

State-led Growth in *Dirigiste* France

Also known as *dirigisme*, state-led growth was characterized by four key points: nationalization, industrial interventionism, pressured exportation, national economic planning. State-led growth was primarily implemented via the dual-purposed nine plans (1946-1988) – all of which set forth goals for economic [and eventually social] growth/improvement – and Hall outlines four key shifts in the planning process which taken as a whole represent the the Plans’ increased sphere of influence. As the 3rd Republic had “plenty of brakes and not much of a motor” (Hoffmann), it was inherently incapable of effecting centralized change. Rather, the organization and implementation of *dirigisme*’s four directives required a unified [and ideally strong] central government.

The “expansion of the nationalized sector” (Hall, 140) was to include the nationalization of: the Bank of France, the gas, electricity and coal industries, Air France. The “highly interventionist industrial policy toward the private sector” (140) is best seen in the grooming of behemoth-sized ‘national champions’ by way of selective funding and subsidizing (French interventionist tactics are also supplemented by Tocqueville’s definition of ‘exceptionalism’: “rigid rules, but flexibility, not to say laxity, in their application.” [153]). “The extensive use of diplomatic pressure in support of exports” (140) is exemplified by post-1958 “depreciation allowances granted to firms which export more than 20 percent of their sales” (152).

The preceding shotgun [and slipshod] tour of the first three elements of state-led growth was necessitated by Hall’s fixation on the fourth: national economic planning. In

Hall's words, planning was central in that "the plan provided an institutional framework within which the state could build alliances with key sectors of industry to effect industrial reorganization." (163). He goes on to highlight the two basic purposes of national planning: "the modernization and reorganization of the nation's productive apparatus" (164) and the prevention of social conflict "by masking individual loss with the veneer of common interest" (164).

Hall outlines four fundamental shifts during the 42 years of the nine plans: the heightened universalization of resource allocation in the '60s, the extension of planning (also in the '60s) "to the provision of a social infrastructure" (147), the shift "from economic growth *per se* to the drive toward international competitiveness" (148) (late '60s / early '70s), the increasing politicization of the planning process. To example the last point, de Gaulle's open acceptance of the plan "encouraged both the Government and the electorate to see the Plan as a program for which the Government bore direct responsibility." (150) The Plan/government unification marked the culmination of the planning process' broad enlargement of its sphere of interest.

The tripartite union of state-led growth's four overarching goals with an understanding both of Hall's four major shifts in national planning and his definition of the Plans' two major [and opposing] goals creates a framework within which to understand the workings of state-led growth. Excepting the alleviation of social grievances, all ten presuppose a capacity to broadly effect economic and social policy which the 3rd Republic simply did not have. In sum, the nine Plans represent a gradual broadening in scope and in effect, and de Gaulle's official embrace of the 1958 Plan officialized the [already present] role of the planning process in state-led growth.