

FRANCE OVERVIEW



OFFICIAL NAME:

French Republic

A. General**Geography**

Area: 551,670 sq. km. (220,668 sq. mi.); largest west European country, about four-fifths the size of Texas.

Cities: *Capital*--Paris. *Other cities*--Marseille, Lyon, Toulouse, Strasbourg, Nice, Bordeaux.

Terrain: Varied.

Climate: Temperate; similar to that of the eastern U.S.

People

Nationality: *Adjective*--French.

Population: 58 million.

Annual growth rate: 0.5%.

Ethnic groups: Celtic and Latin with Teutonic, Slavic, North African, Indochinese, and Basque minorities.

Religion: Roman Catholic 90%.

Language: French.

Education: *Years compulsory*--10. *Literacy*--99%.

Health: *Infant mortality rate*--7/1,000.

Work force (25 million): *Services*--66%; *industry and commerce*--28%; *agriculture*--6%.

Government

Type: Republic.

Constitution: September 28, 1958.

Branches: *Executive*--president (chief of state); prime minister (head of government).

Legislative--bicameral Parliament (**577-member National Assembly, 319-member Senate**). *Judicial*--Court of Cassation (civil and criminal law), Council of State (administrative court), Constitutional Council (constitutional law).

Subdivisions: 22 administrative regions containing 96 departments (metropolitan France). Four overseas departments (Guadeloupe, Martinique, French Guiana, and Reunion); five overseas territories (New Caledonia, French Polynesia, Wallis and Futuna Islands, and French Southern and Antarctic Territories); and two special status territories (Mayotte and St. Pierre and Miquelon).

Political parties: **Rally for the Republic (Gaullists/conservatives); Union for French Democracy (a center-right conglomerate of 5 parties: Democratic Force, Republican Party, and Radical Party are the three major components.) Socialist Party; Communist Party; National Front; Greens; Ecology Generation; various minor parties.**

Suffrage: Universal at 18.

Economy

GDP: \$1.4 trillion.

Avg. annual growth rate: 3%.

Per capita GDP: \$23,000.

Agriculture: *Products*--grains (wheat, barley, corn); wines and spirits; dairy products; sugarbeets; oilseeds; meat and poultry; fruits and vegetables. *Industry: Types*--aircraft, electronics, transportation, textiles, clothing, food processing, chemicals, machinery, steel.

Trade (est.): *Exports*--\$305 billion: chemicals, electronics, automobiles, automobile spare parts, machinery, aircraft, foodstuffs. *Imports*--\$286 billion: crude petroleum, electronics, machinery, chemicals, automobiles, automobile spare parts. *Major trading partners*--EU, U.S., Japan.

B. People

Since prehistoric times, France has been a crossroads of trade, travel, and invasion. Three basic European ethnic stocks--Celtic, Latin, and Teutonic (Frankish)--have blended over the centuries to make up its present population. France's birth rate was among the highest in Europe from 1945 until the late 1960s. Since then, its birth rate has fallen but remains higher than that of most other west European countries. Traditionally, France has had a high level of immigration. About 90% of the people are Roman Catholic, less than 2% are Protestant, and about 1% are Jewish. More than 1 million Muslims immigrated in the 1960s and early 1970s from North Africa, especially Algeria. At the end of 1994, there were about 5 million persons of Muslim descent living in France.

Education is free, beginning at age 2, and mandatory between ages 6 and 16. The public education system is highly centralized. Private education is primarily Roman Catholic. Higher education in France began with the founding of the University of Paris in 1150. It now consists of 69 universities and special schools, such as the *Grandes Ecoles*, technical colleges, and vocational training institutions.

The French language derives from the vernacular Latin spoken by the Romans in Gaul, although it includes many Celtic and Germanic words. French has been an international language for centuries and is a common second language throughout the world. It is one of five official languages at the United Nations. In Africa, Asia, the Pacific, and the West Indies, French has been a unifying factor, particularly in those countries where it serves as the only common language among a variety of indigenous languages and dialects.

C. History

France was one of the earliest countries to progress from feudalism into the era of the nation-state. Its monarchs surrounded themselves with capable ministers, and French armies were among the most innovative, disciplined, and professional of their day.

During the reign of Louis XIV (1643-1715), France was the dominant power in Europe. But overly ambitious projects and military campaigns of Louis and his successors led to chronic financial problems in the 18th century. Deteriorating economic conditions and popular resentment against the complicated system of privileges granted

the nobility and clerics were among the principal causes of the French Revolution (1789-94).

Although the revolutionaries advocated republican and egalitarian principles of government, France reverted to forms of absolute rule or constitutional monarchy four times--the Empire of Napoleon, the Restoration of Louis XVIII, the reign of Louis-Philippe, and the Second Empire of Napoleon III. After the Franco-Prussian War (1870), the Third Republic was established and lasted until the military defeat of 1940.

World War I (1914-18) brought great losses of troops and materiel. In the 1920s, France established an elaborate system of border defenses (the Maginot Line) and alliances to offset resurgent German strength. France was defeated early in World War II, however, and occupied in June 1940. The German victory left the French groping for a new policy and new leadership suited to the circumstances. On July 10, 1940, the Vichy government was established. Its senior leaders acquiesced in the plunder of French resources, as well as the sending of French forced labor to Germany; in doing so, they claimed they hoped to preserve at least some small amount of French sovereignty.

The German occupation proved quite costly, however, as a full one-half of France's public sector revenue was appropriated by Germany. After 4 years of occupation and strife, Allied forces liberated France in 1944. A bitter legacy carries over to the present day.

France emerged from World War II to face a series of new problems. After a short period of provisional government initially led by Gen. Charles de Gaulle, the Fourth Republic was set up by a new constitution and established as a parliamentary form of government controlled by a series of coalitions. The mixed nature of the coalitions and a consequent lack of agreement on measures for dealing with Indochina and Algeria caused successive cabinet crises and changes of government.

Finally, on May 13, 1958, the government structure collapsed as a result of the tremendous opposing pressures generated in the divisive Algerian issue. A threatened coup led the Parliament to call on General de Gaulle to head the government and prevent civil war. He became prime minister in June 1958 (at the beginning of the Fifth Republic) and was elected president in December of that year.

Seven years later, in an occasion marking the first time in the 20th century that the people of France went to the polls to elect a president by direct ballot, de Gaulle won re-election with a 55% share of the vote, defeating Francois Mitterrand. In April 1969, President de Gaulle's government conducted a national referendum on the creation of 21 regions with limited political powers. The government's proposals were defeated, and de Gaulle subsequently resigned. Succeeding him as president of France have been Gaullist Georges Pompidou (1969-74), Independent Republican Valery Giscard d'Estaing (1974-81), Socialist Francois Mitterrand (1981-95), and neo-Gaullist Jacques Chirac (elected in spring 1995).

While France continues to revere its rich history and independence, French leaders are increasingly tying the future of France to the continued development of the European Union. During President Mitterrand's tenure, he stressed the importance of European integration and advocated the ratification of the Maastricht Treaty on European economic and political union, which France's electorate narrowly approved in September 1992.

Current President Jacques Chirac assumed office May 17, 1995, after a campaign focused on the need to combat France's stubbornly high unemployment rate. The center of domestic attention soon shifted, however, to the economic reform and belt-tightening measures required for France to meet the criteria for Economic and Monetary Union (EMU) laid out by the Maastricht Treaty. In late 1995, France experienced its worst labor unrest in at least a decade, as employees protested government cut-backs. On the foreign and security policy front, Chirac took a more assertive approach to protecting French peacekeepers in the former Yugoslavia and helped promote the peace accords negotiated in Dayton and signed in Paris in December 1995. The French have been one of the strongest supporters of NATO and EU policy in Kosovo and the Balkans.

D. Government

The constitution of the Fifth Republic was approved by public referendum on September 28, 1958. It greatly strengthened the authority of the executive in relation to Parliament. Under the constitution, the president is elected directly for a 5-year term. Presidential arbitration assures regular functioning of the public powers and the continuity of the state. The president names the prime minister, presides over the cabinet, commands the armed forces, and concludes treaties.

The president may submit questions to a national referendum and can dissolve the National Assembly. In certain emergency situations, the president may assume full powers. Besides the president, the other main component of France's executive branch is the cabinet. Headed by a prime minister, who is the nominal head of government, the cabinet is composed of a varying number of ministers, ministers-delegates, and secretaries of state. Parliament meets for one 9-month session each year. Under special circumstances an additional session can be called by the president. Although parliamentary powers are diminished from those existing under the Fourth Republic, the National Assembly can still cause a government to fall if an absolute majority of the total Assembly membership votes to censure.

The National Assembly is the principal legislative body. Its deputies are directly elected to 5-year terms, and all seats are voted on in each election. Senators are chosen by an electoral college for 9-year terms, and one-third of the Senate is renewed every 3 years. The Senate's legislative powers are limited; the National Assembly has the last word in the event of a disagreement between the two houses. The government has a strong influence in shaping the agenda of Parliament. The government also can link its life to any legislative text, and unless a motion of censure is introduced and voted, the text is considered adopted without a vote.

The most distinctive feature of the French judicial system is that it is divided into the Constitutional Council and the Council of State. The Constitutional Council examines legislation and decides whether it conforms to the constitution. Unlike the U.S. Supreme Court, it considers only legislation that is referred to it by Parliament, the prime minister, or the president; moreover, it considers legislation before it is promulgated. The Council of State has a separate function from the Constitutional Council and provides recourse to individual citizens who have claims against the administration.

Traditionally, decisionmaking in France has been highly centralized, with each of France's departments headed by a prefect appointed by the central government. In 1982, the national government passed legislation to decentralize authority by giving a wide range of administrative and fiscal powers to local elected officials. In March 1986, regional councils were directly elected for the first time, and the process of decentralization continues, albeit at a slow pace.

E. Political conditions

During his first 2 years in office, President Chirac's prime minister was Alain Juppe, who served contemporaneously as leader of Chirac's neo-Gaullist Rally for the Republic (RPR) Party. Chirac and Juppe benefited from a very large, if rather unruly, majority in the National Assembly (470 out of 577 seats). Mindful that the government might have to take politically costly decisions in advance of the legislative elections planned for spring 1998 in order to ensure France met the Maastricht criteria for the single European currency, Chirac decided in April 1997 to call early elections. The Left, however--led by Socialist Party leader Lionel Jospin, whom Chirac defeated in the 1995 presidential race--unexpectedly won a solid National Assembly majority (319 seats, with 289 required for an absolute majority) in the two rounds of balloting, which took place May 25 and June 1, 1997. President Chirac named Jospin prime minister on June 2, and Jospin went on to form a government composed primarily of Socialist ministers, along with some ministers from allied parties of the Left, such as the Communist and the Greens. Jospin stated his support for continued European integration and his intention to keep France on the path of toward Economic and Monetary Union, albeit with greater attention to social concerns.

The tradition in periods of "cohabitation" (president of one party, prime minister of another) is for the president to exercise the primary role in foreign and security policy, with the dominant role in domestic policy falling to the prime minister and his government. Jospin stated, however, that he would not a priori leave any domain exclusively to the president.

Jacques Chirac was re-elected in May 2002 and appointed Jean-Pierre Raffarin as Prime Minister.

F. Economy

With a GDP of \$1.4 trillion, France is the fourth-largest Western industrialized economy. It has substantial agricultural resources, a large industrial base, and a highly skilled work force. A dynamic services sector accounts for an increasingly large share of economic activity (72% in 1997) and is responsible for nearly all job creation in recent years. GDP growth averaged 2% between 1994 and 1998, with 3% recorded in 2000.

Government economic policy aims to promote investment and domestic growth in a stable fiscal and monetary environment. Creating jobs and reducing the high unemployment rate has been a top priority. The Government of France has successfully reduced a double-digit unemployment rate in excess of 10% to 8%-9%, recently. France joined 10 other European Union countries in adopting the euro as its currency in January 1999. Henceforth, monetary policy will be set by the European Central Bank in Frankfurt.

Despite significant reform and privatization over the past 15 years, the government continues to control a large share of economic activity: Government spending, at 53% of GDP in 2000, is the highest in the G-7. Regulation of labor and product markets is pervasive. The government continues to own shares in corporations in a range of sectors, including banking, energy production and distribution, automobiles, transportation, and telecommunications.

Legislation passed in 1998 shortened the legal workweek from 39 to 35 hours effective January 1, 2000. A key objective of the legislation is to encourage job creation, for which significant new subsidies will be made available. It is difficult to assess the impact of workweek reduction on growth and jobs since many of the key economic parameters, such as the impact on labor costs and company's ability to reorganize work schedules, will depend on the outcome of labor-management negotiations which should extend through 2000 and beyond.

France has been very successful in developing dynamic telecommunications, aerospace, and weapons sectors. With virtually no domestic oil production, France has relied heavily on the development of nuclear power, which now accounts for about 80% of the country's electricity production. Nuclear waste is stored on site at reprocessing facilities.

Membership in France's labor unions accounts for less than 10% of the private sector workforce and is concentrated in the manufacturing, transportation, and heavy industry sectors. Most unions are affiliated with one of the competing national federations, the largest and most powerful of which are the communist-dominated General Labor Confederation, the Workers' Force, and the French Democratic Confederation of Labor.

Trade

France is the second-largest trading nation in western Europe (after Germany). Its foreign trade balance for goods has been in surplus since 1992, reaching \$25.4 billion in 1998. Total trade for 1998 amounted to \$730 billion, or 50% of GDP--imports plus exports of goods and services. Trade with EU countries accounts for 60% of French trade.

In 1998, U.S.-France trade totaled about \$47 billion--goods only. According to French trade data, U.S. exports accounted for 8.7%--about \$25 billion--of France's total imports. U.S. industrial chemicals, aircraft and engines, electronic components, telecommunications, computer software, computers and peripherals, analytical and scientific instrumentation, medical instruments and supplies, broadcasting equipment, and programming and franchising are particularly attractive to French importers.

Principal French exports to the United States are aircraft and engines, beverages, electrical equipment, chemicals, cosmetics, and luxury products. France is the ninth-largest trading partner of the U.S.

Agriculture

France is the European Union's leading agricultural producer, accounting for about one-third of all agricultural land within the EU. Northern France is characterized by large wheat farms. Dairy products, pork, poultry, and apple production are concen

trated in the western region. Beef production is located in central France, while the production of fruits, vegetables, and wine ranges from central to southern France. France is a large producer of many agricultural products and is currently expanding its forestry and fishery industries. The implementation of the Common Agricultural Policy (CAP) and the Uruguay Round of the GATT Agreement have resulted in reforms in the agricultural sector of the economy.

France is the world's second-largest agricultural producer, after the United States. However, the destination of 70% of its exports are other EU member states. Wheat, beef, pork, poultry, and dairy products are the principal exports. The United States, although the second-largest exporter to France, faces stiff competition from domestic production, other EU member states, and other third countries. U.S. agricultural exports to France, totaling some \$600 million annually, consist primarily of soybeans and products, feeds and fodders, seafood, and consumer oriented products, especially snack foods and nuts. French exports to the United States are mainly cheese, processed products and wine. They amount to more than \$900 million annually.

G. Foreign relations

A charter member of the United Nations, France holds one of the permanent seats in the Security Council and is a member of most of its specialized and related agencies.

Europe

France is a leader in western Europe because of its size, location, strong economy, membership in European organizations, strong military posture, and energetic diplomacy. France generally has worked to strengthen the global economic and political influence of the EU and its role in common European defense. It views Franco-German cooperation and the development of a European Security and Defense Identity (ESDI) as the foundation of efforts to enhance European security.

Middle East

France supports the Middle East peace process as revitalized by the 1991 Madrid peace conference. In this context, France backed the establishment of a Palestinian homeland and the withdrawal of Israel from all occupied territories. Recognizing the need for a comprehensive peace agreement, France supports the involvement of all Arab parties and Israel in a multilateral peace process. France has been active in promoting a regional economic dialogue and has played an active role in providing assistance to the Palestinian Authority.

Africa

France plays a significant role in Africa, especially in its former colonies, through extensive aid programs, commercial activities, military agreements, and cultural impact. In those former colonies where the French presence remains important, France contributes to political, military, and social stability.

Asia

France has extensive political and commercial relations with Asian countries, including China, Japan, and Southeast Asia as well as an increasing presence in regional fora. France was instrumental in launching the Asia-Europe Meeting (ASEM) process which could eventually emerge as a competitor to APEC. France is seeking to broaden its commercial presence in China and will pose a competitive challenge to U.S. business, particularly in aerospace, high-tech, and luxury markets. In Southeast Asia, France was an architect of the Paris Accords, which ended the conflict in Cambodia.

Latin America

France supports strengthening democratic institutions in Latin America. It supports the ongoing efforts to restore democracy to Haiti and seeks to expand its trade relations with all of Latin America.

Security issues

French military doctrine is based on the concepts of national independence, nuclear deterrence, and military sufficiency. France is a founding member of the North Atlantic Treaty Organization (NATO), and has worked actively with Allies to adapt NATO--internally and externally--to the post-Cold War environment. In December 1995, France announced that it would increase its participation in NATO's military wing, including the Military Committee (the French withdrew from NATO's military bodies in 1966 while remaining full participants in the alliance's political councils). France remains a firm supporter of the Organization for Security and Cooperation in Europe and other efforts at cooperation. Paris hosted the May 1997 NATO-Russia Summit for the signing of the Founding Act on Mutual Relations, Cooperation and Security.

Outside of NATO, France has actively and heavily participated in recent peace-keeping/coalition efforts in Africa, the Middle East, and the Balkans, often taking the lead in these operations. France has undertaken a major restructuring to develop a professional military which will be smaller, more rapidly deployable and better tailored for operations outside of mainland France. Key elements of the restructuring include reducing personnel, bases, and headquarters and rationalizing equipment and the armament industry. French active-duty military at the beginning of 2001 numbered approximately 446,000, of which nearly 35,000 were assigned outside of metropolitan France.

France places a high priority on arms control and non-proliferation. It supported the indefinite extension of the Non-Proliferation Treaty in 1995. After conducting a final series of six nuclear tests, the French signed the Comprehensive Test Ban Treaty in 1996. France has implemented a moratorium on the production, export, and use of anti-personnel landmines and supports negotiations leading toward a universal ban. The French are key players in the adaptation of the Treaty on Conventional Armed Forces in Europe to the new strategic environment.

France is an active participant in the major supplier regimes designed to restrict transfer of technologies that could lead to proliferation of weapons of mass destruction: the Nuclear Suppliers Group, the Australia Group (for chemical and biological weapons), and the Missile Technology Control Regime. France has signed and ratified the Chemical Weapons Convention.

H. Franco-American relations

Relations between the United States and France are active and cordial. Mutual visits by high-level officials are conducted on a regular basis. Bilateral contact at the cabinet level has traditionally been active. France and the United States share common values and have parallel policies on most political, economic, and security issues. Differences are discussed frankly and have not been allowed to impair the pattern of close cooperation that characterizes relations between the two countries.