

## The Sarkozy Revolution: Five Recommendations for the New French President

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The victory of Nicolas Sarkozy in the French presidential election presents the best hope for French political reform since the publication of Alexis De Tocqueville's *L'Ancien Régime* in 1856. Sarkozy, the son of a Hungarian immigrant, has vowed to transform France from a backward-looking, outdated, rapidly declining country into a modern, globally focused nation. In almost messianic terms, he has pledged a break with the past and a new era for the French people.

Arrayed against him, however, is a powerful coalition of vested interests, from the communist-dominated trade unions to the elites who dominate the civil service, not least the French Ministry of Foreign Affairs, the Quai d'Orsay. In addition, the new French president must contend with long-term civil unrest in the immigrant-dominated suburbs of France's major cities, where mobs of largely Muslim youths are already rioting against the new regime. Out of all European Union countries, France is by far the most resistant to change, with the deepest entrenched vestiges of socialism and hostility to the free market.

If Sarkozy is serious about transforming France, he will have to lead a Herculean effort. On the domestic front, he must confront the biggest elephants in the room: the 35-hour workweek and job protection laws that have contributed to a 20 percent unemployment rate among young people. In Europe, Mr. Sarkozy must show that he is serious about reforming the European Union's Common Agricultural Policy (CAP), the largest protectionist racket in the world, and bring an end to French bullying

within the EU. On the world stage, France must become serious about confronting the biggest threats of the day, from the rise of a nuclear-armed Iran to global terrorism. It is in the U.S. interest to have a France that is firmly anchored to the transatlantic alliance and looks to Washington and London, not just Brussels, to advance its foreign policy agenda.

## Five Recommendations for the Sarkozy Administration:

*First, advance economic freedom.* There is a simple reason why hundreds of thousands of the best and brightest French workers have fled France in recent years for Great Britain: the lack of economic liberty. France is the only Western European society that produces economic refugees rather than attracts them. France currently ranks 45th in the Heritage Foundation/Wall Street Journal's Index of Economic Freedom, behind developing countries such as Barbados, El Salvador, and Botswana, and places 26th out of 41 European nations. Sarkozy will have to deregulate the French labor market, lift restrictions on foreign investment, and scrap the 35-hour workweek as first steps in real economic reform. In addition, the new French government must rein in government spending, which currently accounts for a staggering 53.7 percent of GDP.1

> This paper, in its entirety, can be found at: www.heritage.org/research/Europe/wm1448.cfm

Produced by The Margaret Thatcher Center for Freedom

Published by The Heritage Foundation 214 Massachusetts Avenue, NE Washington, DC 20002–4999 (202) 546-4400 • heritage.org

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Sarkozy must also challenge traditional French support for farm subsidies and call for an end to the elephantine Common Agricultural Policy. The CAP is a vast system of farm subsidies that benefits many of Europe's richest farmers at the expense of producers in the developing world, primarily in Africa. It has been described by the British Ambassador to Poland as "the most stupid, immoral state-subsidized policy in human history, give or take communism."2 The CAP accounts for a massive 40 percent of the EU's 100 billion euro budget, and European taxpayers are forced to pay over 80 billion euros in subsidies and higher food costs.<sup>3</sup> The biggest beneficiary has been France, whose farmers receive up to a quarter of EU agricultural subsidies, amounting to over 150 billion euros between 1994 and 2003.4

Second, support the principle of national sovereignty in Europe. A Sarkozy administration must recognize that the European Union is a collection of independent nation states, not a convenient vehicle for advancing an elite Parisian vision of Europe. Any attempt to resurrect the European Constitution, emphatically rejected by the French public in 2005, will meet with strong resistance in many parts of Europe, especially Britain, Poland, the Netherlands, and the Scandinavian countries. The constitution would lead to the creation of a European superstate with a centralized foreign and defense policy, seriously undermining the principle of national sovereignty in Europe. This would be in the interest of neither Europe nor the United States.

Sarkozy should also reject the previous French administration's condescending approach to European negotiations, taking note of the resentment in Eastern and Central Europe over Chirac's petulant outburst in 2003 against applicants to the European

Union (including Poland, Hungary, and Bulgaria), whom he described as "childish and dangerous" for supporting U.S. policy on Iraq.<sup>5</sup> He must also seek to repair the tense relationship between Paris and London, significantly damaged by disagreements over the war in Iraq.

Third, play a bigger role in NATO operations in Afghanistan. There is no prospect of the new French government sending troops to Iraq to help stabilize the country. France does, however, have 1,100 soldiers in Afghanistan who perform a largely noncombat role. The bulk of the fighting against the Taliban in southern Afghanistan is being carried out by the English-speaking nations of the United States, the United Kingdom, Canada, and Australia, who, combined, have contributed 23,300 troops to the International Security Assistance Force (ISAF), or nearly two-thirds of the 36,750-strong NATO operation. Major European countries such as Germany and France are continuing to hide behind up to 70 "caveats" which are aimed at keeping their troops out of harm's way.

It is unacceptable that British, American, Australian, Canadian, Polish, and Dutch troops are laying down their lives in counterterrorist operations while fellow NATO member states participating under the same operational command refuse to help. NATO must return to its original "all for one, one for all" spirit or perish as an institution. President Sarkozy should support both the deployment of more French forces to Afghanistan and a combat role for French troops alongside their Allied counterparts. It is time for Paris to prove that it is serious about the global battle against al-Qaeda and its allies, such as the Taliban. If France is not committed to NATO operations, it should reconsider its membership in the organization.

<sup>6.</sup> International Security Assistance Force Fact Sheet, at www.nato.int/isaf/media/pdf/placemat\_isaf.pdf.



<sup>1.</sup> Tim Kane, Kim R. Holmes, and Mary Anastasia O'Grady, 2007 *Index of Economic Freedom* (Washington, D.C.: The Heritage Foundation and Dow Jones & Company, Inc., 2007), at <a href="https://www.heritage.org/index/country.cfm?id=France">www.heritage.org/index/country.cfm?id=France</a>.

<sup>2.</sup> Quoted by Ferdinand Mount, "Blair Should Keep Our Rebate and Give Cash to the EU Needy," *The Daily Telegraph*, December 16, 2005.

<sup>3. &</sup>quot;Charles Bremner and Anthony Browne, "French Farmers, the British Rebate and a European Moment of Truth," *The Times*, June 14, 2005.

<sup>4.</sup> Ibid

<sup>5.</sup> Ambrose Evans-Pritchard, "Fury as Chirac Threatens New EU States," The Daily Telegraph, February 18, 2003.

Fourth, call for an end to European investment in Iran. As a permanent member of the U.N. Security Council and a leading European Union power, France has an important role to play in increasing international pressure on Iran to cease its nuclear program. France should support U.S. and British calls for European Union countries to end their export guarantees for trade with Tehran and cease investment in the country. Iran derives 35 percent of its total imports from the European Union, and European exports to Iran are worth over 12 billion euros a year. <sup>7</sup>

France provides export guarantees to Iran worth 1 billion euros per year, while Germany and Italy provide 5.5 billion and 4.5 billion euros, respectively. France is Iran's second largest import partner after Germany, providing 8.3 percent of total imports. Short of military action, sustained economic pressure is the best way to force the mullahs of Tehran to back down over their nuclear ambitions.

Fifth, place human rights at the center of French foreign policy. For many decades, the French government and French companies have operated foreign and investment policies without consideration of human rights concerns. These range from extensive dealings with Saddam Hussein's Baathist dictatorship in Iraq to highly unethical investments in Asia and the Middle East. In addition, France has ignored EU travel bans on African despots, such as Zimbabwe's Robert Mugabe. <sup>10</sup>

Under Nicolas Sarkozy, France should adopt a foreign policy that places human rights at its heart. A good start would be a government-backed ban on French investment in Burma, currently ruled by a brutal military junta, and French support for Euro-

pean sanctions against the dictatorship. France's Total Oil, the fourth largest producer in the world, is the biggest foreign investor in Burma, generating an estimated \$200 million to \$450 million in annual revenue for the Burmese regime. Paris should also back tougher sanctions against the Sudanese government in Khartoum, which is responsible for mass ethnic cleansing by Janjaweed militias in the Darfur region, and support the establishment of a NATO-enforced no fly zone to halt the genocide.

Sarkozy's electoral victory provides an excellent opportunity to overhaul French policy toward Africa, a goal Sarkozy alluded to in earlier speeches. Paris has long viewed its former territories in Francophone Africa (as well as former Belgian colonies) as neo-colonial playgrounds for advancing French economic, political, and strategic interests. Jacques Chirac did nothing to support the cause of liberty and freedom on the African continent.

The new French regime should acknowledge and apologize for the role played by François Mitterrand's government in providing safe haven for the Hutu militias responsible for the 1994 Rwandan genocide, the darkest episode of modern African history. The mass extermination in the killing fields of Rwanda must never be repeated, and it is important that the French government take responsibility for any part French officials played in protecting and even arming those who carried out the slaughter of 800,000 Tutsis. If Sarkozy opens the archives revealing the full secrets of France's activities in Rwanda, it would be a huge gesture signifying a fresh start for French foreign policy.

**Conclusion.** The world will benefit from a humbler France, shorn of the arrogance and hos-

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<sup>7. &</sup>quot;Europe and the Mullahs: How the EU Subsidizes Trade With Iran," The Wall Street Journal, February 20, 2007.

<sup>8.</sup> Ibid

<sup>9.</sup> Based on 2004 figures. See James Phillips and Peter Brookes, "Iran's Friends Fend Off Action at the U.N. Security Council: Here's Why," Heritage Foundation WebMemo No. 1071, May 11, 2006, at www.heritage.org/Research/MiddleEast/wm1071.cfm.

<sup>10.</sup> See Adam Sage, "Mugabe's Praise Discredits Chirac," The Times, February 22, 2003.

<sup>11. &</sup>quot;Total Oil: Fuelling the Oppression in Burma," The Burma Campaign UK, February 2005, at www.burmacampaign.org.uk/ PDFs/total%20report.pdf.

<sup>12.</sup> For background on France's role in the Rwandan genocide, see Chris McGreal, "France's Shame?" *The Guardian*, January 11, 2007, at www.guardian.co.uk/france/story/0,,1987597,00.html; RW Johnson, "Blood on their Hands," *Sunday Times*, November 12, 2006; Jonathan Clayton, "Anger at France Drives Rwanda Into Arms of the Commonwealth," *The Times*, February 16, 2007. See also Andrew Wallis's book, *Silent Accomplice: The Untold Story of France's Role in the Rwandan Genocide* (London, IB Tauris, 2006).

tile anti-Americanism of the Chirac administration and standing up to dictators instead of feeding them. A France that seeks to play a constructive role internationally can serve as a useful ally for the United States and the United Kingdom, especially in the global war on terrorism. In contrast, an inward-looking, insecure France that constantly lashes out will prove an increasingly difficult thorn in America's side.

Nicolas Sarkozy is a unique figure on the French political scene, but it remains to be seen whether he can bring about the change in both domestic and foreign policy that is so badly needed to restore France's battered image. While

Washington policymakers should strongly support efforts by the new French president to reform France's moribund economy and repair frayed relations with the United States, they should be under no illusions about the scale of the task at hand for Mr. Sarkozy. What is required for a reinvigorated, pro-Atlanticist France is little short of a political miracle. The end result, though, may prove to be no more than a mirage.

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