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Elections in France, 2007

Paul Gallis, Foreign Affairs, Defense, and Trade Division

June 20, 2007

Abstract. On May 6, 2007, French voters chose the Gaullist Nicolas Sarkozy to be President of France. In a contentious campaign, he defeated the Socialist Sgolne Royal by a margin of 53.1% to 46.9%. Sarkozy will assume power on May 16. The two-round legislative elections will follow on June 10 and 17. Sarkozy represents a younger generation of leaders at a time when a majority of the French public believes their country is in decline, in part due to enduring low economic growth and high unemployment, in part to an apparent diminishing influence in guiding the course of the European Union (EU). The second round of the presidential elections saw a near-record turnout of 84.9% in a campaign that was closely watched by voters. Sarkozy succeeded in capturing a majority of both the women's vote and the vote of those over 60. He pledged to lower persistent unemployment, deal decisively with issues relating to immigrants, reduce the government bureaucracy, and reform the economy. His Gaullist predecessor, Jacques Chirac, had made similar promises but proved unable to implement effective change. The first round of the elections eliminated extremists on the right and the left. Sarkozy finished with 31.17% of the vote, followed by Royal with 25.87%. The third-place finisher, Francis Bayrou of the centrist Union for French Democracy (UDF), finished third with 18.57% of the vote, triple the support that he received in the 2002 presidential elections. The racist and xenophobic candidate, Jean-Marie Le Pen, gained 10.44% of the vote, a sharp drop form this showing in 2002. Royal courted UDF voters in the second round, but her appeal did not succeed, as they split their vote.





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Paul GallisSpecialist in European Affairs

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Summary

On May 6, 2007, the Gaullist Nicolas Sarkozy defeated the Socialist candidate Ségolène Royal in the second round of the French elections to become President of France. He will serve a five-year term. His party lost seats but maintained a solid majority in subsequent legislative elections.

Since 1981, France has had only two presidents. There is a sense of malaise in the country, in part due to high unemployment and slow economic growth. Sarkozy represents a younger generation of leaders.

Sarkozy casts himself as a tough-minded former Interior Minister. His campaign built on his reputation as hard on illegal immigration and insistent on greater efforts by the country's large Muslim community to better integrate itself into French life.

Royal pursued a campaign meant to place her directly in touch with French voters. In doing so, she circumvented some of the steps normally necessary to gain the Socialist Party nomination. This campaign strategy put her at odds with some of the Party elders. She gambled that her campaign of "participatory democracy" would appeal to a range of voters beyond the Socialist Party. In the end, she failed to deliver a clear message to French voters and to unite her own party.

Foreign policy played a secondary role in the elections. Sarkozy and Royal stressed the growing danger of Iran. Both candidates supported French participation in U.N., NATO, and EU security and stabilization missions, but there were disagreements with the United States over some elements of NATO's mission and future. Both candidates supported the EU, but neither brought to EU issues the passion of previous post-war French leaders.

Sarkozy presents himself as a friend of the United States and an admirer of American culture but added that France under his leadership would assert its usual independence. Royal was sharply critical of the Bush Administration and contended that U.S. "unilateralism" in recent years has damaged bilateral relations and increased instability in the Middle East.

It is possible that Sarkozy will pursue a practical and non-ideological posture towards the United States. He is unlikely to alter the U.S.-French relationship in a stark manner. Cooperation over counterterrorism measures, multinational operations in Lebanon, the Balkans, and Afghanistan, and good trade relations are likely to continue.

This report will be updated to reflect the outcome of the presidential and legislative elections. See also CRS Report RL32464, *France: Factors Shaping Foreign Policy, and Issues in U.S.-French Relations*, by Paul Gallis.

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Introduction

On May 6, 2007, French voters chose the Gaullist Nicolas Sarkozy to be President of France. In a contentious campaign, he defeated the Socialist Ségolène Royal by a margin of 53.1% to 46.9%. Sarkozy assumed power on May 16. Sarkozy represents a younger generation of leaders at a time when a majority of the French public believes their country is in decline, in part due to enduring low economic growth and high unemployment, in part to an apparent diminishing influence in guiding the course of the European Union (EU).

The second round of the presidential elections saw a near-record turnout of 84.9% in a campaign that was closely watched by voters. Sarkozy succeeded in capturing a majority of both the women's vote and the vote of those over 60. He pledged to lower persistent unemployment, deal decisively with issues relating to immigrants, reduce the government bureaucracy, and reform the economy. His Gaullist predecessor, Jacques Chirac, had made similar promises but proved unable to implement effective change.

The first round of the elections eliminated extremists on the right and the left. Sarkozy finished with 31.17% of the vote, followed by Royal with 25.87%. The third-place finisher, François Bayrou of the centrist Union for French Democracy (UDF), finished third with 18.57% of the vote, triple the support that he received in the 2002 presidential elections. The racist and xenophobic candidate, Jean-Marie Le Pen, gained 10.44% of the vote, a sharp drop form this showing in 2002. Royal courted UDF voters in the second round, but her appeal did not succeed, as they split their vote.

The two-round legislative elections, completed on June 17, gave Sarkozy's party, the Union for a Popular Movement (UMP), a solid but reduced majority. In the 577-seat National Assembly, the UMP now holds 313 seats, and is supported by 32 deputies from other parties. The Socialist Party holds 227 seats.

Since 1981, France has had only two presidents, the Socialist François Mitterrand and the Gaullist Jacques Chirac, each a formidable political figure who dominated his respective party. In 2002, presidential terms were shortened from seven years to five years; there are no limits on the number of terms a president may serve. Legislative elections now follow the presidential elections by a month.

Under the Fifth Republic (1958-present), France has had a strong presidential system, significantly different from many European parliamentary systems. Fifth Republic structures were meant to avoid the ever-changing parliamentary governments of the Fourth Republic (1946-1958), when the country needed but rarely found strong leadership after the Second World War and during the Algerian war for independence (1954-1962), a conflict that led to instability and violence in France as well as in Algeria. The President is elected by a national vote and enjoys clear command of national security and the armed forces. Although the President appoints a prime minister who names a cabinet, it is the President who shapes all major policy initiatives and is the unquestioned political leader of the government.

Compared with the United States, France is a highly centralized country, not only in political authority but also in economic structures. Although some industries have been privatized in recent years, the state continues to control or to influence many key industries to a degree unknown in

the United States. Even the country's main road and rail systems run through or emanate from Paris.

Important domestic and foreign policy issues were at play in the campaign. Integration of the large Muslim minority, now nearly 10% of the population and mostly North African in origin, has been a focal point of discussion for a decade, but most pointedly since the attacks of September 11, 2001, on the United States and riots in the suburbs, where most Muslims live, of several major French cities in 2005. Control of immigration, was another key electoral issue. A related issue was high unemployment, plaguing the country for years. In foreign policy, the unstable Middle East and the possible rise of a nuclear-armed Iran considerable attention from the key candidates. France's role in the European Union was also a question of importance to the population.

Sarkozy's campaign was successful because he presented a clear program of reform to the electorate and appealed to National Front voters concerned about immigration, crime, and the economy. He also effectively managed his party's militants, who helped to bring his message to the population. Royal lost because she at times seemed uncertain of her message, because she sometimes cast herself defensively, as the person to prevent Sarkozy from gaining power, and because her own party was divided over her candidacy.¹

Relations between the Bush Administration and France have been difficult since the run-up to the U.S. invasion of Iraq in March 2003. While the United States and France cooperate closely on some issues, such as counterterrorism and instability in Lebanon, President Chirac strongly opposed the invasion of Iraq and raised international criticism of Administration policy, leading to sharp rejoinders from Administration officials and some Members of Congress. Officials in both countries are hoping that the 2007 French elections will lead to an improved bilateral atmosphere on several issues, some of which are discussed in this report. France has been an important contributor to a range of NATO and EU missions, and an improved relationship could relieve strain on U.S. strategic resources.

The Elections of 2007: A New Era in France?

Over the past year, polls, several books, and media commentary have indicated a widespread view in France that the country is enduring a decline in economic, political, and intellectual vigor and influence. GDP growth was only 2% in 2006, and unemployment is now 8.5%, a percentage point above the eurozone average. In a May 2005 referendum, French voters failed to approve a proposed new EU treaty, commonly referred to as the EU constitution, a development that, even if many voters were expressing displeasure primarily with their government, reduced French leverage to demonstrate leadership in the Union. As a result, there are calls for a "renewal" from both the right and the left.

The Gaullist Party and the Socialist Party nominated their candidates from within the party structures. There are no national primaries in France. For most of the Fifth Republic, individuals who emerged as a party's candidate rose through the ranks and were the consensus choice of those who ran the party structures. The election season of 2006-2007 unfolded somewhat differently.

¹ Interviews with French political observers, May 2007; and Jean-Marie Colombani, "Deux France," *Le Monde*, May 7, 2007.

Sarkozy: The Gaullist as "Outsider"

Nicolas Sarkozy is a controversial figure in the Gaullist Party. The son of a Hungarian immigrant, Sarkozy was helped through the ranks by Chirac. He is not a graduate of the National School of Administration (ENA), the elite institution that provides France with many of its most important leaders. He broke with Chirac in the 1995 presidential elections when he endorsed a Chirac rival, who lost. Nonetheless, his forceful, aggressive style generated a political following. He became head of the Union for a Popular Movement (UMP), the umbrella party centered around the Gaullists, and built a reputation for being tough on immigration and crime as France's interior minister. He prevailed as the party's choice for the presidency, bolstered by the faltering image of his principal rival, Prime Minister Dominique de Villepin, politically damaged by an alleged scandal and an effort to loosen a law to allow the dismissal of young workers. At a late moment, Chirac gave Sarkozy a tepid endorsement.

Sarkozy is part of a new generation of French leaders. Although supportive of the European Union, he is less wedded to it than earlier and older post-war French leaders. He is also part of a generation of leaders who were too young to be formed by the massive national strike of 1968 that shut down the country in a call for reform. After the first round of elections, he criticized the heirs of 1968 by saying that they had destroyed the values of hierarchy in France. His opponents on the left quickly condemned his remarks as an attack on the French "social model," which has had a strong safety net in place for nearly 40 years.²

Sarkozy is a well-known figure in France. As an important political lieutenant of President Chirac, he helped to continue the UMP as a major force in French politics. He has a clear persona among the voters, who see him as decisive, hard-working, and emphatic in his views. He cast himself as an "outsider" by calling for a "rupture" with past practices in leading the country. At the same time, those who have worked closely with him describe him as a "deal maker," implying a practicality not always publicly visible.³

Domestic Issues

As Interior Minister in 2005, Sarkozy referred to young rioters in the suburbs of several major French cities as "scum" and said they should be washed away "with a power hose." Critics of such language contend that the rioters were largely economically disadvantaged and were often North African Muslim youth ostracized by elements of French society. In 2006 he promised to deport more illegal immigrants than were deported in 2005, a pledge he carried out. At the same time, he urged Muslim youth to become more involved in French society and promised to begin a program of "positive discrimination" to ensure their entry into public institutions and the job market as gateways into broader society. The announcement of his election brought young people into the streets in several cities, with nearly 400 cars burned the night of May 7 and several hundred people taken by the police for questioning.

² "Le discours de Nicolas Sarkozy sur mai 68," *Le Monde*, April 30, 2007.

³ Interviews with French observers, April-May 2007.

⁴ For a discussion of French efforts to assimilate its Muslim population, see CRS Report RL33166, *Muslims in Europe: Integration in Selected Countries*, by Paul Gallis et al.

Sarkozy, 52, began his campaign for the presidency in earnest in late 2006 and at first sought to build a more moderate image. The UMP nominated him in January 2007. In a speech before the party faithful, he said that he had changed. He recounted difficult moments in his personal life and said that, because of certain failures, he had become a milder, more inclusive leader. In his speeches, he ranged across a variety of issues, for which he developed often detailed positions. At the same time, his image as tough on illegal immigration and crime shadowed him closely; it gathered supporters from the extreme right and reassured those who believe that there are too many foreigners in France.⁵

In early March 2007, Sarkozy, unable to put significant distance between himself and his principal rivals for the presidency, reverted to a harder line. If elected, he said, he would establish a ministry of "Immigration and National Identity," a proposal that appeared to be an effort to pull in more voters from the extreme right. The proposal led some to question whether such a ministry was meant to intimidate immigrants to accept vague, undefined prescriptions of "Frenchness." A month earlier, he told an audience, "If you want to become French, then you must be proud of France." He refused a demand from the Algerian government, as a requirement for final agreement to a friendship treaty, that France apologize for its era of colonization in Algeria and for brutal measures taken by some French forces in Algeria's war for independence. He said that most French citizens who went to Algeria during the era of colonization "were neither monsters nor exploiters ... but men who believed in good faith that they were serving an ideal of civilization."

Sarkozy has laid out a plan to revitalize the French economy, but his message has been mixed. Critics in his own party and on the left have branded him as too "liberal," or free market. The Organization for Economic Cooperation and Development has long held that the French economy should loosen regulations on the hiring and dismissal of workers to build a flexible labor marketplace better able to infuse workers with new skills into the economy. Sarkozy supports a more "flexible" employment contract that would allow employers to fire workers more easily. He has criticized the 35-hour work week, put into law by a Socialist government, as inhibiting employees who wish to work more and earn more. He is promising tax-free income for those who work beyond 35 hours.⁷

His message on the international economy is more restrictive. He opposes the acquisition or takeover of French "strategic" companies by foreign entities. He condemned the purchase in 2006 of Arcelor, a French steel company, by the Dutch company Mittal. During the campaign, Sarkozy said that "free trade" is a "policy of naïveté." In 2004, as Finance Minister, he brokered a deal to merge the two French companies Aventis and Sanofi to ward off a takeover by a Swiss company. More recently, he said, "If I am president, then France will have a real industrial policy." After his election, he said that the EU must "protect" national industries. He has blamed French unemployment in part on the European Central Bank's tight monetary policy, which, in his view, keeps the Euro at an artificially high level compared with the yen and the dollar, and thereby harms exports and economic growth. 8

⁵ "M. Sarkozy centre sa campagne sur la France et le travail," *Le Monde*, January 16, 2007, p. 10. Interviews in France, February-March 2007.

⁶ Cited in "Nicolas Sarkozy prône désormais le 'métissage des cultures," *Le Monde*, February 9, 2007, p. 10.

⁷ "France's Three Rivals Frustrate Economists," *Financial Times*, March 30, 2007, p. 4.

⁸ "Sarkozy Warns EU To Revise Fiscal Policy or Lose Popular Support," *Financial Times*, April 3, 2007, p. 4; "Sarkozy Underlines Resolve to Block Foreign Investors," *Financial Times*, March 30, 2007, p. 4.

Foreign Policy

Sarkozy presents himself as a friend of the United States who will nonetheless not be slavish to U.S. foreign policy objectives. In September 2006, he gave a speech in Washington in which he acknowledged that the U.S.-French relationship would always be "complicated." He expressed his admiration for American culture, openness, and entrepreneurship. He proclaimed himself an "Atlanticist," and argued that a stronger EU would not be a rival but a better partner to the United States in solving problems around the world. Sarkozy criticized French condemnation of the U.S. invasion of Iraq as needlessly negative and political, 9 a possible swipe at President Chirac, who called Sarkozy's speech "lamentable."

After his election, Sarkozy again stated his friendship for the United States, but added that "friendship is accepting the fact that friends think differently." He said that the United States has a duty to lead the effort to combat global warming.¹⁰

Sarkozy's foreign policy positions, however, have not centered on the United States. He views Iran as the greatest danger to French interests and a highly destabilizing influence in the Middle East. Sarkozy supports the efforts of the "EU-3" (France, Britain, and Germany) and the United States to use economic sanctions to dissuade Iran from developing nuclear weapons, which he views as a direct threat to Israel's existence. Sarkozy has pledged close relations with Israel. Unlike President Chirac, and many European leaders, Sarkozy refers to Hezbollah as "terrorists." At the same time, he proposed in June that a conference on Lebanon's future be held; his government invited a Hezbollah member to the conference. The French government does not officially view Hezbollah as a terrorist organization because Hezbollah has democratically elected members in the Lebanese parliament, and its political wing has taken steps, such as social assistance to those in need of jobs and health care, to aid segments of the population.

Since the late 1950s, the most important French leaders have strongly embraced the European Union. Sarkozy, like his rival Royal, lacks this passion for the EU. As already noted, he places blame for slow French economic growth at the doorstep of the EU and has pledged to use a "diplomatic offensive" to persuade the EU to pursue a stronger anti-dumping policy and the European Central Bank to lower the value of the Euro to boost trade and employment. He believes that the EU constitution, defeated in a referendum in France in 2005, should be put in a simplified form before the French Parliament for debate and possible passage. Sarkozy opposes Turkish membership in the EU, stating simply that "Turkey is not a European country." Sarkozy's government is considering blocking the EU from negotiating a "chapter" on European Monetary Union with Ankara, a step that might relegate Turkey from the status of a prospective membership to one of a special partnership. 12

Sarkozy believes that western leaders should be more critical in their assessments of developments in Russia and China. He believes that good trade relations with the two countries are important, but has sharply criticized Russia over human rights violations in Chechnya, and China over treatment of its dissidents.

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⁹ Sarkozy speech before the French American Foundation, Washington, DC, September 12, 2006.

¹⁰ Cited in "Sarkozy, Elected in France, Vows Break with Past," New York Times, May 7, 2007, p. A1.

¹¹ Ibid.; "Sarkozy veut que la BEC baisse euro," *Libération.fr*, March 29, 2007.

¹² "Nicolas Sarkozy, révélateur des ambiguités turques," *Le Monde*, June 19, 2007.

Sarkozy has been critical of President Chirac's use of the French armed forces. To protect the country's key interests, Sarkozy argues that French forces must be carefully marshaled and not overextended. He has said that he would not allow French troops to become "bogged down" in an operation such as the one in the Ivory Coast, a reference to a French military presence there meant to bring stability. Throughout his campaign he has indicated that, if elected, he will reduce France's military footprint in Africa. He has expressed "regret" at Chirac's removal of French special forces from Afghanistan, a view implying support for the U.S. and NATO effort to stabilize that country. At the same time, Sarkozy has said that the French army "is not an expeditionary corps that is supposed to play the role of firemen and gendarmes in the four corners of the world." He supports continued increases in the French defense budget to reach a figure equaling or exceeding 2% of GDP a year, in line with an informal prescription by NATO for member states.

Although Sarkozy expresses admiration for U.S. values and supports a major U.S. role in the world, he has called the U.S. invasion of Iraq "an historic mistake" that has allowed Iran to expand its power in the region. He has chided the American public and urged them to "be more interested in the world." Sarkozy has criticized anti-Americanism in France, and has added that although he will be a friend to the United States, he will follow France's traditionally independent foreign policy.

Sarkozy's Government

Sarkozy has indicated that he will take a very active role in day-to-day management of his government. He appointed a close advisor, François Fillon, as his prime minister. Fillon is a moderate in the Gaullist Party, with considerable experience both in foreign policy and in education. He has traveled to the United States on a number of occasions.

Sarkozy has created an advisory body, similar to the U.S. National Security Council, for foreign policy. He named Jean-David Levitte, ambassador to the United States since 2003, as the head of the council. Sarkozy also named Bernard Kouchner as his foreign minister. Kouchner, a member of the Socialist Party, is a physician who was the co-founder of Doctors without Borders. Kouchner is known for his strong humanitarian sentiments; he supported the U.S. invasion of Iraq on grounds that the United States was justified in overthrowing a tyrant who had murdered and humiliated his own people. Kouchner's paternal grandparents were Russian Jews who fled to France in the early 20th century, only to die in Auschwitz. Kouchner is regarded as a supporter of NATO and the United States.

Royal: The Socialist as "Outsider"

Ségolène Royal began her presidential campaign in 2005 using new tactics in an effort to gain national recognition. In 2004, she defeated former Gaullist Prime Minister Pierre Raffarin for the presidency of the Poitou-Charentes region, a feat that made her a prominent figure in the Socialist Party. She has served primarily in junior ministerial positions under previous Socialist

¹³ "M. Sarkozy veut impliquer plus le Parlement dans la politique de défense," *Le Monde*, January 27, 2007, p. 10; interviews in France, Febrary-March 2007.

¹⁴ "Sarkozy: 'J'aime l'énergie et la fluidité de l'Amérique," *Le Monde*, September 10-11, 2006, p. 6; "Sarkozy Outlines Foreign Policy," *Financial Times*, March 1, 2007, p. 3.

governments and developed a reputation for boldness and assertiveness. She is a graduate of the National School of Administration. Navigating the internal party structures to leapfrog prominent rivals for the nomination such as Laurent Fabius, a former prime minister, and Dominique Strauss-Kahn, a well-regarded former finance minister, was a formidable undertaking.

Royal, 53, developed a campaign based on direct contact with the voters, a strategy designed to circumvent to some degree but also to influence the internal party process for the nomination. In some ways, her campaign was a roll of the political dice. Traditionally, Socialist candidates wait their turn, with the party nomination going to a senior figure of long experience. Royal sought instead to jump the line. If she could demonstrate a national appeal, the party bosses, known popularly as "elephants," might find difficulty in denying her the nomination. She reportedly antagonized some of the elephants when she said, "I am tied to no network, no money source, no lobby, no major media, no large commercial enterprise." She omitted any debt to the Socialist Party structure.¹⁵

The elephants manage a large national network of party *militants*, primarily local elected officials such as mayors and town council members, who are influential in their communities. Circumventing the elephants risked losing parts of this network. Royal's former partner, François Hollande, is chairman of the Socialist Party and one of the elephants. He seemed to undercut her early in the campaign when he openly opposed her tax plan, which he found too moderate. Royal never succeeded in bringing her party together, a central reason for her loss. ¹⁶

Royal sounded a generally moderate message, concentrating on the home and family, and developed an interactive website, where she carried on a dialogue with voters and featured debates and discussions of policy issues by prominent officials, local leaders, and others.

A member of the National Assembly, Royal raised issues of interest to the French population on the website and solicited the public's opinion. Her campaign of "participatory democracy" was controversial. She held meetings across France with public groups where she pledged to listen to the voice of the average French person before coming to settled policy positions, a practice sharply different from that of previous Socialist candidates and Sarkozy. In a country where voters are used to Socialist Party leaders presenting highly defined and finely tuned positions on policy questions to the public, this tactic is unusual. Her political challenge was to listen carefully, but at the same time to demonstrate leadership and creative thinking in guiding the public to resolution of important issues. Even after she bested her party rivals and won the nomination in November 2006, she continued her "listening campaign" and, in the view of some party observers, was slow to articulate a formal position on key issues. ¹⁷ For example, when initially asked whether she supported Turkish membership in the EU, an idea opposed by the majority of the French population, she seemed to some to respond disingenuously by saying that she would "listen to the French people" and submit the matter to a referendum, a vote likely to be negative. ¹⁸

¹⁵ "Ségolène Royal: 'Je ne dois rien à personne si ce n'est au peuple français,'" *Le Monde*, March 6, 2007, p. 8; interviews with French observers, March 2007. Some observers, traditionally on the left, criticize the Socialist Party as increasingly unimaginative and ossified by a rarely changing leadership. See, for example, André Glucksmann, "Pourquoi je choisis Nicolas Sarkozy," *Le Monde*, January 30, 2007, p. 21.

¹⁶ Interviews with French observers, February-March 2007.

¹⁷ Interviews with French observers, March 2007; Michel Noblecourt (editorial), "La Course au projet de Ségolène Royal," *Le Monde*, January 26, 2007, p. 2.

¹⁸ Interviews with French observers, January-March 2007.

Such apparent indecisiveness was a factor leading to a sharp decline in her standing in the polls in January and February 2007.

Like Sarkozy, Royal exhibited passion neither for the European Union nor for the legacy of 1968. She staked out a position, described below, on the EU constitution likely to have left it in limbo had she been elected. Although she voiced respect for those leading the social upheaval of 1968, she avoided a strong endorsement of its heirs by noting that she was only a secondary-school student at the time of the events.¹⁹

Domestic Issues

Royal also addressed the issue of immigration and integration of Muslims into French society. In the Socialist Party tradition, she insisted that France remain a secular country and that young Muslims learn to speak French well and perform well in French schools. She opposed a system of "positive discrimination" (affirmative action), promoted by Sarkozy, for immigrants. At the same time, she supported policy initiatives to assist many young people in France. She pledged to increase the number of teachers, raise the minimum wage by 20% by 2012, and inaugurate a system of state-funded first jobs.²⁰

Royal had a tough message meant to bring greater order and discipline to the public school system. She would have sent troublesome students to military-style "boot camps" to educate them about appropriate social conduct. This suggestion brought criticism from elements of the Socialist Party, but appealed to parts of the center and right on the political spectrum. Royal was reportedly raised in a strict environment, and she is the daughter of a military family that lived in a former colony.

Royal's views on how to reinvigorate the economy were in sharp contrast to those of Sarkozy. She pledged to scrap the "flexible contract," which allows short-term hiring and eases the firing of employees, for small businesses. She would have extended the 35-hour work week to a larger part of the workforce. She would also have re-nationalized the large utility, Electricité de France, and merged it with the state-owned company Gaz de France to create a public sector company. Such a policy would have run counter to EU efforts to persuade member governments to privatize state enterprises. She agreed with Sarkozy that the European Central Bank should be persuaded to weaken the Euro in order to generate more exports and expand the economy.

Foreign Policy

Royal has no experience in foreign policy, and she made several slips that brought criticism. However, most of her views were conventional within the general French approach to key issues. Like Sarkozy, she believed that France should maintain its independent nuclear force, and like Sarkozy, she also believes that France should spend at least 2% of GDP a year on defense.

¹⁹ Ségolène Royal, *Maintenant*, excerpts from her political biography in *Le Monde*, April 27, 2007.

²⁰ "Ségolène Royal: 'Je ne dois ...,'" op. cit.

²¹ Interviews in France, Febrary and March 2007.

²² "France's Three Rivals Frustrate Economists," Financial Times, March 30, 2007, p. 4.

Several stumbles on foreign policy may have damaged her standing in the polls. She reportedly called for a "sovereign" Quebec, a view long ago abandoned by most French nationalists. The Canadian prime minister rebuked her for the comment. While visiting Lebanon, a Hezbollah member of the Lebanese Parliament, in a group meeting with her, compared Israel to the Nazis. She criticized some of his remarks, but did not refer to this particular comment. After she was taken to task by her political opponents in France, she said that the interpreter had not translated the remark, made in Arabic, likening Israel to Nazi Germany. She condemned the comments by the Hezbollah representative several days later.²³

Royal described herself as a "committed European" but she is clearly not an ardent supporter of the EU. She did not support a second vote in France on the proposed EU constitution, preferring instead a debate and then a referendum on a new "Protocol" capturing the essence of several aspects of the constitution, especially matters related to "social progress," the role of public services, and protection of the environment. ²⁴ Because there is no consensus throughout the EU on social issues, such a protocol has no chance of passage in Europe. She moderated her views on Turkey and supported Turkey's membership in the EU if it achieves the progress towards full democracy laid out by the EU Commission. She believed that Turkey would add an important geostrategic advantage to the EU and strike a blow against those who accept or support a "clash of civilizations." ²⁵

Royal was sharply critical of Bush Administration foreign policy. She described as "unilateralist" the 2003 U.S. invasion of Iraq. A campaign document, drafted by an aide, on the Socialist Party website described Sarkozy as "a Bush clone" whose "nourishing milk is American neoconservatism." Referring to Sarkozy, the document asks, "Is France ready to vote in 2007 for an American neo-conservative with a French passport?" After the first round vote, Royal added that, "I am not for a Europe that aligns with the U.S." Such comments may have been designed to tap into widely held sentiments in France critical of the Bush Administration and, more generally, a broad anti-Americanism that has increased in the past several years. 28

Royal was not specific in her assessment of NATO's tasks and its future, but she has said that it is "doing too much, moving into new fields that it should not be pursuing." Such a view may be in line with a position evident across much of the political spectrum that NATO should concentrate on military issues and build collective defense, rather than venture into political areas such as state-building, more in the realm of responsibility of the European Union.

²⁶ "Pour le PS, M. Sarkozy s'inspire des néoconservateurs américains," *Le Monde*, January 10, 2007, p. 10.

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²³ "Mme Royal critiquée à Paris, bienvenue au Proche-Orient," *Le Monde*, December 5, 2006, p. 11.

²⁴ "Ségolène Royal: 'Je ne dois ...,"" op. cit.

²⁵ Maintenant, op. cit.

²⁷ "Royal Accuses Rival of Apology to Bush on Iraq; Sarkozy Denies It," New York Times, April 27, 2007, p. A8.

²⁸ In summer 2006, 39% of those polled in France had a positive view of the United States. "Image of U.S. Falls Again," *International Herald Tribune*, June 14, 2006; and "Europeans See US as Greater Threat to Stability than Iran," *Financial Times*, June 19, 2006, p. 1.

²⁹ "Défense: Mme Royal dénonce l'absence de priorités de la droite," *Le Monde*, March 6, 2007, p. 9.

Assessment of the Campaign

Sarkozy appears to have won because he pledged 'reform' of the French economy and because he forcefully laid out clear positions on a range of subjects. He toughened his already hard line on limiting immigration and cracking down on crime. He projected an energy and a decisiveness that seemed to many voters lacking in the previous generation of French leaders. His well-publicized rift with President Chirac, now highly unpopular, may in the end have helped him by giving some credibility to his claim to be an outsider. In the end, he was able to overcome the negative perception that many hold of him, as he succeeded in gaining half the voters who supported the centrist François Bayrou in the first round.

Royal introduced a new, more direct style of politics to France in her campaign of "participatory democracy." However, observers assert she was unable to define herself and some of her ideas clearly. It did not seem to many voters that she was offering something starkly different from Socialist candidates of the past, given the spending programs and implicit tax increases at the center of her economic policies. The Socialist Party has lost the last three presidential elections, in 1995, 2002, and now, 2007. Royal has said that she will challenge Hollande for leadership of the party, a move regarded as an effort to modernize the party and move it towards the center. Many observers believe that the party must accept globalization and modernize its views on state intervention in the economy to prevent fragmentation of the party.³⁰

Legislative Elections

Under the revised electoral law that governed the 2002 as well as the current elections, legislative elections followed the second round presidential vote in two rounds, on June 10 and 17. A high point of popularity for a French president is often early in a term, a factor that the UMP hoped would enhance chances for an increased parliamentary majority.

As noted above, the UMP in fact lost seats in the legislative elections. Before the second round of legislative elections, a minister mentioned that the government was contemplating a rise in the consumer tax. This announcement may have triggered opposition to some of the UMP's candidates. The UMP lost 46 seats, compared to the previous parliament. Thirty-two center-right deputies from other parties will likely support the UMP, but it enjoys a majority in the 577-seat legislature even without this group. The Socialists gained seats, adding 78 deputies for a total of 227. François Bayrou, who finished third in the presidential elections, saw his party dwindle to 4 seats. The racist National Front Party of Jean-Marie Le Pen won no seats.³¹

Implications for the United States

The essence of the U.S.-French relationship is unlikely to change substantively under Sarkozy's presidency. Trade disputes will continue to be managed through the European Union. Some U.S. officials believe that Sarkozy will be more "practical" in discussing the EU's European Security and Defense Policy (ESDP) with the United States; they believe that President Chirac has impeded cooperation between NATO and the EU by insisting that the United States, rather than

³⁰ Interviews with French observers, May 2007; Colombani, "Deux Frances," op. cit.

³¹ "Le Profil-type des députés," Le Monde, June 19, 2007.

NATO, engage in discussions over strategic issues with the Union, and by pressing for an "EU caucus" in NATO, where EU member states would present a united position on selected issues to the United States and NATO governments not in the Union.³²

At the same time, any relationship between allies is a two-way street. Just as some U.S. officials believe that President Chirac has been an impediment to improved relations, many observers in France, in the wake of the U.S. invasion of Iraq and highly politicized criticism of France emanating from parts of the U.S. government and media, believe that only the end of the Bush Administration will lead to a moment when the political atmosphere between the two countries can improve. Sarkozy expresses admiration for the United States, but many in the Gaullist Party and in the general population remain disdainful of the Bush Administration.³³

Despite sharp differences with the Bush Administration, the Chirac presidency worked closely with the United States on several key issues. These efforts relieved pressure on U.S. resources by contributing to a sharing of the burden for missions important to U.S. and allied security. By all accounts, U.S.-French cooperation against terrorism, primarily through EU structures but also bilaterally, is excellent. Sarkozy, as Interior Minister, was intimately involved in this cooperative effort. France, like the United States, is deeply critical of the Syrian government, and the two countries have worked together to reduce Syria's influence in Lebanon and to shore up the Lebanese government. Sarkozy announced after his election that France would once again engage Syria in an effort to stabilize Lebanon. At the same time, he had tough words for the Syrian government, and said that France will support the continuing U.N. investigation into possible Syrian involvement in the murder of former Lebanese prime minister Rafiq Hariri.

On the other hand, some French officials believe that the Bush Administration should have used its influence to restrain Israel in its response to attacks by Hezbollah in summer 2006, a response that badly battered the Lebanese economy and political leadership. As noted above, France is one of the EU-3 countries working with the United States to block Iran's nuclear ambitions through negotiations and by imposing and maintaining economic sanctions.

France also contributes to NATO's International Security Assistance Force (ISAF) in Afghanistan, where French forces provide security in Kabul and train elements of the Afghan army. Sarkozy has said that France will keep its forces in Afghanistan, but "not indefinitely." U.S. officials believe that France continues to modernize its armed forces to be more "expeditionary," or capable of distant missions in an era of global terrorism and proliferation of weapons of mass destruction. France also plays a role in the EU stabilization mission in Bosnia-Hercegovina and the NATO mission in Kosovo.

Sarkozy believes that French forces are overextended, largely in peacekeeping missions. Should he withdraw such forces from current missions, there will be more pressure on the United States and other governments to fill in this shortfall with forces of their own.

³³ Discussions with French officials and observers, March-May 2007; "Image of U.S. Falls Again," op. cit.

Congressional Research Service

³² Interviews with U.S. officials, 2007.

³⁴ For a detailed discussion, see CRS Report RL32464, *France: Factors Shaping Foreign Policy, and Issues in U.S.-French Relations*, by Paul Gallis.

Author Contact Information

Paul Gallis Specialist in European Affairs pgallis@crs.loc.gov, 7-7679