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The Neoliberal Turn that Never Was: Breaking with the Standard Narrative of Mitterrand's *tournant de la rigueur*

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On 10 May 1981, French voters elected a socialist president, François Mitterrand, whose programmes promised to change their daily lives. Less than two years later, his government definitively endorsed economic austerity. The adverse international context, it was argued at the time, forced France to prioritise its European commitments over radical reform of capitalism. Since then, most commentators have interpreted this decision either as a betrayal by the socialist elites or as a symbol of their economic incompetence. This article reappraises these narratives. Based on archival research and a large body of lesser-known critical French-language scholarship, it contends that the 1983 austerity plan was neither a sudden shift nor a neoliberal turn. Without denying the crucial political and symbolic dimensions of the decisions of the left in 1983, the article also shows that the crucial stages of the liberalisation of French capitalism occurred in fact later in the decade.

In May 2021, the French media commemorated the fortieth anniversary of François Mitterrand's 1981 presidential victory which, after twenty-three years of opposition, signalled the return to power of the French left. Left-leaning commentators, as well as their counterparts on the right, predictably recited the popular narrative that the socialist government headed by Pierre Mauroy (1981–4) executed a dramatic economic 'U-turn' on 23 March 1983, when François Mitterrand publicly endorsed an austerity plan better known as the *tournant de la rigueur*. The programme had been designed by his economic advisers and Jacques Delors, Minister of Finance at the time. It was the translation of Mitterrand's commitment, notably to the German government, to take the necessary steps to improve the value of the franc relative to other currencies in the European Monetary System (EMS).¹ Two days earlier, at a meeting of the eight members of the EMS in Brussels, West Germany agreed to the devaluation of the franc against other EMS currencies by only 2.5 per cent, although the Germans revalued the mark upward by 5.5 per cent.² On 25 March, in exchange for this German concession, Delors outlined a set of ten additional austerity measures – the first of which had been introduced in June 1982 – whose central goal was to reduce domestic demand by 65 billion francs.³

¹ François Mitterrand, official speech on French national television, 23 Mar. 1983, available at <https://www.elysee.fr/francois-mitterrand/1983/03/23/allocution-televisee-de-m-francois-mitterrand-president-de-la-republique-apres-les-elections-municipales-et-le-reajustement-monetaire-decide-a-bruxelles-sur-les-objectifs-du-nouveau-gouvernement-paris-palais-de-lysee-mercredi-23-mars-1983> (last visited Dec. 2021). Regarding the genesis of the EMS, see Emmanuel Mourlon-Druol, *A Europe Made of Money: The Emergence of the European Monetary System* (Ithaca, NY: Cornell University Press, 2012).

² These decisions were part of a broader process of European currency realignment. The governments of the Netherlands, Belgium and Luxembourg also agreed to revalue their national currency, whereas the Italian lira and the Irish pound were devalued.

³ Jacques Delors, official speech on French national television, 25 Mar. 1983, available at <https://enseignants.lumni.fr/fiche-media/00000000147/le-tournant-de-la-rigueur-sous-le-gouvernement-mauroy.html> (last visited Dec. 2021). For a detailed explanation of this economic plan, see Florence Descamps and Laure Quennouëlle-Corre, 'Le tournant de mars 1983 a-t-il été libéral?', *Vingtième siècle. Revue d'histoire*, 2, 138 (2018), 11–12.

In the collective memory of the left, especially among its more radical strands, the *tournant de la rigueur* represented a brutal betrayal of Mitterrand's voters by the French Socialist Party (PS). The PS failed to uphold its previous commitment to a break with capitalism, or at least to promoting an economic alternative that would deliver France from austerity and mass unemployment. One reason for the persistence of this view is that the PS had been a repeat offender on this front. The Jospin government (1997–2002) carried out numerous privatisations, while the Hollande presidency (2012–17) cut business taxes and imposed labour market flexibility.⁴ Regarding the *tournant de la rigueur*, a long article in the radical leftist online newspaper *Mediapart* offers a telling example of this narrative by claiming that '25 March 1983, constitutes one of the founding acts of neoliberalism à la française'.⁵ Commentators and intellectuals on the right shared the view that the 1983 *plan de rigueur* was a decisive turning point in the economic and political history of contemporary France. From their perspective, however, the decision reflected a belated but nonetheless welcome awareness of 'economic realities':

Relaunching the economy of a single country in complete contradiction of the strategy of Paul Volcker, the head of the FED, to eliminate inflation and the market reforms undertaken by Margaret Thatcher in the United Kingdom and Ronald Reagan in the United States, were a disaster [sic]. It remains one of the greatest errors of economic policy in our country.⁶

Most English-language publications in the social sciences have echoed these narratives. Two recent studies of twentieth-century European history demonstrate the extent to which international scholars have continued to adhere to commentators' and participants' views of the *tournant de la rigueur*. Konrad Jarusch has endorsed the leftist view that 'the rapid failure of his socialist program . . . forced Mitterrand to join the neoliberal camp, albeit rather reluctantly'.⁷ On the opposite side of the political spectrum, Ian Kershaw notes that the economic policies implemented in France, West Germany and Italy in the 1980s cannot be defined as neoliberal. Yet he has offered a similar narrative to the French right. Kershaw thus contends that the combination of Keynesian relaunch and nationalisation was 'an unmitigated failure' that compelled Mitterrand to undertake a dramatic economic reversal between June 1982 and March 1983.⁸ Despite their differences, these two historical accounts support two widespread beliefs about this decision-making process. Both depict a callous reversal of economic policy from relaunch to *rigueur* that illustrated the general conversion of elected socialist politicians, in-office experts and senior civil servants from Keynesianism to what many scholars define as 'neoliberalism'. However alluring this interpretation may be, this article argues that the proximity between scholarly literature and memories of the *tournant de la rigueur* ought to elicit a response from researchers interested in the period.

Symbols greatly matter in politics and it is true that the political dimension of the government's decisions in March 1983 was crucial. The French began to realise that the economic crisis and mass unemployment were likely to have an impact on their daily lives for a long time.⁹ Leftist intellectuals who had continued to support the values of libertarian protest that emerged in the 'roaring 1960s' were bitterly disillusioned. The philosopher and psychoanalyst Félix Guattari blamed Mitterrand for appointing 'a piecemeal management team whose language differences with Reagan's "Chicago boys" should not conceal the fact that it leads us to the same kinds of aberrations'.¹⁰ Far from isolated, this sort of public reaction revealed that the second austerity plan brought what had

⁴ I wish to thank an anonymous reviewer for suggesting this persuasive argument.

⁵ Fabien Escalona and Romaric Godin, '1981–83: pourquoi le renoncement économique n'était pas inéluctable', *Mediapart*, 9 May 2021, available at <https://www.mediapart.fr/journal/france/090521/1981-83-pourquoi-le-renoncement-economique-n-etait-pas-ineluctable> (last visited Nov. 2021).

⁶ Nicolas Baverez, 'François Mitterrand ou le déclin tranquille', *Le Figaro*, 10 May 2021.

⁷ Konrad Jarusch, *Out of Ashes: A New History of Europe in the Twentieth Century* (Princeton, NJ: Princeton University Press, 2016 [2015]), 626.

⁸ Ian Kershaw, *The Global Age: Europe 1950–2017* (London: Viking, 2018), 292–3.

⁹ Robert Frank et al., 'Les années grises de la fin de siècle', *Vingtième siècle. Revue d'histoire*, 4, 84 (2004), 75–82.

¹⁰ Félix Guattari, 'La gauche comme passion processuelle', *La Quinzaine littéraire*, July 1984, cited in Félix Guattari, *Les années d'hiver 1980–1985* (Paris: Les Prairies ordinaires, 2009 [1986]), 72.

been a largely hidden agenda into the light of day.¹¹ In terms of French economic policy, however, I argue that the 1983 austerity plan did not constitute a sudden shift, let alone a neoliberal turn inspired by the Reagan and Thatcher administrations.

As an analytic construct, the concept of neoliberalism helps us to better understand the key transformations of capitalism and the state between the 1970s and the present, although it is increasingly a subject of debate between what may be viewed as two scholarly camps. Some contend that neoliberalism is both excessively ambiguous and ideologically charged. They consider the construct to be ‘the linguistic omnivore of our times, a neologism that threatens to swallow up the other words around it’,¹² suggesting that its high degree of flexibility – ‘a rubber word’ according to the French historian Pierre Rosanvallon – should wholly disqualify it.¹³ Several scholars have challenged such a radical epistemological conclusion, however. Instead of calling for the downfall of neoliberalism as an analytical category, they emphasise its utility, provided that it is defined precisely – which was rarely the case before the 2010s.¹⁴ Recent literature on the subject focuses on the varieties of neoliberalism.¹⁵ It insists particularly on its resilience as an intellectual and political project that enabled it to overcome significant crises, including the 2007–8 financial shock.¹⁶ This vast body of work has also underscored the ability of this multifaceted concept to unite ambiguous political alliances with ideologies ranging from Reagan’s ‘new social conservatism’¹⁷ and Trump’s radical right populism¹⁸ to Western European social democracy since the 1980s.¹⁹ The utility of the concept extends even to communist regimes, as demonstrated by the influence of American neoclassical economics on several Hungarian ‘reform economists’ in the early years of the Cold War and the crucial case of contemporary China.²⁰

A definitive response to this major historiographical debate is clearly beyond the scope of this article. This does not suggest that the present author rejects neoliberalism as a suitable analytical tool for studying the transformations of capitalism and the state in Western Europe after the 1970s. Some major realms of public policy have undoubtedly been influenced by a set of ideas that originated in various intellectual strains linked to the concept, including German Ordoliberalism and the ‘American schools of new economic liberalism’.²¹ Nevertheless, in the French case, and more widely in the history of Western European social democracy, I contend that it would be wrong to attempt to grasp the 1980s as a single entity. In the early years of the decade, the concept of neoliberalism failed to encompass the inner dynamics of the economic policy achieved by the Mauroy government.

¹¹ I would like to thank one of the anonymous reviewers for having suggested this formulation.

¹² Daniel Rodgers, ‘The Uses and Abuses of “Neoliberalism”’, *Dissent*, Winter 2018, available at <https://www.dissentmagazine.org/article/uses-and-abuses-neoliberalism-debate> (last visited Dec. 2021).

¹³ Pierre Rosanvallon, *Notre histoire intellectuelle et politique 1968–2018* (Paris: Seuil, 2018), 277. The political economist Bill Dunn and the political scientist Rajesh Venugopal drew the same conclusion in recent writings. See Bill Dunn, ‘Against Neoliberalism as a Concept’, *Capital & Class*, 41, 3 (2017), 435–54; Rajesh Venugopal, ‘Neoliberalism as Concept’, *Economy and Society*, 44, 2 (2015), 165–87.

¹⁴ Taylor C. Boas and Jordan Gans-Morse, ‘Neoliberalism: From New Liberal Philosophy to Anti-Liberal Slogan’, *Studies in Comparative International Development*, 44 (2009), 142–3.

¹⁵ Damien Cahill et al., ‘Introduction: Approaches to Neoliberalism’, in Damien Cahill et al., eds., *The Sage Handbook of Neoliberalism* (Thousand Oaks, CA: Sage, 2018), xxv–xxxiii; Cornel Ban, *Ruling Ideas: How Global Neoliberalism Goes Local* (Oxford: Oxford University Press, 2016).

¹⁶ Colin Crouch, *The Strange Non-Death of Neoliberalism* (Cambridge: Polity, 2011).

¹⁷ Melinda Cooper, *Family Values: Between Neoliberalism and the New Social Conservatism* (New York, NY: Zone Books, 2017).

¹⁸ Quinn Slobodian and Dieter Plehwe, ‘Introduction’, in Philip Mirowski, Dieter Plehwe and Quinn Slobodian, eds., *Nine Lives of Neoliberalism* (London: Verso, 2020), 1–17.

¹⁹ Stephanie L. Mudge, *Leftism Reinvented: Western Parties from Socialism to Neoliberalism* (Princeton, NJ: Princeton University Press, 2018); Ryner, ‘Neoliberalisation’, 248–59.

²⁰ Johanna Bockman, *Markets in the Name of Socialism: The Left-Wing Origins of Neoliberalism* (Stanford, CA: Stanford University Press, 2011), 105–32; Isabella M. Weber, ‘China and Neoliberalism: Moving Beyond the China is/is not Neoliberal Dichotomy’, in Cahill et al., eds., *The Sage Handbook*, 219–33.

²¹ Cooper, *Family Values*, 18. The author mentioned the famous cases of the Universities of Chicago and Virginia, as well as less well-known intellectual outposts such as George Mason University, Virginia Polytechnic University and the UCLA Department of Economics.

This is not to imply that nothing of importance took place. Mitterrand's choice to maintain France within the EMS officialised the resignation of socialist elites (both politicians and experts) to privilege pro-market recipes in the management of macroeconomic and monetary policies. In the last months of Mauroy's term as prime minister, his economic advisers as well as their counterparts belonging to the Mitterrand and Delors cabinets increasingly claimed that the choice of austerity was the sole available alternative.²² But this process of naturalisation of economic issues did not begin in 1983, which was still a time of hesitation and contradictions, even in the wake of the decisions made in March. Moreover, the set of economic measures implemented under the Mauroy government appeared far from the recipes for the United Kingdom promoted by Margaret Thatcher. Monetarism failed to penetrate inside the cabinets and administration, whereas most of Thatcher's economic advisors belonged to this intellectual strain – albeit different types of monetarists cohabited within her cabinet.²³ Nor did a 'think-tank archipelago' emerge at this time that strove to disseminate neoliberal ideas within French Socialist Party (PS) circles.²⁴ Similarly, the economic role of the state via the nationalisation of banks and industries was diametrically opposed to Thatcher's primitive politics and mass privatisations and deregulation. The growing porosity between public and private actors in France developed later in the 1990s.²⁵ Finally, until Mauroy's resignation, socialist elites kept effective links, however complicated, with trade unions and the French Communist Party (PCF), while one of the major neoliberal traits of Thatcher's policies was clearly its unconditional 'enthusiasm for combating the unions'.²⁶ As shown below, the model most admired inside cabinets as well as among top civil servants in the finance ministry was not the UK – relentlessly called an anti-model – but West Germany.²⁷ In sum, rather than a U-turn, the *tournant de la rigueur* should be seen as a progressive curve, which implies it belongs to a broader chronology that began in late 1981 and ended with the appointment of Laurent Fabius as prime minister in July 1984. The notion of a turn to 'austerity with a human face' coined by Eric Hobsbawm is probably the most subtle scholarly expression to attempt to grasp the spirit of these changes.²⁸

Dispelling widespread beliefs about the *tournant* requires the use of key works on the subject, as well as long-standing personal research on the history of French socialism and its relationship to capitalism,

²² François Monier (one of Mauroy's economic advisers), 'Perspectives économiques pour 1986', 19 Mar. 1984, Centre of Socialist Archives of the Jean Jaurès Foundation (CAS-FJJ), Archives of Pierre Mauroy, 1FP1_195; Jérôme Vignon (one of Delors' economic advisers), handwritten note to François Stasse (one of Mitterrand's economic advisers), 7 Feb. 1984, 1, French National Archives (AN), Archives of the Mitterrand presidency, 5AG 2136. In this note, Vignon fully supported a detailed comparative analysis of the weight of public debt in OECD countries achieved by the forecasts department of the finance ministry. The administration was openly hostile to any suggestion of a Keynesian relaunch, despite the fact that the French public debt remained extremely low compared to its counterparts. Stasse and Vignon defended this argumentation to Mitterrand and Delors even though the former remained quite sceptical.

²³ Richard Vinen, *Thatcher's Britain: The Politics and Social Upheaval of the 1980s* (London: Simon & Schuster, 2010 [2009]), 112.

²⁴ Ben Jackson, 'The Think-Tank Archipelago: Thatcherism and Neo-Liberalism', in Ben Jackson and Robert Saunders, eds., *Making Thatcher's Britain* (Cambridge: Cambridge University Press, 2012), 43–61.

²⁵ Antoine Vauchez and Pierre France, *The Neoliberal Republic: Corporate Lawyers, Statecraft, and the Making of Public-Private France* (Ithaca, NY: Cornell University Press, 2021). Regarding the socio-cultural background of the senior civil servants from the finance ministry who were in office under the Mauroy government, see Florence Descamps, 'Les technocrates du ministère des Finances et le tournant de la rigueur de 1983', *Vingtième siècle. Revue d'histoire*, 2, 138 (2018), 33–47.

²⁶ Vinen, *Thatcher's Britain*, 120.

²⁷ Shortly following the announcement of the first austerity plan, in June 1982, Jacques Delors stated at a meeting of the executive bureau of the PS that 'Our policy is different from Thatcher's, but it is not social democratic. There is more than the budget deficit. There is direct action on policy and employment.' See Lionel Jospin, handwritten notes from a meeting between Jacques Delors and the PS executive bureau, June 1982, 3–4 (4 p.), CAS-FJJ, Archives of Lionel Jospin, 2 PS 470. The historian Michel Margairaz cited a note drafted by Christian Sautter, the general secretary deputy of the presidency, insisting on the fact that socialist economic policy was rejected by both Margaret Thatcher and Harold Wilson's experiments. See Michel Margairaz, 'L'ajustement périlleux entre relance, réforme et rigueur', in Serge Berstein, Jean-Louis Bianco and Pierre Milza, eds., *François Mitterrand: Les années du changement 1981–1984* (Paris: Perrin, 2001), 340.

²⁸ Eric Hobsbawm, *The Age of Extremes: The Short Twentieth Century 1914–1991* (London: Abacus, 1995 [1994]), 411.

European social democracy and the state from the Second World War to the present. This article relies on important literature on the Mitterrand years, as well as archival, print and oral sources.²⁹ By the late 1990s, several economic and political historians, later joined by a few political scientists, sociologists and a handful of heterodox economists, had demonstrated that March 1983 was not the cornerstone of the neoliberalisation of French capitalism, if neoliberalism is defined as a set of policies intended to ‘encase [markets], to inoculate capitalism against the threat of democracy, to create a framework to contain often-irrational human behaviour’ and to shape an international economic order ‘as a space of competing states in which borders fulfil a necessary function’.³⁰ Archival research played a crucial role in this reconsideration, notably thanks to the gradual declassification of governmental and administrative records. Historians have relied on a growing body of new information to re-examine the chronology and underlying logic of the Mauroy government’s economic policies, illustrating that the concept of neoliberalism fails to account for changes between late 1981 and March 1983. They contend that the *tournant de la rigueur* should be understood primarily, although not exclusively, as a political and symbolic shift rather than an abrupt neoliberal conversion initiated by French socialist elites.

With a few remarkable exceptions,³¹ this alternative view has largely been ignored outside specialised academic circles that publish principally in French. Most English-language scholarship continues to defend the argument of a brutal neoliberal U-turn. Proponents of this interpretation have generally disregarded the existence of a twenty-year-old critical historiography of this event. This article examines how and why the prevailing narrative of the ‘brutal U-turn’ (whether neoliberal or not) became rooted in the scholarly imagination despite the existence of a convincing critical historiography. It also pleads for the disentanglement of scholarly work from the overdramatised accounts of political figures and commentators.

The article begins by outlining the mechanisms that show how the narrative of an abrupt economic U-turn came to dominate public and scholarly discourses. The second section supports the contention that this interpretation of the *tournant* influenced a vast body of English-language scholarship that describes the decisions made in March 1983 as a decisive moment in the conversion of French socialism to neoliberalism. The third section examines the deconstruction of this mainstream view by critical franco-phone historiography and calls into question histories of the event that have neglected primary sources.

The Weight of Memory

Shortly after the 1983 *plan de rigueur* was announced, socialist and conservative politicians rushed to offer their interpretations of the decision. The socialist leadership insisted that the plan was merely a continuation of existing economic policy. They contended that improving international competitiveness was a logical step after the summer 1981 social reforms, particularly through an increase in the minimum wage, social provisions and nationalisations in the industrial and banking sectors in early 1982. A few days before introducing the first set of austerity measures in June 1982, Mitterrand argued that the recessive international conjuncture, a critical economic legacy of the former conservative majority and the macroeconomic disequilibrium induced by the 1981 relaunch had necessitated a supply-side policy based on infrastructure investments and the modernisation of recently nationalised firms.³² Shortly after stepping down in July 1984, Pierre Mauroy endorsed Mitterrand’s argument. A leading figure in French socialism since the 1950s, Mauroy embodied the (minority) social democratic

²⁹ Mathieu Fulla, *Les socialistes français et l'économie: une histoire économique du politique* (Paris: Presses de Sciences Po, 2016).

³⁰ Quinn Slobodian, *Globalists: The End of Empire and the Birth of Neoliberalism* (Cambridge, MA: Harvard University Press, 2018), 2.

³¹ See, for instance, Michele Di Donato, ‘The European Social Democrats: Neoliberalism or Internationalism’, in Michele Di Donato and Silvio Pons, eds., *Looking Back on Maastricht: The European Construction in the 1980s–1990s and the Post-2008 Crisis* (London: Palgrave Macmillan, forthcoming).

³² François Mitterrand, ‘Conférence de presse sur le bilan de l’action gouvernementale’, 8 June 1982, Paris, Palais de l’Élysée, available at <http://discours.vie-publique.fr/notices/827060900.html> (last visited Dec. 2021).

strand of the PS due to his leadership of the *Fédération du Nord*, whose members were primarily trade union affiliates.³³ In *La Revue politique et parlementaire*, Mauroy called for a break with socialist governments' customary tendency to achieve social reforms at significant economic and political cost, as Léon Blum and Guy Mollet had done in 1936 and 1956. He also acknowledged that French socialist elites had consistently failed to transform the PS into a viable governmental force. Mauroy and Mitterrand were determined to promote an alternative model of political action under the Fifth Republic, primarily by granting the PS the ability to durably remain in power. Mauroy presented two interesting technical arguments in support of this position. First, he maintained that the Keynesian relaunch in 1981 had been deliberately moderate. Second, recalling that numerous French and international OECD experts had predicted the return of global growth in 1982, he insisted that measures taken in 1981 were merely in anticipation of this economic upswing.³⁴

Mauroy and his aides reiterated the 'logical continuity' of policies implemented between 1981 and 1983, a narrative that remained the socialist *doxa* until the general elections in 1986. These justifications were nevertheless unable to dispel the concerns of socialist grassroots activists, most of whom remained sceptical of the virtues of austerity. Consequently, Lionel Jospin, the First Secretary of the PS, offered an additional explanation of the policy, invoking the metaphor of 'temporary interruption' (*la parenthèse*):

The *parenthèse* was a way of not tolerating what was happening to us without necessarily denying it or criticising the government. For us, it was a way of saying 'We're obliged to do it to return to broad equilibria, and after that we'll return to our policy'. The socialists will not enjoy this plan, but they'll be inoculated by realism.³⁵

It is important to note that, contrary to widespread belief, Jospin used this interpretation to justify the austerity plan of June 1982, but not the updated version in March 1983. Jospin's account underscores the discomfort of grassroots activists, who remained immersed in the anti-capitalist rhetoric espoused by partisan elites – notably within the strains led by François Mitterrand, Jean-Pierre Chevènement and Jean Poperen – throughout the 1970s.³⁶ His personal papers as leader of the PS show that the official acceptance of austerity by the party did not silence the critics and pleas to turn the tide of economic policy that continued to be heard behind closed doors. On 20 November 1982, during the meeting of the Executive Committee that Pierre Mauroy attended, Lionel Jospin urged the government not to yield to the 'deflationist Sirens who vaunt the charms of purchasing power. Accommodations are possible but let us be clear that we can neither politically nor economically renounce the "minimal dose of Keynesianism" that France needs.'³⁷ In July 1983, the PS leader reiterated his concerns about the course of the economic policy. Having participated in three government meetings concerning how to cover growing social security deficits caused by increased unemployment, Jospin criticised Delors' solutions based on a '2% proportional tax deducted from all incomes at the source'. As Jospin observed in a note to Pierre Mauroy, such a measure would signal a break with traditional socialist ideology – though rarely applied in office in the twentieth century – that sanctified progressive taxation over other fiscal measures. Jospin concluded by urging the prime minister not to forget the purpose of social justice, even in an austerity context.³⁸ By early 1984, this type of critical comment had become increasingly rare within the party. Under the Fabius government (1984–6), the liberal turn was no longer challenged by the PS leadership, even though some left-wing strains

³³ Laurent Olivier, 'Un exemple de social-démocratie dans le socialisme français: la fédération du Nord de 1944 à 1958', PhD Thesis, University of Lille 3, 1992.

³⁴ Pierre Mauroy, 'La gauche et le pouvoir', *Revue politique et parlementaire*, 916–17 (May–June 1985), 8–9.

³⁵ Pierre Favier and Michel Martin-Rolland, *La décennie Mitterrand*, Vol. 1 'Les ruptures' (Paris: Seuil, 1995 [1990]), 587.

³⁶ The papers from Lionel Jospin's tenure as the head of the PS from 1981 to 1988 confirm this malaise. These archives are held at the CAS-FJJ. See the inventory online at https://cas.jean-jaures.org/IR_2PS.pdf (last visited Jan. 2022).

³⁷ Lionel Jospin, handwritten note to the PS Executive Committee of the 20 Nov. 1982, 3 (9 p.), CAS-FJJ, Archives of Lionel Jospin, 2 PS 12.

³⁸ Lionel Jospin, note to Pierre Mauroy, 25 July 1983, CAS-FJJ, Archives of Lionel Jospin, 2 PS 454.

continued in vain to call for an alternative policy based on Keynesian principles. In answer to one of these critics during an Executive Committee meeting in November 1984, Jospin abruptly blurted that 'We cannot return to the policy of the first period.'³⁹

On the opposite end of the political spectrum, the conservative opposition and right-wing commentators did not suffer similar oscillations. They immediately and unambiguously criticised the announcement. The central figures of the Gaullist and liberal parties viewed the *plan de rigueur* as an overdue necessity adopted by an incompetent, opportunistic administration. The former prime minister and academic economist Raymond Barre summarised the dominant mood among conservative leaders: 'Never was there a greater intellectual reversal among men who were so certain of the truth and efficacy of their arguments',⁴⁰ a position echoed by numerous leading economic and political journalists.⁴¹

On the eve of the 1986 legislative elections, competing narratives of left and right vied for supremacy. The success of the Gaullist *Rassemblement pour la République* (RPR) and the appointment of its leader Jacques Chirac as prime minister enhanced the success narrative of a policy U-turn. In the wake of the left's electoral defeat, only a minority of faithful Mitterrand supporters – among them Mitterrand's special adviser Jacques Attali – continued to defend the logical-continuity argument.⁴² The persistence of the U-turn narrative cannot be ascribed entirely to French right-wing politicians; political journalists and former members of the Mauroy administration also played a role, publicly questioning the government's ability to formulate a rational and coherent plan between 1981 and 1983. In 1990, Pierre Favier and Michel Martin-Rolland, two journalists who were covering the Mitterrand presidency, published the first volume of a major book, *The Mitterrand Decade (La Décennie Mitterrand)*. Based on numerous interviews and confidential archival access, their investigation emphasised the 'schizophrenia' of France's socialist leadership. From their perspective, Mitterrand's refusal to agree to reverse his economic line in 1983 was a smoke screen that masked a 'cultural revolution' among socialist elites.⁴³

Although the publication of *La Décennie Mitterrand* was a watershed event in the literature of the *tournant de la rigueur*, it lacked methodological rigor. The numerous 'archival documents' referenced by the authors are not contextualised and it contains a range of inaccuracies. These flaws did not prevent Favier and Martin-Rolland's book from influencing scholarship about the period, as noted by the historian Matthieu Tracol:

It is so important that one could argue without exaggerating that it shaped every subsequent story. Indeed, the *Décennie Mitterrand* as blithely borrowed from – or simply plagiarised – by many who sought to write about the period In fact, this creates formidable problems with testimonials because Pierre Favier's and Michel Martin-Roland's account paradoxically replaced participants' own versions of events, which cite it to support their recollections ... even when the two journalists committed inaccuracies!⁴⁴

The most prominent figures who adopted the retrospective illusion propagated by *La Décennie Mitterrand* were Jacques Delors, Michel Rocard and Jean-Pierre Chevènement, respectively the Ministers of Finance, Planning and Industry in the Mauroy government. The three ministers greatly contributed to the dominance of this dramatised account of the *tournant*, largely for political reasons. In early 1985, shortly after he was appointed head of the European Commission in Brussels, Jacques

³⁹ Lionel Jospin, handwritten notes to the Director Committee of the PS, 10 Nov. 1984, 0 bis (10 p.), Archives of Lionel Jospin, 2 PS 40.

⁴⁰ Raymond Barre, *Réflexions pour demain* (Paris: Hachette, 1984), 25.

⁴¹ Philippe Alexandre and Roger Priouret, *Marianne et le pot au lait* (Paris: Grasset, 1983), 154 and 161; Jean Boissonnat, *Journal de crise (1973–1984)* (Paris: Éditions Jean-Claude Lattès, 1984), 18; Philippe Bauchard, *La guerre des deux roses: Du rêve à la réalité 1981–1985* (Paris: Grasset, 1986), 101–30.

⁴² Jacques Attali, *C'était François Mitterrand* (Paris: Fayard, 2007 [2005]), 138; Alain Boublil, *Une vie avec la gauche* (Paris: L'Archipel, 2017), 133–56.

⁴³ Favier and Martin-Rolland, *La décennie Mitterrand*, 601.

⁴⁴ Matthieu Tracol, 'La rigueur et les réformes. Histoire des politiques du travail et de l'emploi du gouvernement Mauroy', PhD Thesis, University Paris 1 Panthéon-Sorbonne, 2015, 16.

Delors had published a book-length interview with the journalist Philippe Alexandre, deftly portraying himself as the forerunner of austerity.⁴⁵ Nine years later, when he was well positioned to represent the PS in the 1995 presidential race, Delors ardently defended this view. Before he withdrew from the race for political and personal reasons, Delors published a biographical book with the sociologist Dominique Wolton in which he offered a more radical interpretation of the *tournant*.⁴⁶ By insisting on the *plan de rigueur* designed by his aides – and Mitterrand’s economic advisers – rather than the 1982 austerity plan, which had primarily been created by Mauroy’s aides, Delors sought to personify how the *rigueur* appeared to French voters. This was further evidence that Delors’ account of the event was thus heavily shaped by these political developments.

Michel Rocard, Delors’ long-term political rival, published several memoirs that were harshly critical of the economic trajectory of Mitterrand’s first term in office, which he believed would have led the country to bankruptcy.⁴⁷ Rocard, who vied with Mitterrand for leadership of the party from the late 1970s onward, argued, as had Delors, that competitive disinflation was the only realistic strategy for the Mauroy government. An ‘objective convergence’ began between the accounts of Delors, Rocard and Jean-Pierre Chevènement in the 1990s. Chevènement was the former leader of the CERES, the principal left-wing branch of the PS in the 1970s. Shortly after breaking with the PS in 1992, Chevènement – as prolific a writer as Rocard – concurred that the 1983 austerity plan had dashed the hopes aroused by Mitterrand’s victory.⁴⁸ In the early 1990s, a consensus thus emerged between political figures and journalists that March 1983 represented a crucial milestone in the Mitterrand presidency. This notion of an abrupt U-turn has permeated not only the standard media narrative until the present day,⁴⁹ but also a significant body of English-language literature – albeit in a more sophisticated form.

A Socialist Neoliberal Turn?

Researchers studying the *plan de rigueur* in the early 1980s could not avoid popular memories of the era. Politically engaged economists were the first to participate in this debate, unexpectedly dismissing the U-turn interpretation. In a pamphlet published by the Club de l’Horloge, a think-tank affiliated with the French radical right, Jean Fourastié emphasised ‘the great prudence shown by the Mauroy government in its first months of existence’ while stressing the failure of the socialist government to curb unemployment.⁵⁰ On the left, economist Michel Beaud, a leading CERES economic expert in the previous decade, argued that his comrades in office were deluded by ‘the mirage of growth’. He nevertheless acknowledged that the moderate 1981 relaunch stabilised unemployment and improved conditions for the lower and middle classes, whereas conservative governments in West Germany and the United Kingdom hardened austerity.⁵¹

Similarly, political scientists Vincent Wright and Howard Machin offered a series of theories regarding the Mitterrand administration’s decision-making process, rightly underscoring contiguities between Mauroy’s economic measures and the policies of Raymond Barre, his predecessor. Wright and Machin also noted the persistence of significant disagreement within the government. They urged their peers to consider the socio-political context – particularly the high expectations of Mitterrand’s voters – in order to comprehend the underlying logic of the choices made in 1981.⁵²

⁴⁵ Philippe Alexandre and Jacques Delors, *En sortir ou pas* (Paris: Grasset, 1985), 76–9.

⁴⁶ Jacques Delors, *L’unité d’un homme: Entretiens avec Dominique Wolton* (Paris: Odile Jacob, 1994), 160–1.

⁴⁷ Michel Rocard, *Si la gauche savait. Entretiens avec Georges-Marc Benamou* (Paris: Robert Laffont, 2007 [2005]), 279–80.

⁴⁸ Jean-Pierre Chevènement, *Le temps des citoyens* (Monaco: Éditions du Rocher, 1993), 108–14.

⁴⁹ See the special issue of the monthly intellectual review *Le Débat*: ‘Le tournant de la rigueur: mars 1983–2013’, *Le Débat*, 174 (Mar.–Apr. 2013), 3–39.

⁵⁰ Jean Fourastié, ‘Le présent vu de l’avenir’, in Jean Féricelli et al. (eds.), *La France socialiste: Un premier bilan* (Paris: Hachette, 1983), 492.

⁵¹ Michel Beaud, *Le mirage de la croissance*, Vol. 1 (Paris: Syros, 1983), 151–6.

⁵² Howard Machin and Vincent Wright, ‘Economic Policy under the Mitterrand Presidency, 1981–1984: An Introduction’, in Howard Machin and Vincent Wright, eds., *Economic Policy and Policy Making under the Mitterrand Presidency 1981–1984* (London: Frances Pinter, 1985), 2.

Stanley Hoffmann and the sociologist George Ross also emphasised the coherence of the economic policies implemented by the Barre and Mauroy administrations, which they believed had prevailed over right–left alternation. In his contribution to their edited volume, Peter Hall called attention to the symbolic turn in March 1983, while also carefully situating austerity measures within a broader chronological sequence. Hall distinguished between a ‘Mauroy moment’ during which the primary goal of economic policy was competitive disinflation from a ‘Fabius moment’ notable for what he described as a ‘neoliberal relaunch’.⁵³

Things changed drastically in the early 1990s as a growing body of research was increasingly adamant that the 1983 *plan de rigueur* signified a radical break, depicting it as the cornerstone of the neo-liberalisation of French capitalism. Peter Hall hardened his previous position, claiming that ‘few decisions have had such significance’.⁵⁴ Although *La Décennie Mitterrand* is not mentioned in his bibliography – unsurprising given that the books were published in the same year – Hall’s revised account of the *tournant* reflects the rising popularity of the U-turn narrative among American political scientists in the 1990s.⁵⁵ It is worth noting that these historiographical developments coincided with the rising popularity of neoliberalism as a key concept ‘in scholarly writing on development and political economy’.⁵⁶

With respect to French-language research, political scientist Bruno Jobert published a seminal edited volume about what he viewed as the ‘neoliberal turn’ in Europe.⁵⁷ The chapter that Jobert wrote on the French case with economist Bruno Théret established a broader historical context for the decisions of March 1983. According to them, the *plan de rigueur*, which they considered the ‘republican consecration of neoliberalism’, had facilitated the homogenisation of the dominant economic culture among senior French civil servants in the finance ministry, who allegedly converted *en masse* to a neo-liberal and monetarist approach in the second half of the 1970s. Jobert and Théret contended that the economic decisions made in 1983 were inspired by statist elites rather than elected politicians. The decision to remain in the EMS was not a product of the machinations of a few ruling socialist elites, but rather of the ideological hegemony of a new neoliberal framework forged in the 1970s and tirelessly promoted by the finance ministry experts. Jobert and Théret concluded that the 1983 *plan de rigueur* was a ‘radical turn’, interpreting the 1981 relaunch as a failure that would have signalled the death of the ‘modernising Keynesian referential’ that had prevailed since 1945, opening the door to an era of hard monetarism.

This interpretation enjoyed widespread popularity among both English- and French-speaking sociologists and political scientists, who frequently cite Jobert and Théret’s contribution. The controversial theory posited by Rawi Abdelal – who claimed that, rather than the United States, four French policy makers were responsible for the global financial order that emerged in the 1980s – largely endorsed Jobert and Théret’s arguments. Abdelal placed particular emphasis on the *tournant de la rigueur*. Relying on secondary literature, he argued that ‘much financial internationalization had already taken place by the spring of 1983 when the Mitterrand administration undertook its *tournant*, the famous U-turn that represented an admission of defeat for the socialist project. Mitterrand had succeeded only in destroying Keynesian reflation and redistribution as a legitimate alternative in

⁵³ Peter A. Hall, ‘L’évolution de la politique économique sous Mitterrand’, in Stanley Hoffmann and George Ross, eds., *L’expérience Mitterrand: Continuité et changement dans la France contemporaine* (Paris: PUF, 1988 [1987]), 80–4.

⁵⁴ Peter A. Hall, ‘The State and the Market’, in Peter A. Hall, Jack Hayward and Howard Machin, eds., *Developments in French Politics* (Basingstoke: Macmillan Press, 1990), 171–87.

⁵⁵ David J. Howarth, *The French Road to European Monetary Union* (New York, NY: Palgrave, 2001); Jonah D. Levy, *Tocqueville’s Revenge: State, Society, and Economy in Contemporary France* (Cambridge, MA: Harvard University Press), 1999; Michael Loriaux, *France after Hegemony: International Change and Financial Reform* (Ithaca, NY: Cornell University Press, 1991).

⁵⁶ Boas and Gans-Morse, ‘Neoliberalism’, 138.

⁵⁷ Rawi Abdelal, *Capital Rules: The Construction of Global Finance* (Cambridge, MA: Harvard University Press, 2007); Bruno Jobert and Bruno Théret, ‘France: la consécration républicaine du néo-libéralisme’, in Bruno Jobert, ed., *Le tournant néo-libéral en Europe* (Paris: L’Harmattan, 1994), 21–85.

Europe.⁵⁸ A number of thinkers and commentators from the left wing of the PS or the radical left endorsed Abdelal's thesis. In a 2022 special issue entitled 'Why the Left Loses' (*Pourquoi la gauche perd*) in the monthly *Le Monde Diplomatique*, journalists Benoît Bréville and Serge Halimi (a leading left intellectual) accused 'three Socialists close to Mitterrand' – Jacques Delors at the head of the European Commission, Henri Chavranski at the OECD and Michel Camdessus at the IMF – of engineering the deregulation of capital markets and, by extension, the current globalisation of finance initiated in the 1980s.⁵⁹ Several academic reviews of Abdelal's book have noted, however, that his narrow focus on the four French socialists (Bréville and Halimi did not mention Pascal Lamy) overlooks the roles of other important institutional actors liberalising global finance, particularly sovereign states and central banks.⁶⁰ Léonard Laborie astutely observed that, despite his express goal of breaking with the standard narrative of American and British-driven financial liberalisation, Rawi Abdelal took no critical distance from the actors whom he interviewed during his research.⁶¹ In this respect, Abdelal, whose book relied almost exclusively on English-language literature, as well as interviews with political and administrative actors, unwittingly subscribed – albeit with far more conceptual refinements – to the dramatised account conveyed by Jacques Delors and Michel Rocard.

Since the 2000s, a significant body of work examining the emergence of French neoliberalism has nevertheless treated this concept with greater care. International scholars well versed in the political, economic and cultural life of France put forward the idea of state resilience in the management of the French economy. In 2002, Sarah Babb and Marion Fourcade noted that the situations in the United Kingdom and Chile were the opposite of those in France and Mexico, arguing that Thatcher and Pinochet 'opened the channels of state administration to a new set of [monetarist] experts', whereas the French and Mexican cases illustrated that the 'turn to neoliberal economic policies was largely pragmatic and motivated in large part by international integration'.⁶² Vivien Schmidt's research on French capitalism was also highly influential.⁶³ Following her example, a number of analysts interpreted the economic transformations in France in the early 1980s as a discreet form of neoliberalism orchestrated by a *post-dirigiste* state.⁶⁴ David Howell, for example, formulated a paradox according to which 'the French state has used its powers to undermine *dirigisme* and reduce state capacity'.⁶⁵ Highlighting the resilience of the 'legacies of state-led industrialisation in the post-war period', the sociologist Monica Prasad identified a thwarted neoliberal conversion under the rightist Chirac government (1986–8).⁶⁶

Although it emphasises the role of the state, this body of literature continues to claim that 1983 represented a brutal conversion to neoliberalism. The political economist Mark Vail's remark that

⁵⁸ Rawi Abdelal, 'Writing the Rules of Global Finance: France, Europe, and Capital Liberalization', *Review of International Political Economy*, 13, 1 (Feb. 2006), 8.

⁵⁹ Benoît Bréville and Serge Halimi, 'On aimerait bien, mais on ne peut plus . . .', *Le Monde diplomatique*, Jan. 2022, 11.

⁶⁰ Jérôme Sgard, in Abdelal, *Capital Rules*, xi–304; Alan Greenspan, *Le temps des turbulences* (Paris: Jean-Claude Lattès, 2007), 677; *Critique internationale*, 42, 1 (2009), 171–2; Douglas J. Forsyth, Léonard Laborie and Rawi Abdelal, 'Débat autour de *Capital Rules: The Construction of Global Finance* de Rawi Abdelal (Cambridge, MA: Harvard University Press, 2009)', *Monde(s)*, 1, 13 (2018), 162.

⁶¹ Forsyth, Laborie and Abdelal, 'Débat', 163.

⁶² Marion Fourcade-Gourinchas and Sarah L. Babb, 'The Rebirth of the Liberal Creed: Paths to Neoliberalism in Four Countries', *American Journal of Sociology*, 108, 3 (Nov. 2002), 539, 556.

⁶³ Vivien A. Schmidt, *From State to Market? The Transformation of French Business and Government* (Cambridge: Cambridge University Press, 1996).

⁶⁴ Ben Clift, 'Comparative Capitalisms, Ideational Political Economy and French Post-Dirigiste Responses to the Global Financial Crisis', *New Political Economy*, 17, 5 (2012), 565–90; Alastair Cole, *Governing and Governance in France* (Cambridge: Cambridge University Press, 2008); Jonah D. Levy, 'From the Dirigiste State to the Social Anaesthesia State: French Economics in the Longue Durée', *Modern and Contemporary France*, 16, 4, 417–35.

⁶⁵ Chris Howell, 'The Transformation of French Industrial Relations: Labour Representation and the State in the Post Dirigiste Era', *Politics and Society*, 37, 2, 231.

⁶⁶ Monica Prasad, *The Politics of Free Markets: The Rise of Neoliberal Economic Policies in Britain, France, Germany, & the United States* (Chicago, IL: University of Chicago Press, 2006), 239–56. Curiously, Prasad questionably claimed that the major neoliberal moment in contemporary France was the presidency of Valéry Giscard d'Estaing (1974–81).

the French government made ‘a U-turn’ after 1983 to ‘completely dismantle the edifice of *dirigiste* policymaking’ is echoed by Elisabetta Gualmini and Vivien Schmidt’s assertion that François Mitterrand chose the critical juncture of 1983 to implement ‘the “great U-turn” to neoliberal monetary policy, through monetarism and budgetary austerity’.⁶⁷ Still, Gualmini and Schmidt offered the most sophisticated analysis developed by this *post-dirigiste* intellectual strain when they characterised French capitalism as ‘state-influenced market economies’. Mobilising a discursive institutional approach that enabled them to simultaneously integrate the ideas of policy makers, their communicational strategies and their political practices, both scholars argued that the French ‘post-*dirigiste* state was engaged in implementing neoliberal ideas focused on privatisation and deregulation, [although] it did not entirely give up on seeking to influence business indirectly where it saw fit’.⁶⁸

Political science research supporting this approach has continued to flourish, although it has been recently challenged.⁶⁹ Matthieu Ansaloni and Andy Smith have argued that the concept of the ‘post-*dirigiste* state’ fails to explain the persistence of strong state intervention in crucial economic sectors such as agriculture, defence, aerospace and pharmaceuticals. Instead, they advanced the concept of the ‘neo-*dirigiste* state’, highlighting the duality of marketisation and state resilience that prevailed throughout the 1980s. Without disputing that globalisation and Europe’s increasing economic integration – embodied by the 1986 Single European Act – effectively ‘eroded national capacity to unilaterally determine economic practices and outcomes’, Ansaloni and Smith showed that, in some sectors, French politicians (on both right and left) and high-ranking civil servants succeeded in developing renewed modes of government intervention that enabled ‘the reproduction, through adaptation, of *dirigiste* institutions forged in the post-war period’.⁷⁰

Ansaloni and Smith’s approach helps link macroeconomic and monetary policies with the other set of public policies implemented by the Mauroy government. This is particularly relevant as important sectors of socialist public policy reject neoliberal precepts. Addressing the central matter of administrative reform, Philippe Bezes emphasised the establishment of three contradictory *répertoires de réformes* between 1981 and 1984. Drastic measures intended to curb public expenses were implemented at the same time that Anicet Le Pors, one of the four communist ministers in the Mauroy government, was initiating significant administrative decentralisation and extending and consolidating the status of civil servants.⁷¹ With regard to education, Ismail Ferhat highlighted the inaccuracy of the neoliberal label in defining the socialist policy under the Mauroy government. Indeed, Alain Savary, the Minister of Education, planned to provide a ‘great public and secular service to national education’ (*Service public unifié et laïque de l’Éducation nationale*), a project that failed due to fierce resistance from supporters of private, primarily Catholic, schools, whose massive demonstrations contributed to the fall of the administration in July 1984. In acknowledging this rejection of neoliberal values, Ferhat did not deny that an overall shift had had an impact on education policy. Rather, he pointed to the emergence of a ‘new liberalism’ reflecting the progressive introduction of ‘quasi-market policies’ throughout the decade.⁷² The socialist administration’s cultural policy offered another clear

⁶⁷ Mark Vail, *Recasting Welfare Capitalism: Economic Adjustment in Contemporary France and Germany* (Philadelphia, PA: Temple University Press, 2010), 49; Elisabetta Gualmini and Vivien A. Schmidt, ‘State Transformation in Italy and France: Technocratic versus Political Leadership on the Road from Non-Liberalism to Neo-Liberalism’, in Vivien A. Schmidt and Mark Thatcher, eds., *Resilient Liberalism in Europe’s Political Economy* (Cambridge: Cambridge University Press, 2013), 364.

⁶⁸ Gualmini and Schmidt, ‘State Transformation’, 365.

⁶⁹ Ben Clift and Sean McDaniel, ‘Capitalist Convergence? European (Dis?) Integration and the Post-crash Restructuring of French and European Capitalisms’, *New Political Economy*, 26, 1 (2021), 7.

⁷⁰ Matthieu Ansaloni and Andy Smith, ‘The Neo-*Dirigiste* Production of French Capitalism since 1980: The View from Three Major Industries’, *French Politics*, 16, 2 (2018), 175.

⁷¹ Philippe Bezes, *Réinventer l’État: les réformes de l’administration française (1962–2008)* (Paris: PUF, 2009), 205–53.

⁷² Ismail Ferhat, ‘Socialistes et enseignants: Le Parti socialiste et la Fédération de l’éducation nationale de 1971 à 1992’, PhD Thesis, Sciences Po Paris, 2013, 46–7. See also Ismail Ferhat, *Le Parti socialiste et la Fédération de l’Éducation Nationale de 1971 à 1992* (Bordeaux: Presses Universitaires de Bordeaux, 2018).

example of the persistence of state *dirigisme* long after March 1983.⁷³ In contrast to the rising tide of austerity, minister Jack Lang championed cultural voluntarism via exceptional means, facilitating a significant increase in the budget of the Ministry of Culture. This budgetary effort was generally preserved until the fall of the Bérégovoy government (1992–3), the last socialist government under Mitterrand’s presidency.⁷⁴ Electoral pressures forced the socialist government to implement these state-driven public policies. From the end of the Second World War onwards, the PS had gradually become dependent on both the state and the interests of state employees, who came to form a significant portion of their electoral base, far more decisively than industrial workers. In the 1960s and 1970s, state employees pressured the parties to take measures to extend public sector prerogatives. The increasing overlap between French socialism and the interests of public authorities, which were indicative of the broader ‘cartelisation’ of the Western European socialist and social democratic parties, was particularly prevalent in the early 1980s.⁷⁵

Ultimately, the paradigm shift identified by the proponents of the post-*dirigiste* and neo-*dirigiste* approaches to the topic of French capitalism and the state did not begin in 1983. An historian with a working knowledge of government and administrative archives would probably be surprised that researchers involved in such highly conceptual debates had neglected a critical historiography whose first findings were published more than twenty years ago.

Crying in the Wilderness: A Critical Historiography of the *tournant*

Historians were latecomers to the debate over the nature of the decisions made in March 1983. In the 1990s, their interpretations of the *tournant* were closely aligned with those of political scientists and sociologists. Although most historians rejected the thesis of a neoliberal turn, they endorsed the idea that an absolute reversal of economic priorities had taken place. In a reference book on the history of French socialism, Alain Bergounioux and Gérard Grunberg, former advisers to Michel Rocard, argued that the *plan de rigueur* signalled a radical break with the traditional socialist approach to economic issues.⁷⁶ In a major publication four years later, Donald Sassoon drew a parallel between Mitterrand’s decision and a speech by British Prime Minister James Callaghan to the Blackpool conference of the Labour Party in October 1976, calling for a break with Keynesian illusions.⁷⁷ In the early 2000s, Geoff Eley carried this point further in an influential synthesis of the history of the left over the *longue durée*, arguing that ‘after 1982, Mitterrand’s France and Gonzalez’ Spain rivalled Thatcher’s Britain in neoliberal economics’.⁷⁸ Eley provided no bibliographical references, however, and appeared to be unfamiliar with French sources. By the time he was writing, new archival sources had become available that offered a fresh perspective on Mitterrand’s early years in office.

In 1999, about forty historians were invited to participate in a conference organised by the Institut François Mitterrand and the Centre for the History of Europe in the Twentieth Century and held at Sciences Po Paris. They benefited from extensive – although not unrestricted – access to archival

⁷³ On Jack Lang’s far-reaching influence on French cultural policy throughout (and beyond) the 1980s, see Vincent Martigny, Laurent Martin and Emmanuel Wallon, eds., *Les années Lang: une histoire des politiques culturelles 1981–1993* (Paris: La Documentation française, 2021).

⁷⁴ Philippe Poirrier, *L’Etat et la culture en France au XX^e siècle* (Paris: Le livre de poche, 2000), 161.

⁷⁵ On the now well-established concept of the ‘cartelisation’ of political parties, see Richard Katz and Peter Mair, ‘Changing Models of Party Organization and Party Democracy: The Emergence of the Cartel Party’, *Party Politics*, 1, 1 (1995), 5–28. Regarding the long-term relationship between the Western European socialist and social democratic parties and the state, see Mathieu Fulla and Marc Lazar, eds., *European Socialists and the State in the Twentieth and Twenty-First Centuries* (London: Palgrave Macmillan, 2020).

⁷⁶ Alain Bergounioux and Gérard Grunberg, *Le longs remords du pouvoir. Le Parti socialiste français 1905–1992* (Paris: Fayard, 1992), 435.

⁷⁷ Donald Sassoon, *One Hundred Years of Socialism: The West European Left in the Twentieth Century* (London: I. B. Tauris, 2014 [1996]), 561.

⁷⁸ Geoff Eley, *Forging Democracy: The History of the Left in Europe, 1850–2000* (Oxford: Oxford University Press, 2002), 427.

materials about the Mauroy government from the Elysée. Some of them were disappointed by the restrictions, particularly in the realm of foreign policy. Economic historians, however, were able to access the majority of Mitterrand's advisers' archives, including Alain Boubil, François Stasse, Elisabeth Guigou, Christian Sautter and the Secretaries General of the Elysée, Pierre Bérégooy and his successor Jean-Louis Bianco. Scholars seized the opportunity to gain new insights into the factors that drove socialist elites to draft the austerity plan in March 1983.⁷⁹ Three critical findings enabled them to dismiss the neoliberal U-turn thesis. First, since May 1981, *rigueur* had been an imperative of the technocratic elites involved in economic policy-making and had been championed by Pierre Mauroy in his inaugural address to the National Assembly on 8 July 1981.⁸⁰ Presidential archives, as well as Pierre Mauroy and Jacques Delors' papers, enabled historians to show that the Keynesian relaunch in summer 1981 had been deliberately moderate. Jean-Charles Asselain coined the expression 'midget relaunch' (*relance naine*) to counter claims that the socialist government had been careless with public funding. In fact, the relaunch had been initiated in late 1980 under Valéry Giscard d'Estaing and Raymond Barre for electoral reasons. Moreover, the overall cost of the 1981 relaunch was the equivalent of 1 per cent of GDP, whereas the Keynesian stimulus implemented in 1975 by the right-wing Chirac government had amounted to 2 per cent. Confidential notes to François Mitterrand and Pierre Mauroy also highlighted their economic advisers' scepticism about the impact of the relaunch on unemployment. Henri Guillaume, one of Mauroy's primary economic advisers, claimed that the increase in social benefits 'does not contribute to the government's other priority: combatting unemployment'.⁸¹ This sentiment was widely shared by the Elysée and the rue de Rivoli. As Matthieu Tracol has shown, the relaunch was not replaced by *rigueur* under the Mauroy government: both imperatives were addressed throughout the Mauroy administration, although by late 1981, *rigueur* increasingly prevailed.⁸²

Further, the characterisation of the 1981 relaunch as a 'fiasco' is an exaggeration, particularly in terms of employment: 'The French are . . . the only industrialised nation that did not experience a recession in 1982 . . . without really being aware of it.'⁸³ As a general trend, this claim is accurate, although it should be noted that French GDP actually grew to 1 per cent in 1981 and 2.5 per cent in 1982, whereas West Germany was stagnating (0.5 per cent in 1981 and -0.4 per cent the following year) and the United Kingdom was experiencing a rebound (2 per cent in 1982) after two years of negative growth (-2.5 per cent in 1980 and -0.8 per cent in 1981).⁸⁴ The politicians and experts most involved in the drafting process quickly realised that, despite its moderation, the relaunch policy jeopardised the balance of payments without addressing the rise in unemployment. The relaunch also caused an increase in public debt, aggravating the financial constraints that weighed on every Western European country in the wake of the 1979 'Volcker Shock'. From 1981 to 1984, France's public finances were caught in a vicious cycle: 'the periodic refinancing of the existing debt globally operated under increasingly bad conditions: more expensive and in the shorter term'.⁸⁵ For the French socialist state, whose reputation in American and British financial circles had suffered, the high interest rates induced by Paul Volcker's monetary policy increased the difficulty of allocating funding for its relaunch policy based on social expenditures. The public deficit nevertheless remained roughly 30 per cent of GDP and the 'crisis' in public finances between 1981 and 1983 was largely conjunctural – a liquidity as opposed to a structural problem. Like their British counterparts in 1974, French

⁷⁹ Margairaz, 'L'ajustement', 334.

⁸⁰ Pierre Mauroy, inaugural address to the French National Assembly, 8 July 1981, available at <https://www.vie-publique.fr/discours/127096-declaration-de-politique-generale-de-m-pierre-mauroy-premier-ministre> (last visited Jan. 2022).

⁸¹ Henri Guillaume, 'Note à l'attention du Premier ministre: incidences des mesures immédiates sur l'économie française', 29 May 1981, 2, CAS-FJJ, Archives of Pierre Mauroy, 1FP1_195.

⁸² Tracol, 'La rigueur', 14.

⁸³ Margairaz, 'L'ajustement', 334.

⁸⁴ Source: World Bank, <https://donnees.banquemondiale.org/indicateur/NY.GDP.MKTP.KD.ZG?locations=GB> (last visited Jan. 2022).

⁸⁵ Olivier Feiertag, 'Finances publiques, "mur d'argent" et genèse de la libéralisation financière en France de 1981 à 1984', in Berstein, Bianco and Milza, eds., *François Mitterrand*, 438–9.

socialists underestimated – but did not ignore – the steep rise in import prices induced by a Keynesian relaunch in an open economy. They appeared to be excessively confident in the capacity of the state to boost the competitiveness of French firms through public investment and structural reforms such as nationalisations. Most critically, the relaunch policy slowed but did not curtail the rise of unemployment, a political dilemma for François Mitterrand, who had been elected on the motto ‘Employment First’. Mitterrand and his prime minister were informed of this situation in the early days of their administration. Jacques Delors was also informed about the mitigating impact of the Keynesian relaunch on unemployment. On 21 May 1981, the day of Mitterrand’s investiture, the head of the forecasts department (*Direction de la Prévision*) warned him against the ‘inability of the traditional instruments of conjunctural regulation to produce a genuine, durable improvement of the employment situation and a substantial reduction in the unemployment rate’.⁸⁶ He also argued that a moderate macroeconomic relaunch around 0.75 per cent of GNP would have ‘beneficial effects on growth without leading to a drop in prices or an excessive deterioration of foreign trade’.⁸⁷ The government followed these recommendations, implementing a moderate Keynesian relaunch. Nevertheless, socialist leaders and experts, as well as senior civil servants in the ministry of finance, underestimated the disequilibrium that was caused by this initiative on foreign deficits.⁸⁸

Accordingly, the government prematurely interrupted the experiment as early as late 1981, and not in March 1983 as is too frequently claimed in the *memoires* from the period. In October 1981, Jacques Delors won an intra-governmental debate and froze fifteen billion francs (roughly 0.5 per cent of the GNP). One month later he symbolically called for a ‘break’ in the implementation of social reforms, as Léon Blum had done in early 1937.⁸⁹ Delors’ public scepticism about the relaunch, of which he was supposed to be the primary architect, infuriated both Mitterrand and Mauroy. Delors voiced the prevailing feeling among socialist economic experts in office that the government was obliged to grant ‘the dream-share’ (*la part du rêve*) to leftist voters in the wake of their electoral victory. He believed that restoring the competitiveness of French firms was a more vital issue. To the small minority of socialists familiar with the contents of the unpublicised reformist economic programme drafted by the PS in the late 1970s, his position was unsurprising. In 1978, Delors had headed a commission of experts that proposed considerable changes to the quantitative approach to the 1972 *Programme commun* with the French Communist Party (PCF).⁹⁰ As leaders relentlessly professed their loyalty to the union of the left (*union de la gauche*) and the radical transformation of global capitalism, these more pragmatic revisions of the economic programme were not reflected in *Mitterrandiste* public discourse.⁹¹

Although this strategy changed after Mitterrand took power, the shift did not immediately usher in a set of coherent neoliberal policies. The decisions made between late 1981 and March 1983 can be best understood as three contradictory sets of state reforms.⁹² The nationalisation of major banks and industries in early 1982 compelled the government to protect these companies against the budgetary austerity that it was discreetly implementing.⁹³ After Pierre Mauroy’s resignation, Laurent Fabius pushed for a more coherent socialist policy regarding the role of the state. From his inaugural address onward, the prime minister professed his objective to ‘modernise’ the French administration and

⁸⁶ Pierre Cortesse, forecasts department of the finance ministry, ‘Note au Ministre’, 21 May 1981, p. 14 (25 p.), AN, Archives of the Mitterrand presidency, 5 AG 4 2140.

⁸⁷ Cortesse, ‘Note au ministre’, 15.

⁸⁸ It is noteworthy that in 1978 the Schmidt government had faced the same kind of situation after the chancellor responded positively to Jimmy Carter’s request to initiate a global Keynesian relaunch with the United States and Japan. See Judith Stein, *Pivotal Decade: How the United States Traded Factories for Finance in the Seventies* (New Haven, CT: Yale University Press, 2010), 154–75.

⁸⁹ Jean-Charles Asselain, ‘L’incartade socialiste de 1981’, *Vingtième siècle: Revue d’histoire*, 2, 138 (2018), 22.

⁹⁰ ‘Commission ‘Projet socialiste’, May 1978, 1, CAS-FJJ, box 752.

⁹¹ Fulla, *Les socialistes français*, 361–92.

⁹² Bezes, *Réinventer l’État*, 205–53.

⁹³ Michel Margairaz, ‘Les nationalisations: la fin d’une culture politique?’, in Berstein, Bianco and Milza, eds., *François Mitterrand*, 365–6.

industrial policy within a European and international free market framework.⁹⁴ How the Fabius administration defined ‘modernisation’ remains unclear, although Philippe Bezes has observed that it achieved a set of administrative reforms intended to improve the efficiency of state bureaucracy while promoting a new role for the state in managing of the economy. According to Fabius, in the globalising world in which the socialist government operated, the state was less competent than the private sector at production and banking. This did not indicate that the state should encourage competition without regulation, as was increasingly the case in the Thatcher era. The self-proclaimed socialist ‘modernisers’ urged their comrades to accept certain criticisms of the welfare state while advocating for a regulatory, strategic and efficiently organised administrative machine.⁹⁵ In meetings between Fabius and PS elites during his time at Matignon, he unerringly stressed the imperative of low expectations of the state as the lender of last resort: ‘We must demonstrate that Socialism is not, as adversaries say, higher taxes, but better distributed. For that, one of the essential conditions, beyond growth, resides in the fact that we will not consider the State budget as the hole-plugger or street-sweeper of every economic and social action’, as he wrote to Lionel Jospin shortly before the general elections of March 1986.⁹⁶

Despite these calls for modernisation and a moderate state role, the ambiguities of the Fabius government’s economic and social policies rapidly became apparent. On one hand, the financial sector was abruptly deregulated under the guidance of Finance Minister Pierre Bérégovoy and his closest aides – and against the recommendations of the Treasury.⁹⁷ Broadly speaking, the financialisation of French capitalism, a powerful indication of ‘neoliberalism as economy’,⁹⁸ was orchestrated by Bérégovoy and his successor, the right-wing liberal Edouard Balladur under the Chirac government, not under the Mauroy government.

Another argument typically advanced by proponents of the supposed 1983 neoliberal turn lies with the European question. In accordance with the ‘manifest European destiny’ announced by François Mitterrand in March 1983, the government made significant concessions to monetary and competitive policies whose regulations were fundamentally based on market principles. Yet the genuine step toward the Europeanisation of the French economy following principles largely inspired by German ordoliberalism occurred later, when Jacques Delors became president of the European Commission in 1985 and began drafting the blueprint of the Single European Act. Under the Mauroy government, the French state had played a *dirigiste* role in industrial affairs. Until 1984, François Mitterrand had attempted to Europeanise ‘French Colbertism’, namely the creation of European ‘high-tech champions’, which he considered the only way to compete with the United States and Japan in the technology sector. Afterwards, a trade-off with West Germany was initiated. In exchange for ‘strengthening the internal market and external policies’, France imposed a policy of ‘European preference’ to promote the growth of European competitors.⁹⁹

A final argument is sometimes raised by the proponents of 1983 as the cornerstone of French neoliberalism. By opting to deepen austerity in March, the government would have deliberately sacrificed the fight against unemployment. From a short-term perspective, this assertion is correct, but it would be hasty to conclude that this socialist choice was the equivalent of implementing a neoliberal cure to deal with mass unemployment. Although not as great as that of West Germany and the United

⁹⁴ Laurent Fabius, inaugural address as prime minister to the French national assembly, 24 July 1984, available at <https://www.vie-publique.fr/discours/203846-declaration-de-politique-generale-de-m-laurent-fabius-premier-ministre> (last visited Dec. 2021).

⁹⁵ Mathieu Fulla and Marc Lazar, ‘European Socialists and the State: A Comparative and Transnational Approach’, in Fulla and Lazar, eds., *European Socialists*, 18–21.

⁹⁶ Laurent Fabius, letter to Lionel Jospin, no specific date mentioned (but the letter was very probably sent shortly before the 1986 general elections), CAS-FJJ, Archives of Lionel Jospin, 2 PS 471.

⁹⁷ Laure Quennouëlle-Corre, ‘Les réformes financières de 1982 à 1985. Un grand saut libéral?’, *Vingtième siècle. Revue d’histoire*, 2, 138 (2018), 72.

⁹⁸ Rodgers, ‘The Uses and Abuses’.

⁹⁹ Laurent Warloutzet, *Governing Europe in a Globalizing World: Neoliberalism and its Alternatives following the 1973 Oil Crisis* (Abingdon: Routledge, 2018), 121–35.

Kingdom, the French unemployment rate, which had begun rising in the second half of the 1970s, had exacerbated the social security deficit. Faced with this complex issue, the Mauroy and Fabius governments, as well as the Chirac government, decided to increase rather than decrease social benefits in order to ease ‘the harshest social consequences of industrial restructuring and the resulting layoffs’ and prevent victims of the crisis, most of them residents of the deindustrialising East and North of France, from descending into poverty.¹⁰⁰ This ‘welfare without work’ strategy was partly the result of pressure from trade unions, which continued to influence social policy-making. In the 1970s, the PS had attracted new activists from the labour movement and affiliated groups, bolstering its connections to civil society and Christian leftist networks.¹⁰¹ During the 1981 presidential campaign, François Mitterrand relied on these connections with teachers’ federations, secular networks, socio-cultural associations and the *Confédération française démocratique du travail* (CFDT) – a trade union whose relationship with the PS had always been complicated. Although party ties to these social movements began unraveling in the 1980s, the dialogue between the government and the trade unions remained effective under the Mauroy government. After a short ‘honeymoon’ period in summer 1981, the *Confédération Générale du travail* (CGT), the leading French trade union, which was very close to the French Communist Party (PCF), became increasingly reluctant to support economic reforms, although it never disavowed the government as long as the PCF stayed in office.¹⁰² Even after Laurent Fabius’ appointment as prime minister, many CGT executives continued ‘to think that a Socialist Party government was better than a Barre government’, as one of Jospin’s leading advisors observed.¹⁰³ The government’s relationship with another major trade union, the CFDT, that defended an economic analysis that was close to the ideas of Jacques Delors and Michel Rocard, and played a crucial role in the birth of the so-called ‘second left’ (*la deuxième gauche*), was also perturbed. Once again, however, the dialogue between the government and the CFDT was never broken. Even before opting for a new *plan de rigueur* in March 1983, the CFDT leader, Edmond Maire, called for such an austerity plan – although this did not prevent him from later severely criticising the government’s text.¹⁰⁴ The gradual ‘cartelisation’ of the PS and its disconnection from the labour movement and lower classes became increasingly apparent in the late 1980s but this was still not the case in 1983.¹⁰⁵

An additional argument should be noted alongside these key insights from the critical historiography of the *tournant de la rigueur*. Most European socialist elites were reluctant to embrace the austerity turn – with the notable exception of Helmut Schmidt’s social democratic government in West Germany.¹⁰⁶ The early 1980s were a moment of hesitation – and at times resistance – particularly

¹⁰⁰ Bruno Palier, ‘The Long Goodbye to Bismarck? Changes in the French Welfare State’, in Pepper D. Culpepper, Peter Hall and Bruno Palier, eds., *Changing France: The Politics that Markets Make* (London: Palgrave Macmillan, 2006), 112.

¹⁰¹ Hélène Hatzfeld, ‘Une révolution culturelle du parti socialiste dans les années 1970?’, *Vingtième siècle. Revue d’histoire*, 4, 96 (2007), 77–90; Vincent Soulage, ‘L’engagement politique des chrétiens de gauche, entre Parti socialiste, deuxième gauche et gauchisme’, in Denis Pelletier and Jean-Louis Schlegel, eds., *À la gauche du Christ: les chrétiens de gauche en France de 1945 à nos jours* (Paris: Seuil, 2015 [2012]), 528–37.

¹⁰² Matthieu Tracol, ‘La CGT et le gouvernement Mauroy (1981–1984): un essai de ‘syndicalisme de participation?’’, in Sophie Bérout et al., eds., *La CGT (1975–1995): Un syndicalisme à l’épreuve des crises* (Nancy: Arbre bleu, 2019), 225.

¹⁰³ Wenceslas Baudrillard, ‘Note pour Lionel Jospin. Objet: relations actuelles avec la CGT’, 8 Nov. 1984, p. 2 (3 p.), CAS-FJJ, Archives of Lionel Jospin, 2 PS, 517.

¹⁰⁴ ‘“L’hypothèse d’un deuxième plan de rigueur doit maintenant être envisagée” affirme M. Edmond Maire’, *Le Monde*, 2 Feb., 1983.

¹⁰⁵ Rémi Lefebvre and Frédéric Sawicki, *La société des socialistes: le PS aujourd’hui* (Bellecombe-en-Bauges: Editions du Croquant, 2006), 123–51. For an application to the concept of ‘cartel-party’ to the PS, see Thierry Barboni, ‘Les changements d’une organisation: Le Parti socialiste, entre configuration partisane et cartellisation (1971–2007)’, PhD Thesis, University Paris 1 Panthéon-Sorbonne, 2010.

¹⁰⁶ Julian Germann, ‘German “Grand Strategy” and the Rise of Neoliberalism’, *International Studies Quarterly*, 58 (2014), 707. It should be noted that the liberal characteristics of Helmut Schmidt’s economic policy are also a matter of considerable debate. Some scholars have insisted on the German Chancellor’s pragmatism in achieving a policy that combined Keynesian elements – particularly before 1979 – and supply-side policies. See Tim Schanetzky, *Wirtschaftspolitik, Expertise und Gesellschaft in der Bundesrepublik 1966 bis 1982* (Berlin: Akademie Verlag, 2007), 273.

within supra-national organisations such as the Socialist International (SI) and the Confederation of the Socialist Parties of the European Community (CSPEC).¹⁰⁷ Meetings between socialist heads of state held by the PS in 1983 clearly illustrated this atmosphere of mistrust. In January, Felipe Gonzalez, Bruno Kreisky, Pierre Mauroy, Olof Palme, Andreas Papandreou, Kalevi Sorza and Habib Thiam – the respective prime ministers of Spain, Austria, France, Sweden, Greece, Finland and Senegal – insisted on a global relaunch plan to reshape the international monetary order, developing impoverished countries and stabilising raw material costs.¹⁰⁸ Nine months later, the mood around the table had changed dramatically. A few days before the opening of the European Council in Athens, Pierre Mauroy launched the debate by stating, ‘In all my years of activism, no one ever taught me what an austerity policy is.’ Mauroy urged his peers to integrate their leftist principles with austerity measures, which he considered unavoidable. The leaders of the Southern European socialist parties took a harder line. The Portuguese President Mario Soares proclaimed:

In southern Europe, we came to power not through expansion (as in the North), but in crisis and because of the crisis. . . . As a result, we were unable to either conduct a social policy or satisfy the capitalists. We retook power because the conservatives failed! We are going to defend the mechanisms that we denounce (such as the IMF). How can this contradiction be unravelled?¹⁰⁹

Soares’s Italian counterpart Bettino Craxi pushed this line of thought further, asserting that the European left ‘should no longer be revolutionary in a Europe in which revolution is never necessary’.¹¹⁰ The spectrum of socialist resistance to austerity in this period is beyond the scope of this article, but the SI and the CSPEC drafted numerous documents in response to a 1980 report by the UN Brandt Commission urging developed countries to seriously address North–South inequalities.¹¹¹

The Mauroy government conspicuously cited the Thatcher administration as a countermodel.¹¹² Many politicians and senior civil servants actively involved in the *tournant* were hostile to Thatcher’s monetarist policies.¹¹³ Continuities with the ‘thwarted liberalism’ (*libéralisme contrarié*) of the conservative Barre government in the late 1970s prevailed over the crusades against neoliberalism orchestrated by socialist politicians and statist elites.¹¹⁴ Similarly, historian Laurent Warlouzet, who studied the French socialist experience from a European perspective, contended that the 1983 *plan de rigueur* did not emulate the British economic policy, but rather sought to initiate a convergence between France and West Germany toward free-market policies that were adapted to the challenges of globalisation. Warlouzet did not deny the significant role of financial constraints in shaping the decisions of 1983. As with the United Kingdom in 1976 and Italy in 1977, the growing deficit would have obliged France to ask for assistance from the IMF in order to avert a financial meltdown. Warlouzet noted that France had implemented an austerity policy since June 1982 and that the decisions of March 1983 marked the triumph of a free-trade paradigm over a neoliberal model designed to retrench the welfare state and increase large-scale privatisation. Given growing alignment with German monetary and macroeconomic policies, Warlouzet argued that France persuaded several member

¹⁰⁷ Mathieu Fulla, ‘A Discreet Alternative: The Socialist International’s Ill-Fated Battle for “Global Keynesianism” and a New International Economic Order in the 1980s’, in Michele Di Donato and Mathieu Fulla, eds., *Leftist Internationalisms in the Twentieth Century* (London: Bloomsbury, forthcoming Feb. 2023).

¹⁰⁸ Draft of an official release by ‘*les acteurs du changement*’, an informal group consisting of several socialist heads of state and government, 23 Jan. 1983, 1 p., CAS-FJJ, Archives of Pierre Mauroy, 1 FP1_301.

¹⁰⁹ Mario Soares, Meeting of the Socialist Heads of state and government, ‘*Les acteurs du changement*’, handwritten report, 18 May 1983, p. 3 (3 p.), CAS-FJJ, Archives of Lionel Jospin, 2 PS 455.

¹¹⁰ Soares, ‘*Les acteurs du changement*’, 3.

¹¹¹ Fulla, ‘A Discreet Alternative’.

¹¹² Margairaz, ‘L’ajustement périlleux’, 340.

¹¹³ Vinen, *Thatcher’s Britain*, 124–6.

¹¹⁴ Michel Margairaz, ‘La faute à 68? Le Plan et les institutions de la régulation économique et financière: une libéralisation contrariée ou différée?’, in Michel Margairaz and Danielle Tartakowsky, eds., *1968, entre libération et libéralisation* (Rennes: Presses universitaires de Rennes, 2010), 41–62.

states (including West Germany and the Netherlands) to re-evaluate their currencies, as well as a significant EEC loan. He emphasised that this economic alignment was compatible with the post-war welfare state and the preservation of social reforms achieved during the summer of 1981.¹¹⁵ Broadly speaking, West Germany constituted the quasi-exclusive model of reference that the crafters of the *tournant de la rigueur* had in mind at the time. Even before the first austerity plan was announced in June 1982, the forecasts department of the finance ministry praised ‘the German example’, despite the harmful effects of Schmidt’s sound budgets on unemployment. Citing the German model allowed senior civil servants to tacitly criticise the Keynesian relaunch and nationalisation, which they deemed excessively *dirigiste* and expansive: ‘the limitation of the public deficit clearly defines the room to manoeuvre of the German government and enables it to take an unshakable position in internal (Bundestag) and external (international agencies) debates.’¹¹⁶

Reassessing Mitterrand’s first term through this broad European lens, Frédéric Bozo also emphasised the geopolitical aspect of Mitterrand’s decision to remain in the EMS in Cold War Europe. Given that the Euromissile crisis had eroded German confidence in European infrastructure, Mitterrand’s decision sent a clear message to the Kohl government that France remained committed to the ongoing construction of Europe.¹¹⁷ Disagreements on economic matters aside, the French president considered security a top priority in the shared agenda of both countries. Mitterrand’s famous speech at the Bundestag in January 1983 epitomised this mindset.¹¹⁸ Unlike Michel Rocard and Jacques Delors, Mitterrand did not believe that economic expertise should be a necessity for politicians; he openly distrusted economists and economic forecasts. Like De Gaulle, he strongly subscribed to the primacy of politics over economics. From the latter half of the 1970s onward, Mitterrand was well aware that a growing number of politicians and experts from the PS had abandoned the ‘Marxist–Keynesian’ rhetoric promoted by the *Programme commun de gouvernement*, which had been signed with the PCF in June 1972. Privately, they argued that if the French left gained power, its leaders would be unable to ignore the constraints of a competitive globalised economy. Mitterrand’s voters, however, did not elect the socialist candidate in order that his government adopt the same austerity policies as Raymond Barre’s. In their view, Mitterrand embodied the union of the left and the radical transformation of capitalism, although he conspicuously refrained from using the motto ‘*Changer la vie*’ – the title of the 1972 PS programme – during his campaign. In May 1981, the newly elected president and his prime minister were keenly aware that leftist voters would have rejected a ‘competitive disinflation’ policy such as those adopted by the United States, the United Kingdom and West Germany. For Mitterrand, maintaining the support of his electorate and legitimising the PS as a political force required gradual, subtle manipulation of economic rhetoric. His public endorsement of the *rigueur* on 23 March 1983 indicated a shift toward ‘austerity with a human face’ and the pro-market policies that the Mauroy government had discreetly engaged in by late 1981. It was a powerful message to the French left that the time for a voluntarist approach to economic policy was ending. In this new era, promoting European growth and industrial modernisation within a liberal framework would be the core socialist creed, to the detriment of anti-capitalism and full employment.

The fact remains that Mitterrand’s economic choices in late 1981 had a lasting influence on the economic approach to Western European socialist elites. Pierre Bérégoz, the newly appointed finance minister in the Fabius government, developed the *politique du franc fort*, inspired by the Bundesbank’s monetary policy, which prioritised a balanced budget and decreased inflation over

¹¹⁵ Laurent Warlouzet, ‘Le spectre de la crise financière française de 1983. Influences et solidarités européennes’, *Vingtième siècle. Revue d’histoire*, 2, 138 (2018), 93–107.

¹¹⁶ Forecasts department of the finance ministry, ‘Finances publiques. L’exemple allemand’, 15 Mar. 1982, p. 1 and p. 10 for quotations (10 p.), AN, Archives of the Mitterrand presidency, 5 AG 2140.

¹¹⁷ Frédéric Bozo, ‘In Search of the Holy Grail: France and European Monetary Unification’, in Michael Gehler and Wilfried Loth, eds., *Reshaping Europe: Towards a Political, Monetary, and Economic Union, 1984–1989* (Baden Baden: Nomos, 2020), 294.

¹¹⁸ Hélène Miard-Delacroix, ‘Les relations franco-allemandes’, in Berstein, Bianco and Milza, eds., *François Mitterrand*, 304–8.

full employment.¹¹⁹ By late 1982, the Austrian socialist government, under Bruno Kreisky and later, Fred Sinowatz, ‘incrementally adopted an economic policy combining state budget austerity with specific policies for supporting rates of high unemployment’ in the name of the European imperative.¹²⁰ The Soares and Gonzalez administrations in Portugal and Spain endorsed similar policies to avert economic crisis, defined by the rampant protectionism championed by Salazarism and Francoism.¹²¹ By 1985, the Palme administration in Sweden had introduced similar austerity budgets that transformed employment ‘from a social citizenship entitlement to a market variable’.¹²² Although this new socialist approach to economic issues included concessions to the pro-market paradigm, it did not signify the destruction of the welfare state or social policies benefiting low-income and unemployed workers. From the second half of the 1980s onward, the modest ambition of most leading socialist politicians and experts was to mitigate the most glaring inequalities engendered by free market policies and financial deregulation, not to radically change capitalism.

For all the above reasons, this article calls for the deconstruction and desacralisation of the 1983 *tournant de la rigueur*. It suggests that international scholars should consider familiarising themselves with French-language critical historiographical studies. By the late 2000s, a number of unorthodox French economists, political scientists and sociologists started to engage in a meaningful discussion on this topic.¹²³ Although they agreed that the decisions of 1983 represented an important step in French socialism’s acceptance of neoliberalism, they ceased to describe this event as the decisive moment in these developments.¹²⁴ A well-informed recent comic book entitled *Le choix du chômage* has pursued this trend (Figure 1). Its authors (a journalist and a cartoonist) contend that French politicians in office from Georges Pompidou to Emmanuel Macron have implemented economic and social policies intended to favour the interests of investors and savers over a massive increase in unemployment. Albeit debatable on several crucial points, notably due to the insufficient attention paid to the impact of the Cold War on the dynamics of Europeanisation and the convergence of Western European economies, this successful comic book – with over 45,000 copies sold to date¹²⁵ – marked a major step in the dissemination of a more refined narrative beyond specialised academic circles.¹²⁶

As shown in this article, the case of Laurent Fabius was all but singular among the leading Mitterrandist politicians and economic experts. Confronted with Michel Rocard’s bid for party leadership during the 1979 Congress of the PS in Metz, Mitterrand’s supporters mobilised an anticapitalist

¹¹⁹ Antony Burlaud, ‘“Faire rentrer la justice sociale dans la balance des paiements”’. La politique macro-économique de Michel Rocard’, in Alain Bergounioux and Mathieu Fulla, eds., *Michel Rocard Premier Ministre. La deuxième gauche et le pouvoir (1988–1991)* (Paris: Presses de Sciences Po, 2020), 245–63.

¹²⁰ Maria Mesner, ‘“K.u.k. Social Democracy” Reloaded: Austria’s SPÖ and the State after 1945’, in Fulla and Lazar, eds., *European Socialists*, 319.

¹²¹ On the Spanish case, see Ban, *Ruling Ideas*, 49–57.

¹²² Magnus Ryner, ‘Neo-Liberalization of Social Democracy: The Swedish Case’, *Comparative European Politics*, 2 (2004), 101; Jenny Andersson and Kjell Östberg, ‘The Swedish Social Democrats, Reform Socialism and the state after the Golden Era’, in Fulla and Lazar, eds., *European Socialists*, 336–9.

¹²³ François Denord, ‘1983. La rigueur des temps’, in Patrick Boucheron, ed., *Histoire mondiale de la France* (Paris: Seuil, 2017), 724–5; Benjamin Lemoine, *L’ordre de la dette: Enquête sur les infortunes de l’État et la prospérité du marché* (Paris: La Découverte, 2016), 108–17; Fabien Eloire, ‘Le “tournant de la rigueur” comme processus régulateur: Étude d’une décision de politique économique’, *Revue française de sociologie*, 61, 2 (2020), 207–41; Sarah Kolopp, ‘De la modernisation à la raison économique: La formation en économie à l’ENA et les déplacements des lieux communs de l’action publique (1945–1984)’, *Genèses*, 4, 93 (2013), 53–75; Bruno Amable, *La résistible ascension du néolibéralisme: modernisation et crise politique en France (1980–2020)* (Paris: La Découverte, 2021), 113–46.

¹²⁴ Antony Burlaud, ‘La rigueur de 1983: un tournant politique?’, *Savoir/Agir*, 4, 42 (2017), 29. In English-language scholarship, one can note that a recent article by Neil Warner has developed a quite similar methodological approach. See Neil Warner, ‘The Defeat of François Mitterrand’s Reform Program Still Haunts the French Left’, available at <https://jacobinmag.com/2022/05/francois-mitterrand-neoliberalism-french-left-economic-policy-rigueur-reform> (last visited 29 May 2022).

¹²⁵ Source: Edistat (the most reliable website about the statistics of book sales in France), available at <https://www.edistat.com/> (last visited 6 Oct. 2022).

¹²⁶ Benoît Collombat and Damien Cuvilier, *Le Choix du chômage. De Pompidou à Macron, enquête sur les racines de la violence économique* (Paris: Futuropolis, 2021), 66–138.

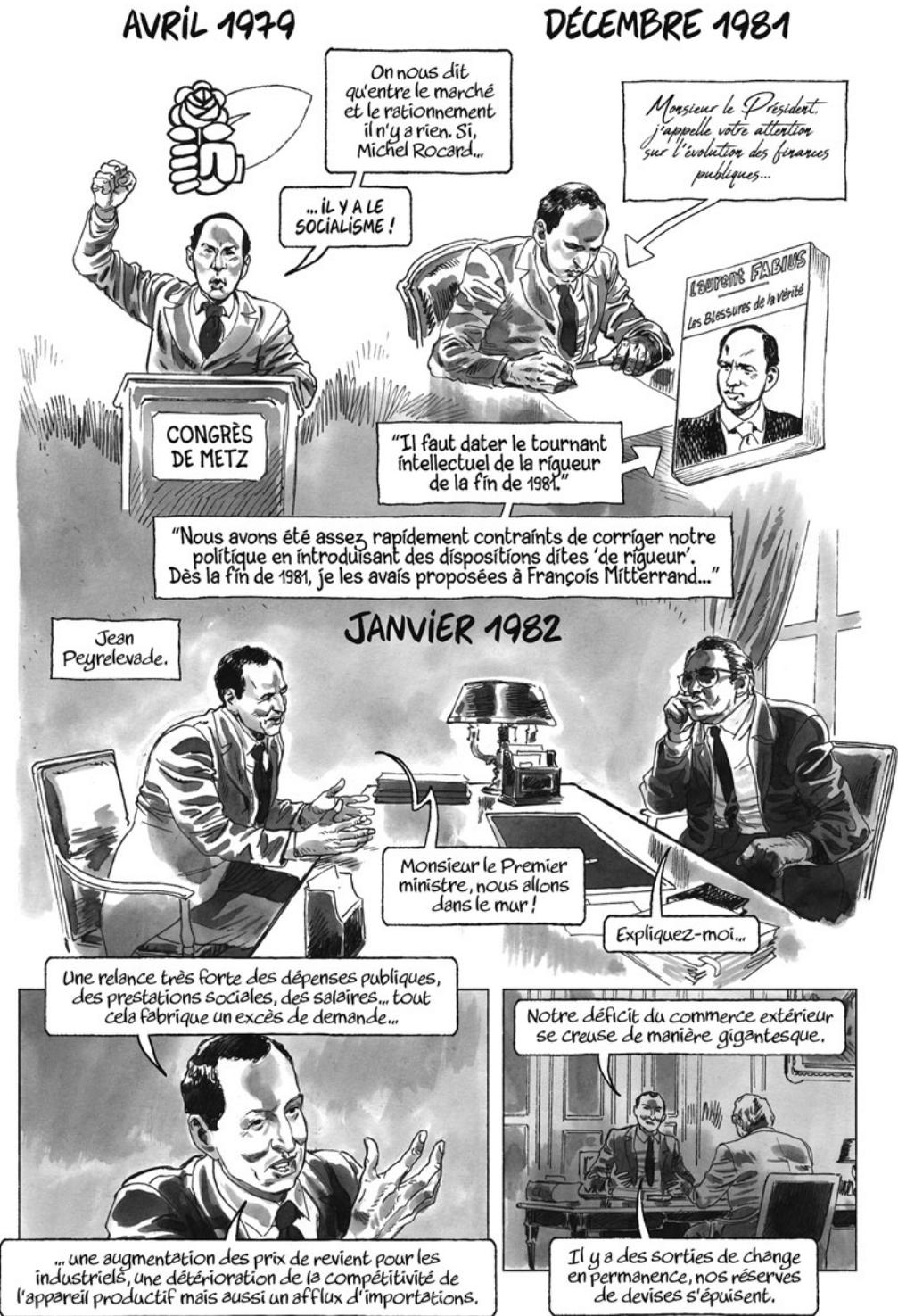


Figure 1. Le choix du chômage de Damien Cuvillier et Benoit Collombat © Futuropolis, 2021.

phraseology primarily for tactical motives. Broadly speaking, the authors of *Le choix du chômage* have seriously taken historiographical findings into account, thus emphasising that the first signs of a socialist turn to austerity emerged by late 1981. While insisting on the decisive political and symbolical consequences of the economic choices made in 1983, they have also argued that what they interpreted as a neoliberal turn occurred in fact later in the decade.

A comparative perspective offers strong further arguments for this conclusion. In a fascinating book, Cornel Ban has introduced the concept of ‘embedded neoliberalism’ to portray the policies achieved by the Spanish socialist government led by Felipe Gonzalez from 1982 to 1996. He has proposed the following definition: ‘a hybrid that layered support for macroeconomic orthodoxy, deregulation and privatisation with the ideas (and corresponding policies) about the virtues of progressive taxation, robust public services, and broad public investment strategies’.¹²⁷ As previously shown, this definition did not work for the Mauroy government. It is more pertinent to consider the spirit of the Fabius era, despite the fact that the banking and industrial sectors remained nationalised. Above all, Ban’s concept meshes perfectly with the economic policy of the right-wing liberal Finance Minister Edouard Balladur under the Chirac government. Although reluctant toward the concept of neoliberalism, a group of historians mobilising unpublished archives and oral sources recently concluded that the Balladur moment had opened ‘an important and irreversible step in a long- and medium-term movement toward the insertion of the French economy into globalisation’ through the achievement of financial deregulation, privatisation and reduced taxes on capital and high wages incomes.¹²⁸ In a recent book, political scientist Kevin Brookes drew the same conclusion: that radical neoliberal ideas imported from the United States in France since the late 1970s by small intellectual circles failed to become the Chirac government’s guidelines for economic affairs. Although the use of neoliberal rhetoric allowed the different strains of the French Republican Right to gather in the perspective of the general elections, there was a large gap between Chirac’s Hayekian accents in opposition and the actual practices of his government once in power. Brookes points out the lack of influence of leading political figures of this neoliberal right-wing strain in the decision-making process. The Minister of the Economy, Alain Madelin, and the Minister of Culture, François Léotard, both advised by major conveyers of this ideology such as the economic journalist Henri Lepage or the academic economist Pascal Salin, were strongly marginalised and frequently – albeit not systematically – overruled by Chirac and Balladur. On the economic level, Brookes argued, the most salient point was the resilience of a statist policy making, as epitomised by the implementation of industrial and banking privatisations. Far from being a replica of Thatcher’s experience, Jacques Chirac, Edouard Balladur and a handful of senior civil servants took care to preserve the primacy of the state in the management of these (re)privatised firms. The government thus appointed CEOs coming from the top of the administration and strictly regulated the structure of their shareholding: a large amount of capital (15 to 30 per cent) was reserved for domestic partners who were carefully selected by the government, and it was determined that foreign shareholding should not exceed 20 per cent of the total.¹²⁹

Beyond the issue over the nature of this economic policy – tempered liberalism or embedded neoliberalism? – this body of work confirms the relevance of deepened archival work for gaining new insights on the transformations of French capitalism in an age of global accelerated financialisation. Recent findings on the *tournant de la rigueur* by political scientist Matus Halas have once again aptly demonstrated it.¹³⁰ Halas uncovered a number of notes drafted by François Stasse to François Mitterrand in late July 1983 whose contents may surprise even the best-informed historians.

¹²⁷ Ban, *Ruling Ideas*, 5.

¹²⁸ Florence Descamps and Laure Quennouëlle-Corre, ‘Introduction. Un libéralisme économique français. L’expérience Chirac-Balladur 1986–1988’, *Histoire, économie & société*, 2 (2022), 11.

¹²⁹ Kevin Brookes, *Why Neo-Liberalism Failed in France: Political Sociology of the Spread of Neo-liberal Ideas in France (1974–2012)* (London: Palgrave Macmillan, 2021), 267–84.

¹³⁰ I wish to thank Matus Halas for having shared with me some of the results of a recent archival investigation into the Mitterrand presidential papers in the French National Archives at Pierrefitte-sur-Seine.

Typically presented as one of the most vocal advocates for France remaining in the EMS, Stasse had in fact urged Mitterrand to leave the system. According to Stasse, the success of the monetary stabilisation applied in March had provided an opportunity for shifting tactics. He advised Mitterrand to take advantage of the summer break to discreetly quit the EMS and implement a policy of industrial modernisation *à la française* that was freed from European macroeconomic and monetary constraints. Further, Stasse explicitly asserted that his views were shared by his colleague Elisabeth Guigou – another vocal supporter of France remaining in the EMS. When Matus Halas mentioned these notes in his interviews with Stasse and Jean-Louis Bianco, both men ardently insisted that they had no memory of these events – a response that is consistent with scholarly findings regarding memory distortions induced by popular narratives, as Maurice Halbwachs brilliantly demonstrated long ago.¹³¹ Stasse's note again recalls the significant impact of political motives on the decision-making process, as well as the perils of over-reliance on oral sources. In sum, Halas's findings should serve as a gentle admonition to scholars who continue to neglect archival sources in studies of the making of economic policy.¹³²

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¹³¹ Maurice Halbwachs, *Les cadres sociaux de la mémoire* (Paris: Librairie Félix Alcan, 1925).

¹³² In the French case, the political scientist Alain Garrigou already urged colleagues to draw on archival sources in an article published as early as the late 1980s. See Alain Garrigou, 'Le politologue aux archives', *Politix*, 2, 6 (1989), 41–5.

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