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French reforms

Attali the Hun

Jan 24th 2008 | PARIS

From The Economist print edition

A brave agenda for reform, but will it ever be implemented?

MANY a tree has been felled in the cause of diagnosing the ills of France's economy, and prescribing a cure. Indeed, France excels in both producing and ignoring official reports. Two years ago, Michel Pébereau, chairman of BNP Paribas, wrote one on how to cure the French addiction to public spending. A year before that, Michel Camdessus, a former IMF boss, penned another on how to boost economic growth. The then finance minister, Nicolas Sarkozy, called the Camdessus report his "bedside reading".

Yet few ideas in either of these earlier reports were turned into policy. Now, France is again chewing over the advice of an economic commission. Published on January 23rd, this report was requested by President Sarkozy, and written by a commission headed by Jacques Attali, once right-hand man to François Mitterrand, a former Socialist president. Like the others, it is an excellent handbook for the radical overhaul of the economy. But will it, like them, also end up on the shelf?

Many proposals in the Attali report, entitled "300 Decisions for Changing France", are not new, but they are still brave. They include the deregulation of "restricted professions", such as pharmacists and taxi drivers, and the abolition of a law banning hypermarkets from selling at below cost. Others are already government policy, like the creation of ten super-universities. Others still are more novel, such as the elimination of *départements*, the administrative layer between town councils and regions, the creation of ten ecological new towns and the teaching of economics in primary schools. While urging compensation for losers, the report adds up to a sweeping liberalisation of the economy. "The French need in particular to know that the future of work is no longer in the public sector," it says, "and that of companies is no longer in subsidies."

Mr Attali calculates that, if adopted, his plans could boost annual GDP growth by one percentage point, cut unemployment from 8% to 5%, reduce the numbers living in poverty from 7m to 3m and take public debt down from 64% to 55% of GDP. But, as he also makes clear, to achieve this, his measures must be adopted wholesale, not *à la carte*. He even includes a timetable: approval by April, implementation between then and June 2009.

When he appointed him, Mr Sarkozy promised Mr Attali that "whatever you propose, we will do". The report quotes this phrase on its opening page. Yet, although Mr Sarkozy said this week that he agreed with "the bulk" of the proposals, he explicitly ruled out some, such as the abolition of the *départements*. He also argued that deregulating pharmacies could deprive people of "a public service".

Despite Mr Sarkozy's campaign talk of a *rupture* with the past, on almost every measure, from the reform of universities to pensions to the labour market, his reforms in office have turned out to be half-hearted.

For example, the new job contract just agreed by the unions and employers after months of negotiation will enable employers to shed workers without the risk of going to a labour tribunal, but only at the price of higher pay-offs. Eric Chaney, chief European economist at Morgan Stanley, terms this a "homeopathic" remedy.

It could be that Mr Sarkozy now plans to use the half-reforms that he is implementing as



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A bit too bold, Jacques

stepping-stones to something bolder. It could also be that he hopes to use the Attali report, written by a one-time man of the left for a president of the right, to find a new consensus for pressing ahead more forcefully. Past experience with such reports, however, is not encouraging. As Mr Pébureau put it wearily in his report in 2005, "the multiplication of commissions, committees and reviews contrasts with the feeble use made of their work. Their creation even sometimes seems to be a way of putting off decisions."

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Liberating France

[Print](#)

Published: January 22 2008 20:09 | Last updated: January 22 2008 20:09

It is not difficult to be snide about Jacques Attali, a man whose pomp, pretension and pyrotechnics have tended to obscure his brilliance.

As economic adviser to the late François Mitterrand – who reportedly said, “I don’t have a computer, I have Jacques Attali” – his achievement was meagre. His brief spell as founding president of the European Bank for Reconstruction and Development was overshadowed by his fondness for Carrara marble. His literary output of a book a year (sometimes three), ranging from music to mathematics, finance to philosophy, all while holding down frontline jobs, is the subject of lively debate.

But the report he will on Wednesday give President Nicolas Sarkozy deserves to be taken seriously. If the main recommendations it is expected to contain were implemented, it would amount to a veritable revolution in French socio-economic life.

This being Mr Attali, the report fizzles with [more than 300 measures](#). Boiled down, as it must be, into an action plan, its three main planks are deregulation, competition and the elimination of bureaucracy.

In a country whose capital has fewer taxi drivers than in 1928, and where retailers and suppliers are trapped in a cat’s cradle of restraints, the idea is to set shops and services free. Opening a system dominated by rent-seeking insiders could create hundreds of thousands of new jobs in retail alone, and raise France’s trend rate of economic growth by 1 percentage point.

The second main idea is to create a tough new competition authority which, even in France, would increase the political cost of overt interventionism.

The main assault on bureaucracy would see the structure of 100 provincial départements inherited from the 1789 revolution dismantled, devolving power to already vibrant municipal governments.

There are other ideas with merit (investment in education and research) or that would be nice to have (10 new green towns or écopolis). But this is essentially about liberalisation. Politically, it is about whether Mr Sarkozy really is the man to persuade his countrymen of its worth, once the pharmacists and the boulangers, the taxi-drivers and the hairdressers, the notaries and the lawyers take to the streets, as they surely will. They are already branding Mr Attali a modern Attila, laying waste to their privileges.

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Sarkozy urged to back full-scale liberalisation

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By Ben Hall in Paris

Published: January 22 2008 23:06 | Last updated: January 22 2008 23:06

France must embrace full-scale economic liberalisation if it is to boost its trend growth by 50 per cent in five years and slash unemployment, a high-level presidential review will recommend on Wednesday.

An independent commission chaired by Jacques Attali, the economist and former Socialist government adviser, will propose more than 300 measures to free up retailing and other services, reduce non-wage labour costs and reform public administration.

The recommendations constitute a blueprint for economic reform for President Nicolas Sarkozy, who came into office last May promising to revitalise France's sluggish economy. The president has said he would implement all of the proposals, but added the crucial caveat "as long as there is a consensus".

Furious opposition is expected from those affected by some of the proposals, for instance those calling for the opening up to new entrants of protected professions such as taxi drivers – whose ranks have barely increased in number in Paris in 50 years – or pharmacists.

If all the measures are implemented in the next two years, the review says, unemployment could be cut from 8 per cent to 5 per cent and the number of people living in poverty could be halved within five years. The reforms would also enable France to reduce public spending as a proportion of national output – now the highest in the European Union – by 1 percentage point a year.

The Attali commission, which included 44 business leaders, economists and intellectuals, follows a string of far-reaching economic reviews ordered by successive French governments and then ignored.

The recommendations – many of which have been leaked – have already triggered political opposition, not least from Mr Sarkozy's own party.

"Contrary to [Mr] Attali, I don't think we should take all of this as a package," said Bernard Accoyer, the centre-right president of the chamber of deputies.

Privately, members of the Attali commission concede that ministers will cherry-pick from their findings and may water down specific measures before presenting them to parliament.

"What we are recommending is what many countries have done, but it is a little revolutionary by French standards," said one commission member.

Mr Sarkozy has so far displayed little appetite for outright confrontation with interest groups. When train drivers and gas and electricity workers went on strike last year to preserve their right to retire earlier on a full pension, the president essentially bought them off with a promise of higher wages.

There is also unease inside the commission about Mr Attali's insistence on including a proposal to cut employers' social charges and instead raise value added tax and the CSG, a general tax on incomes, to help fund the welfare state.

The Socialists have attacked the idea. However, the commission believes the agenda stands a good chance of being taken up at least in part as the public mood shifts in favour of further economic measures.

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Economic plan is challenge to Sarkozy

French President Nicolas Sarkozy has welcomed a report from a commission of experts containing far reaching proposals for boosting economic growth in France. The BBC's Alasdair Sandford in Paris asks how far he is likely to go in implementing them.

Earlier in his presidency, French President Nicolas Sarkozy had been typically bullish when faced with a rather pessimistic economic forecast.

France, he said, would go in search of the missing growth "with its teeth".

But by the beginning of this year, the president appeared surprisingly toothless when challenged to explain why people's spending power remained stubbornly low.

"What do you expect of me?" he demanded. "That I raid the till when it's already empty?"

That disarmingly honest assessment of the state of the nation's finances - not to mention the current global financial crisis - has put the commission's proposals on ways of achieving economic growth into sharp focus.

A grand plan

In his presentation at the Elysee, commission head Jacques Attali played up to the grandeur of the surroundings.

He quoted the reformist 18th Century economist Jacques Turgot addressing Louis XVI, imploring "your Majesty" Nicolas Sarkozy to implement the principles "without being frightened by the inevitable clamour of opposition".

What you propose, we will carry out
Nicolas Sarkozy on commissioning the report

When he had appointed Francois Mitterand's former economic guiding light to its head last August, President Sarkozy had appeared to give the commission carte blanche.

"What you propose, we will carry out," he said.

However, while he has welcomed the broad thrust of the report, the president has rejected some ideas, such as scrapping France's administrative departments and the monopoly enjoyed by chemists.

An investment in education

The proposals as a whole are wide-ranging: France is advised to tighten constraints on job markets and open up to competition over-regulated sectors of the economy, such as the retail trade and professions such as taxi-driving and hairdressing.

The country should invest massively in education, overhaul regional government and encourage more immigration to offset a labour shortage.

President Sarkozy, who has made a priority of curbing illegal immigration, pointedly steered clear of responding to that idea.

Jacques Attali said there was a need to "attract, as the UK is doing, the best and the brightest of the world".

The immigration minister, Brice Hortefeux, later denied there was any clash between the proposal and the government's policy.

The commission's members will be watching closely to see whether the president remains true to his word in accepting the report.

Some, such as Harvard economics professor Philippe Aghion, said the programme amounted to a "revolution", adding that he fully expected it to meet stiff opposition.

"Several members of the commission were subject to pressures by various interest groups to try and influence them," he said after the launch.

"You can't imagine how important those vested interests are in France. I'm very interested to see how far Sarkozy will go."

Revolutionary programme?

Some groups, including the main employers' federation, MEDEF, and others representing French industry, have welcomed the report.

But France's National Taxi Drivers' Federation has announced plans to stage protests against what it called a drive to "deregulate" the trade.

It said Parisian taxis were being made scapegoats at a time when livelihoods were already threatened by fuel price rises.

Jacques Attali himself has warned of the "great risk that our work will become just another report".

President Sarkozy has argued there is a need for deeper reforms than those his government has embarked upon.

Yet he also knows that politics is very much about the short term.

According to one opinion poll this week, a majority of people (56%) now thought the government's economic policies were "bad" - a rise of 20 percentage points in four months.

Many in the president's own party fear the Attali proposals will only further incur the wrath of voters at forthcoming local elections in March.

Story from BBC NEWS:

<http://news.bbc.co.uk/go/pr/fr/-/1/hi/business/7206036.stm>

Published: 2008/01/24 03:06:27 GMT

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Sarkozy avala el informe Attali sobre el crecimiento

J. M. MARTÍ FONT - París - 24/01/2008

Jacques Attali presentó ayer al presidente francés, Nicolas Sarkozy, las conclusiones de la comisión que ha presidido durante estos meses para establecer los problemas básicos de la economía y desbloquear las barreras que frenan el crecimiento. Attali, que fuera consejero del presidente socialista François Mitterrand, sugiere 314 medidas, buena parte de ellas liberalizadoras que, con algunas salvedades, han sido aceptadas "en lo esencial" por el actual inquilino del Elíseo.

A las puertas de las elecciones municipales de marzo, algunas de las propuestas de la comisión pueden resultar peligrosas para los candidatos de la derecha gubernamental. La liberalización de determinadas profesiones como los taxistas, los notarios o los peluqueros -que ya no deberán poseer un título- ha sido contestada por quienes se benefician del modelo cerrado.

La propuesta más polémica es la de abrir las puertas a la inmigración cualificada para estimular el crecimiento, lo que choca en parte con la política restrictiva impuesta por Sarkozy, aunque no tanto con la idea de establecer cuotas para los inmigrantes. Otra de las propuestas que supone un cambio radical en las costumbres francesas es permitir la jubilación más allá de los 65 años.

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Nella crisi spuntano gli "attalisti" d'Italia

Politici ed economisti: «Ora servono riforme-chiave, ma l'agenda sia condivisa»

Dobbiamo fare anche in Italia una commissione Attali? Che sia questo lo scatto che potrebbe dare un po' di fiducia nel futuro a un Paese in declino, con un'economia stagnante e asfittica, preoccupato per la bassa crescita e i bassi salari, e umiliato dallo sfarinamento politico? Perché allora non prendere esempio da un'esperienza di laboratorio avanzato come quella avviata dal presidente francese Sarkozy?

Sarkozy, proprio per rilanciare la crescita, e mettere davvero mano a una ristrutturazione profonda del Paese, ha deciso di radunare in spirito bipartisan i migliori cervelli nazionali e non solo (nella Commissione figurano gli italiani Mario Monti e Franco Bassanini), che hanno prodotto un'agenda in 316 punti per riformare le istituzioni e le coscienze, scardinare i blocchi, i privilegi, le resistenze, e fare ripartire la Francia.

Ecco perché val la pena domandarsi se non sarebbe utile anche per l'Italia un'agenda prodotta da menti d'eccellenza che potrebbe fare quasi da base programmatica — e condivisa dai due schieramenti politici — a un governo di alto profilo istituzionale. Archiviata la prima obiezione d'obbligo («Ma qui da noi non c'è Sarkozy»), la risposta di una mente libera della sinistra come Nicola Rossi, economista e deputato, è positiva, ma a patto «di un amplissimo consenso parlamentare, realmente bipartisan, che implichi la coscienza e la necessità, di entrambe le parti, di dover cedere sovranità a questo governo su temi urgenti e condivisi».

E' con questo spirito di esercizio non accademico ma di reale riflessione e proposta politica che apriamo qui la discussione con alcune personalità del Paese, sui punti decisivi per una possibile agenda Attali in salsa italiana. La si potrebbe chiamare anche Commissione Monti, dice Riccardo Illy, imprenditore alla guida della regione Friuli-Venezia Giulia. E dopo una premessa («la dovrebbe nominare un governo che esca da nuove elezioni con una nuova legge elettorale che garantisca la governabilità») si spinge anche a fare una lista dei nomi che vorrebbe vedere in questa Commissione: Francesco Giavazzi, Giacomo Vaciago, Franco Bassanini, Innocenzo Cipolletta, Pietro Ichino, Tito Boeri, alcune fra le tante persone competenti che abbiamo in Italia ma che, se ci si pensa, non sono mai state riunite insieme a pensare al futuro del Paese. Illy poi suggerisce anche una priorità, riforma delle aliquote previdenziali e revisione dell'età pensionabile: «Ha fatto bene la commissione Attali a proporre di fatto di spostare l'età limite lavorativa oltre i 65 anni, lasciando libertà di scelta ai lavoratori di ritirarsi o meno, e proponendo di eliminare gli ostacoli al cumulo pensione-reddito». Altrettanto convinto dei benefici di una Commissione del genere «per un governo di pacificazione» è Antonio Polito, ex direttore del Reformista e ora senatore del Pd: con l'avvertenza, dice, che per la Commissione Attali-Italia (quasi un anagramma) «vorrei una ventina di saggi capaci di andare ancora più a fondo dei francesi», che dettassero misure precise e dettagliate per il disastro italiano, sul problema delle pensioni, sulle liberalizzazioni, ma soprattutto affrontassero una vera ristrutturazione del tempo di lavoro e del tempo di vita, introducendo un più massiccio ed equo uso del part-time per le donne, ma non solo.

Una discesa in profondità al cuore dei problemi la invoca pure l'economista Tito Boeri, fondatore del sito lavoce.info, e, per entrare nel merito, indica una serie di punti cruciali che si possono attuare da subito e a costo zero per le casse dello Stato. Primo: decentrare la contrattazione permettendo di meglio remunerare il lavoro

nelle imprese più efficienti; secondo: aumentare la flessibilità in ingresso nel mercato del lavoro, offrendo ai giovani un percorso verso la stabilità; terzo: estendere a tutte le scuole e rendere pubbliche le valutazioni sulla qualità dell'istruzione «affinché le famiglie si battano per un miglioramento qualitativo del livello di istruzione e non solo per far avere ai loro figli "il pezzo di carta"».

Aperti e possibili «attalisti» anche gli imprenditori di nuova generazione, con un solo dubbio: perché funzioni, ci vuole un governo forte, che non caschi «Matteo Colaninno, figlio d'arte, 37 anni, presidente dei giovani di Confindustria, crede che un'agenda condivisa sia proprio quello di cui ha bisogno questo Paese, «me lo auguro come giovane e come imprenditore, perché non siamo in un contesto declinante: le imprese crescono e crescono bene, all'estero ci guardano con rispetto, ma il nostro paradosso è che le sorti del governo sono appese a Mastella». Anche Anna Maria Artoni, altra figlia d'arte con alto curriculum professionale, punta sull'orgoglio d'azienda e batte sul tasto della meritocrazia: «Non ci dobbiamo battere per le donne, per i giovani, ma per i bravi. Premiare i talenti perché la professionalità fa crescere l'economia e ci permette di essere più solidali». E Giuseppe Recchi,

42 anni, brillante manager internazionale di stanza a Roma dove è presidente di General Electric, chiamato da Montezemolo a presiedere in Confindustria la Commissione multinazionali, plaude alle squadre ricche di talenti perché aiutano a vincere nel mondo globale. «Succede nello sport dove facciamo il tifo per team multietnici, dove si dà la caccia al migliore per vincere, perché non dovremmo provarci anche con la politica?».

Paladino della chiamata alle armi dei migliori per soccorrere un Paese allo stremo è pure un manager di lungo corso e fine suggeritore politico come Fedele Confalonieri. «Chiunque vinca le elezioni deve capire che non si può governare senza fare un appello ai migliori. I migliori debbono collaborare per riformare, rifondare (sceglia lei il termine che vuole) uno Stato che non funziona. La Commissione Attali? C'è una differenza fra Italia e Francia: Sarkozy scende giù, entra in macchina, gira la chiavetta e la macchina va. In Italia chiunque scenda, ammesso e non concesso che trovi la macchina, gira la chiavetta e non parte. Qui si deve ricominciare daccapo, per questo parlo di rifondazione». Ma attenzione, il percorso deve essere chiaro, conclude Confalonieri, facendosi interprete degli spiriti dell'amico Berlusconi, prima si va subito ad elezioni, perché «questo Parlamento ha dimostrato di non essere in grado di produrre quella svolta di cui il Paese ha bisogno».

Altrettanto scettici sulle ipotesi di governo bipartisan e sull'utilità di una nuova commissione Attali due esperti consilieri del centrodestra. «Proporrei piuttosto di prendere il rapporto Attali e farlo nostro, avremmo già il programma bell'e pronto, con in più la copertura superiore e bipartisan della partecipazione di Monti e Bassanini» dice Giuliano Cazzola. Mentre Maurizio Sacconi annuncia che basterebbe riprendere il filo interrotto dello scorso governo di centrodestra, «e concentrarsi su una decina di disegni di legge da fare nei primi cento giorni, a partire da una manovra economica correttiva per neutralizzare i venti di recessione che arrivano dall'estero».

Ma anche a sinistra oltre ai consensi maturano i dubbi. «L'idea è interessantissima perché è chiaro che questo Paese ha bisogno di uno sforzo congiunto. Ma la sensazione è che sia difficile esprimere questo sforzo: qual è il leader capace di mettere da parte i particolarismi in nome dell'interesse generale? Berlusconi dopo quello che è successo ieri sente l'odore del sangue» dice il sindaco di Torino Sergio Chiamparino, sostenuto da Filippo Penati, presidente della Provincia di Milano: «Purtroppo non vedo le condizioni politiche per un governo di questo profilo, ma certo sarebbe auspicabile in un uno scenario economico come quello di oggi».

Una voce dissonante sulla Commissione è anche quella di Linda Lanzillotta, ministro degli Affari regionali nell'ultimo governo Prodi e moglie di Franco Bassanini. «Onestamente non credo che abbia dato indicazioni sconvolgenti. Soprattutto per noi italiani che siamo più avanti nel dibattito sulla modernizzazione. Il nostro problema è semmai quello di passare dal dire al fare, sono i poteri di veto che scattano ogni volta che si tentano i cambiamenti. Cosa dobbiamo fare lo sappiamo già: accelerare i meccanismi decisionali, e, dopo queste vicende

sulla Sanità, pensare a misure urgenti per ridare fiducia a chi riconosce il merito e la qualità, e tenere fuori dalla politica gli altri. Per non deprimere ulteriormente il Paese».

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