment shared not only by such traditional U.S. allies as Germany and Britain, but learned and accepted as well by the democracies that have emerged from the Warsaw Pact. The United States is in part responsible for this belief. After the Second World War, Washington strongly urged acceptance of international institutions to resolve disputes and manage global financial and economic systems. Since the end of the Cold War, a centerpiece of the policy of three U.S. Administrations has been that central European governments should join NATO, the European Union, and other institutions as a means to ensure stability through closer consultation, joint decision-making, and development of interdependence. Many European governments have embraced these institutions as an antidote to the conflicts of the 20th and 21st centuries.

The continuing controversy over Iraq illustrates the divergence between the United States and France over the use of international institutions and military force. Regarding the former, President Bush challenged the U.N. in fall 2002 to meet its responsibilities and enforce the U.N. prohibition on weapons of mass destruction in Iraq. He noted that the difficult tasks undertaken by the U.N., such as those involving the threat or use of military force and the consequent expending of

⁷² "French and German publics' trust in the U.S. falls to new lows," Office of Intelligence and Research, U.S. State Department, June 4, 2004, p. 1-2; "Image of U.S. Falls Again," *International Herald Tribune*, June 14, 2006, p. 1.

⁷³ "Les Américains consternés par la fragilité de leur puissance," *Le Monde*, September 3, 2005, p. 3; "Hurricane Katrina: French Assistance," doc. supplied by French embassy, September 2005.

⁷⁴ www.cerclejefferson.org

resources, often fell to major governments, such as the United States. The French government, and other allies, were ultimately sympathetic to this argument, and backed a new effort to enforce inspections. When the Bush Administration began to criticize the inspections regime as insufficient several weeks after its inception, France, joined by Germany and several other allies, asked for time, and noted privately that it was Washington, after all, that was supplying much of the information to the U.N. for site inspections. They wished to allow the inspections to run their course. French officials also feared that war in Iraq could trigger unintended consequences, such as prolonged conflict or destabilization of neighboring regions, and an expansion of global terrorism.⁷⁵

Differences over Iraq also threatened in early 2003 to disrupt commercial ties with reports of U.S. consumer boycotts of French goods. U.S. companies too worried that French and other European consumers might not buy their products as a way of expressing opposition to U.S. policy. Despite public opinion surveys indicating some support for using the marketplace to demonstrate political dissatisfaction, there is little evidence that sales so far have been adversely affected due to the foreign policy discord on either side of the Atlantic.

A complementarity of interests and action in many spheres is likely to continue. For those in Congress and in the executive branch who desire greater European burdensharing in the alliance, ESDP holds at least the possibility of greater military capability among continental allies, a capability that could be used by NATO for conflicts in the region, or in more distant theaters. For those who desire greater contributions by other countries in peacekeeping, or in international financial institutions, French influence and policy often buttress U.S. interests and diminish the need for greater expenditure of U.S. resources. And for those who desire to maintain an open world trading system, French support in the councils of the European Union and World Trade Organization is sometimes critical.

Finally, France and the United States, while sharing values inherent in most democratic societies, will likely continue to have different political perspectives, particularly over the role of international institutions and the use of force. French efforts to build a politically strengthened EU and an effective ESDP could reduce the U.S. role and influence on the continent. Some critics of France have interpreted instances of disagreement as a desire on the part of France to see the United States fail. However, failure of the United States in areas of foreign affairs would have direct implications for France and other European countries. In Iraq, failure of the U.S. effort to bring stability, for example, has potentially great negative consequences for all Europeans: further disaffection with U.S. leadership of NATO; a renewal of radical Islam in the Middle East, with regimes hostile to western governments; and further exacerbation of tensions in the Middle East, with unwanted consequences on the European continent.

⁷⁵ Hans Blix, *Disarming Iraq*, New York: Pantheon Books, 2004, p. 156-157, 260-264; Report on "The Future of Transatlantic Security: New Challenges," French American Foundation conference of U.S., French, British, and German officials, December 2002.