

“Teaching Economics in France from 1945 to 1991, from Sciences Po example, elites training and economic mentalities”,  
the way International Economy is seen and taught in Sciences Po.

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In the scope of my doctorate under the direction of Professor Dominique Barjot (Economic History chair, Université Paris Sorbonne), “Teaching Economics in France from 1945 to 1991, from Sciences Po example, elites training and economic mentalities”, I propose to study the way International Economy is seen and taught in Sciences Po.

Sciences Po (Institut d’Etudes Politiques de Paris et Fondation Nationale des Sciences Politiques) is a very French and very Parisian institution, between “grande école” and university, where are delivered as well a general training for civil servants, politicians and journalists as a specialized training close from business school one.

Until today I had more focused on internal economics; my point of view was more to enlighten the reasons of national economic policies and I had studied the contents of economics courses through three notions, growth, inflation and unemployment

I propose for EBHA conference to study more specifically place and role devoted to international economy in Economics teaching. In general Economics lectures, which place is given to international economy? Is that perceived as a chance or a threat for French economy? Which place is given to issues related to international organizations such as IMF or GATT? In business classes does one worry on national perspective or about world market? How change courses in “Relations Internationales” section, on international Economics, international organizations? Which place is given to “Third World” countries and developing economy? Finally which is the international part in the career of civil servants and business executives teaching in Sciences Po, and in the professional perspectives of their students (world companies, international organizations, non-governmental organizations)?

I will try to answer through the three angles of my thesis, place of economics teaching, contents of economics courses, and life of teachers of economics.

This study should lead to a better understanding of perceptions and practices of French political and economical elites within international economic relations.

## 1 A New School? The nationalization of Sciences Po in 1945.

“Pour que rien ne change, il faut que tout change” (For that nothing changes, all must change) The famous quote of *Il Leopardo*, the novel of Tommasini de Lampedusa suits particularly well to this school in these times. This is not the question for Sicilian aristocratic elites to turn in favour of Savoy dynasty in order to keep their role, their villa and their lands; this is the question for French administrative elites to rally the coalition exited of the Resistance with Revolution dreams in order to keep places, good administration and state continuity. The control of high civil servants training and recruiting, made through the Ecole Libre des Sciences Politiques since the beginnings of Third Republic, is crucial.

### 1.1 description and caricatures of the old school, the Ecole Libre des Sciences Politiques

#### 1.1.1 internationalisation without thinking about before 1914

The School is a private school -with a society statue- created by Emile Boutmy in 1871. His first intention is to renew French elites after the Franco Prussian war of 1870-1871, as Prussia did after Iena. He wants to train real elites on a different model of archaic French Napoleonic University, too abstract and routine-minded. His inspiration is German University -and specially the Prussian one after Humboldt reform, and English colleges whose young gentlemen are able to become chiefs.

But the economic balance is difficult to be found and the solution came only by preparing competitive examination for French “Grands Corps”, high civil servants for finance, administration courts, and diplomacy. With years, colonial administration became an important goal too. Few students became really high civil servants but the one that failed keep a good knowledge of French administrative milieus and a good culture, synthesis and redaction training, and are recruited in business administration and banking.

Economics has since the beginning an important place in courses: it is a new subject, it allows to differ from law faculties, it a knowledge of administration, it prepares to financial administration, it is supposed to give sense of realities to young idealists.

The school does not communicate on internationalisation, but practices it: the Bourse de Paris and the great Banks make Paris the second financial place in the world after London, the French colonial Empire give places for students, for life or just for the beginning of civil servants careers, diplomatic career with his particular section for preparation in school is prestigious, numerous French-speaking foreigners come in the school for superior studies and turn to be politicians, diplomats and bankers -especially from Eastern Europe, Mediterranean World and South America.

If we pay attention to the life of two famous professors of the 1930's, we can see how to ally a very French and Parisian career with an international life is natural. Charles Rist is professor of economics, and has written with Charles a very classical book on economic ideas, read by every student; first professor in law faculties, in Montpellier then in Paris, he ends his life in turning into French government counsellor, vice-governor of Banque de France, and administrator of various French and international banks and financial firms, such as Banque Ottomane and Compagnie de Suez. André Siegfried, pioneer of political sociology, makes a Tour du Monde, writes the first thesis on New Zealand institutions, works in Société des Nations, travels once a year in foreign countries, becomes a specialist of British and American economy and civilisation, before entering Académie Française et Collège de France. Nevertheless they will be considered after 1945 as caricatures of the French economic routine.

### 1.1.2 the national withdrawal between the two wars

The intensity of the First World War, the cost of the conflict and the length of its settlement, then the great crisis of 1919, all this leads to a withdrawal of economic exchanges, and at the same time to another point of view on economy. Professor Gaëtan Pirou, who teaches in both Ecole Libre des Sciences Politiques and Faculty of Law the general course of Introduction to Economics, has a two parts book: the first called “Economie Libérale” describes the economy of the 19<sup>th</sup> Century through the analyse of the great classics, Smith, Ricardo, Say and of the marginalists such as Walras; the second book called “Economie Dirigée” explains that times have changed, and that 20<sup>th</sup> Century is not any more a century of market and concurrence, but a time for organised economy, by a determinant intervention of the state, and by coalitions of producers and capitalist -the cartels- and by coalitions of workers -labours-, and that this Economy should be understood by new concepts.

## 1.2 the debate on the nationalisation of the school.

### 1.2.1 the rebuilding of the nation

The different parties of the Resistance agree on the fact that the elites have betrayed. One major point of renewal should be the change of high administration, where dynamic and patriotic elements have to triumph. The state has to take in charge itself the training of its general civil servants as it does for a long time for engineers, teachers and officers. General de Gaulle charges Michel Debré, a young resistant member of the Conseil d'Etat, to lead the reform. The future Prime Minister, already nationalistic, thinks to grandeur of France when he creates the ENA (Ecole Nationale d'Administration), the mean of strong state for a strong nation, with an empire. To that point Sciences Po has to disappear or to adapt and to find its role. The Assemblée discusses on its future; some communist members attack the attitude of the school during the war, but the direction defends itself with success, sending to every politician a book with the list of the action and the member of the resistance of the School. At the end, that remains in the attacks of moderate left deputies, such as Pierre Cot and André Philip, both trained in Law Faculty, is the archaic liberalism of the school: collaboration with the enemy can be forgotten; economic liberalism can not be forgiven.

So will the school be nationalized. Nationalisation is the word of the time -for celebrations of its 60<sup>th</sup> anniversary, the communications services of the school last preferred the word of re-foundation, less suspect for international image. But Sciences Po is the only school to be nationalised, when dozens of firm, in energy, banking and assurances are nationalised. As shows the program of the Conseil National de la Resistance, to nationalise is to give back the wealth to the people, against financial feudalities. In the same time is created beside the ministry of Finances, a ministry of National Economy, given to Pierre Mendes France, in charge of modernisation and democratisation of economy; the time is not to international cooperation or thought, or too world free trade, but to national economic state action.

### 1.2.2 the discrete triumph of Sciences Po

In fact this nationalisation, which appears like a sanction, is the beginning of a new era where influence of Sciences Po grows considerably. The direction of the school, after a recent alert during Front Populaire in 1936, had understood that a sort of nationalisation was ineluctable,

and would probably happen just after the end of the war. It asks to a few brilliant civil servants teaching in the school, and among them Michel Debré to think about the evolution of the school and the reformation of civil service. At the Liberation, personal contacts exist with vice president of Gouvernement Provisoire de la Republique Française Jules Jeanneney, and his cabinet director, his son Jean-Marcel Jeanneney. This one is a former student and teacher in Sciences Po where he became close friend with Debré, and he allows this last one to take in charge the dossier. He is in favour of a solution who allows maintaining the tradition of a valuable school to the service of the state, with autonomy towards changing politicians. An element in negotiation is the buildings and the library of the school, given to it by donators with clause of no retrocession to the State. The solution is a juridical exception with a state superior school called Institut d'Etudes Politiques de l'Université de Paris, subsidized by the state and related to a foundation, the Fondation Nationale des Sciences Politiques, where the power is to the heirs of the former society, who have the right to propose the director. The administration council is composed of high civil servants, businessmen -often former civil servants turned into businessmen-, university professors, the most influent of them having very old links of family, friendship or work with the heirs. In this way the school keeps its independence and wins public support; and through it a part of quasi-aristocratic administrative elite succeeds to keep its power of cooptation and reproduction to the service of the state.

Moreover the origins and training of French politicians are changing. War and resistance shaped new elite in civil servant. Part of them becomes politicians the other part staying in administration with more autonomy and power in the instable regime of 4<sup>th</sup> Republic. The growth of the administrative power and of its economic action changes the ideal-type of the politicians. With the arrival of General de Gaulle, the average French politician is less and less a provinces physician, a lawyer or a teacher and more and more a former civil servant, trained in ENA and before that in Sciences Po. Jacques Chirac begins his long public career in the sixties as a secretary of state; before that he was a Sciences Po and ENA student, then working as Prime Minister Counsellor and teaching economics and law to young Sciences Po students.

## 2 International economy: a secondary importance?

“But apart from this contemporary mood, the ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back. I am sure that the power of vested interests is vastly exaggerated compared with the gradual encroachment of ideas. Not, indeed, immediately, but after a certain interval; for in the field of economic and political philosophy there are not many who are influenced by new theories after they are twenty-five or thirty years of age, so that the ideas which civil servants and politicians and even agitators apply to current events are not likely to be the newest. But, soon or late, it is ideas, not vested interests, which are dangerous for good or evil.”

John Maynard Keynes, *The General Theory of Employment, Interest and Money*, Chapter 24. Concluding Notes on the Social Philosophy towards which the General Theory might Lead.

### 2.1 a new teaching in the school

The fortune of life and war makes the great economics teaching free. The direction if he school can choose who will teach and how, and they will do it carefully. The main courses of economics, addressed to every student, take their actual shape: a course of economic theory, and a course of economic policy.

The course of economic theory is made by a member of the direction, the general secretary of the Foundation, Jean Meynaud. He is more a politician than economist, but in his works he turned slowly in this direction, the intellectual challenge tempts him, and he is sure and conscious of the stakes. He is fascinated by John Maynard Keynes, speaks of “revolution” - which more positive in these times of economics and politics than it is today- and explains that economics will never be the same after the writings of this “genius”. But his course, where he tries to explain easily the brilliant intellectual mechanisms of Keynes thought, takes place in a very national frame, the frame of public action and state economic and social regulation.

The course of economic policy is taught by an inspecteur des finances -a top civil servant of the ministry of finances-, Paul Delouvrier. This course is in the line of the courses given before the war to prepare to competitive examination of the Inspection des Finances. It describes the economic French policy led by Ministry of Finances through the experience of the teacher and reflects their actual and traditional worries, inflation and exchange rate of the Franc, budget balance. This constitutes too a very national frame, the international trade being seen essentially through excess and more usually in France deficit of the commercial balance.

### 2.2 the shy part of international

The paradox is that even these two men will have career with international interest: Jean Meynaud returns later to political sciences, and became a specialist of lobbies with a very important book on the European economic lobbies; Paul Delouvrier who has begun to work with Jean Monnet in the Plan administration will follow in the Communauté Economique du Charbon et de l'Acier (CECA) and be associated an expert to the preparation of the Rome treaties, in the first Spaak studies comity.

Studies in Sciences Po are divided into four “Sections”. The “section Relations Internationales has succeeded to the “section diplomatique” but is less prestigious: it does not prepare anymore to the competitive examination of the “Quai” (the quai d’Orsay, the French ministry of foreign affairs), and numerous of future foreign diplomats bred in French-speaking elites does not come anymore, because the elites have disappear, because they less speak French or because they prefer America... the economic course seems very complicated and is not considered as very interesting nor very useful by students whose career seems less clear.

## 2 a slow reopening

### 2.1 new exterior worries in the 60’s

After 1960 main professors change. The course of economics theory is given by Raymond Barre, an “agrégé de sciences économiques” professor in the Law and Economics Faculty of University of Caen, former cabinet director of Professor Jean-Marcel Jeanneney -another agrégé d’économie politique- when this last one was De Gaulle’s Minister for Industry. Raymond Barre was influenced a lot by the famous economist François Perroux, and is more eclectic in his economic ideas. He became in the late sixties vice-president of the CEE/EEC, before being nominated Prime Minister in 1976, presented by president Giscard d’Estaing as the best economist of France, able to resolve economic crisis.

The course of economic policy is given by André de Lattre, another inspecteur des finances who had directed the “direction des finances extérieures”(Finex) of the Ministry of Finances, and became sous-gouverneur of the Banque de France.

An important place is devoted to Development economy, with Pierre Moussa, an inspecteur des finances who worked in Franco African cooperation, and later will become an important commercial banker at the head of Paribas.

### 2.2 hesitations in the 70’s

The place of economics has increased regularly since 1945, and after the reform of 1971,- realized after May 1968 and the law on universities, it gives Sciences plain independence towards the university of Paris behind which it has taken cover in 1945-, economics became the essential subject in Sciences Po, the only one to be obligatory and common for every student. Economics seem to be the modern subject, able to give students, method of thinking, senses of realities and tools for professional insertion.

In the same times, an economic option is created in the competitive examination of ENA. Sciences Po follow and open a special course Economics level 3 with more mathematic economics. This course is given by engineers-economists, most of them trained in Ecole Polytechnique, and most of them working in the Plan administration and in the INSEE (Institut National de Statistiques et d’Etudes Economiques, Ministry of Finances office of statistics). Most of them are left committed like the founder of Insee, Claude Gruson, and because of that work in these administrations under a right government, less in politic action and more in independent thinking. Both their first opinion and their work in Plan push them to believe in state control on economy, and to autonomy of a national economy. Some of them or of their fellow like Jacques Attali became counsellors of left president François Mitterrand in 1981. When the Keynesian boost of 1981 fails because of the international constraint, some them are tempted by the suspension of French adhesion to Common Market and the essay of a more autarchic policy.

## Conclusion

Studying the teaching of economics in Sciences Po enlightens certainly the attitudes of Frenchmen toward economy and globalization. We won't be as categorical as Keynes who wrote that men were depending on the thoughts learned in their youth. It is probably sort of a chimera of a professor and theorist. Men have ideas, they have interests, they have habits, they belong to a group and they do not always act and think with perfect consequence.

But it seems interesting to observe French in the 50's obsessed with state economic policy when they are entering, without being completely conscious of it, in a new era or globalization. Or to see them in the early eighties, dreaming of an alternative economic policy, different from the entire world, trying it a little and abandoning it easily, keeping it just like regret for two decades of politic speeches, without too much application.

As said president Senghor: "La France qui dit si bien la route droite et emprunte si souvent les chemins tortueux." (France who tells so well the right road and took so often the tortuous paths)