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**COMPETITION FOR THE BEST AND BRIGHTEST:
THE FRENCH CASE**

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Abstract: This article places France's relatively recent experience with high-skilled immigration (HSI) within a comparative context. It poses two questions: To what degree has France become a country of HSI? What does the French case reveal about contemporary state-interest group relations regarding HSI? After the recruitment ban on labor migration in the early 1970s, the recent change towards greater liberalization of labor immigration and the focus on chosen immigration (i.e. especially high-skilled immigrants) mark a break with the past. The article's main finding is that France appears to be following a similar path as other labor-immigration countries, but the evidence suggests that interest groups have remained rather silent and inactive on HSI. The findings are based on official documents and position statements, interviews with policy-makers and interest groups, media coverage, and the literature on political economy and immigration.

Key words: France, high-skilled immigration, interest groups, policy change, political economy, state

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La France a économiquement besoin d'immigrés. Elle en a besoin pour sa croissance, pour le développement de l'emploi, pour le futur des retraités et de la protection sociale.¹

(Le Monde 2003)

1. Introduction

France, one of the main immigration countries in Western Europe, has not openly declared a need for immigrants since the labor recruitment ban in the 1970s. But immigrants have been at the heart of long, drawn-out controversies in the public sphere (Guiraudon 2008:133). In Gary Freeman's famous article, France is counted among the West European countries with major labor importing programs after WWII, together with Belgium, Germany, the Netherlands, Sweden, Switzerland, and the United Kingdom (UK) (Freeman 1995:882). Many of these countries placed a recruitment ban on migrant workers following the oil crises of the 1970s. For several decades, the focus shifted to family reunification and integration of immigrants – at least until labor shortages re-appeared; this time in high-skilled sectors. For example, Germany introduced a Green Card in 2000 in order to attract high-skilled immigrants for the information technology (IT) sector, followed by the 2004 Immigration Law (reformed in 2009) facilitating high-skilled immigration (thereafter HSI) in general. The Netherlands implemented a knowledge migrant scheme in 2004, while the UK opened up its policy toward high-skilled workers at the beginning of the 1990s and continued with major overhauls in the 2000s.

To what degree has France become a country of HSI? France's HSI liberalization began with labor shortages in the IT sector, more specifically the 1998 circular which facilitated the recruitment of foreign IT workers. Other circulars followed, but only with the 2006/2007 laws did a major policy change take place. A skills and talent visa was created, and then-President Nicolas Sarkozy emphasized that France would recruit chosen

immigrants. Even though France has recently opened up its labor market to high-skilled immigrants, it has not happened to the same extent as in other countries.

Why is this the case and what does the French case reveal about contemporary state-interest group relations regarding HSI? In many countries, interest groups and coalitions between them have played an important role in facilitating (or not) more open HSI policies (see Author 2009). Interest groups are defined here as “entities seeking to represent the interests of specific societal groups in order to influence political processes” (Grossman&Saurugger 2004: 204). The paper’s focus is on employers’ associations and unions/professional associations as the most important labor market actors in this debate (though other stakeholders also exist).

As some scholars have argued, labor immigration is mainly “an interest and politically-driven phenomenon” (Freeman 2002:94, Messina 2007). Freeman’s seminal (1995) typology of immigration politics predicts that in labor migration, client mode politics are often at play since benefits are concentrated and costs are diffuse. Hence employers lobby the state for a more liberal policy which they can benefit from the most. Freeman (2002&2006) and Freeman&Hill (2006) have later refined the framework since costs can be concentrated instead of diffuse, and thus professional associations might lobby for restrictions.

In contrast to other countries, however, interest groups in France have been involved to a smaller extent in HSI policy. Despite some lobbying (especially by employers) during the IT boom for more open HSI, employers have not clearly displayed the need to open up to high-skilled immigrants. There have not been many perceived labor shortages² (except during IT boom and some other instances). HSI has not been opposed by unions, and rarely by professional associations. Why have interest groups been rather silent and inactive on HSI?

The paper argues that, in the HSI area, interest groups have not exerted much influence on the state in France as there has not been a great (perceived) need for high-skilled immigrants and a significant threat to native workers. Rather a (weak) coalition between the state and employers has been at play, with an important link between employers and grandes écoles³. Thus the recent move to HSI is more symbolic than substantial so far.

The case study of France is important for several reasons. First, the state is said to play a significant role in France, including immigration policy. Considered strong and largely autonomous from demands of societal interests, the French state is expected to be able to implement policies in the 'national interest' (Hollifield 1990:58-59). However, the state has been more passive regarding HSI policy than in other countries. Second and related to the first point, interest groups in France have been described as weak. Nonetheless, the relationship between the state and interest groups has been changing. Employers have lobbied and exerted some pressure on the state for HSI liberalization (though less openly than in other countries), while unions have remained mostly uninvolved. Third, France has a long and diverse history of immigration (see Hollifield 1990&2004, Noiriel 1988). Yet, HSI in France is a fairly recent phenomenon, and flows have been much higher for family than for labor migrants in the last decades.

The article contributes to several debates in the literature, namely the relationship between the state and interest groups, and the link between political economy and immigration policy. The findings are based on official documents and position statements, interviews with policy-makers and interest groups, media coverage, and the literature on political economy and immigration.⁴ To develop the argument, the paper proceeds in the following way: after providing some theoretical considerations and a historical background on French labor immigration; HSI changes (from 1998 to 2008)⁵ depicting the interplay

between interest groups and the state are presented. The paper concludes with some lessons learned from the French case and suggestions for further research.

2. Theoretical Considerations: Interest Groups and the State

France's political economy has been described as statist (Schmidt 2002), a Continental European model (Amable 2003), a Mediterranean case (Hall&Soskice 2001) or a mixed market economy (Hancké, Rhodes&Thatcher 2007). However, the liberalization and privatization of the economy, as well as the impact of Europeanization, have shifted the country away from a rigid statist model. It has become more fragmented than before with the emergence of new actors and a loss of influence for old ones (Grossman&Saurugger 2004:209), if one accepts the claim that the French state was strong in the first place (Elgie 2003). Nonetheless, labor immigration in France was often expanded through the administrative system by employer initiatives (Schain 2008). In contrast to the most recent, parliamentary-approved, laws, many of the previous initiatives were circulars, implemented by the government and relevant ministries.

There are debates in the literature about the importance of interest groups in French policy-making. Some argue that they have not played a significant role in pushing for greater immigration (Guiraudon 2002, Schain 2008). Even if several business groups "have been quietly supporting entry for highly skilled immigrants", this was more the case in the UK than in France (Schain 2008:32). Others argue that interest groups have been important in public policy (see Grossman 2004, Grossman&Saurugger 2004, Haus 1999&2002), but they "have been largely ignored by mainstream political science in France" (Grossman&Saurugger 2004:203). After all, unions and employers are represented in tripartite structures such as the Conseil économique, social et environnemental (CESE) and

consulted in policy proposals (Interview #1, Menz 2009). Whether their opinion is taken into consideration, is another question.

The political economy literature analyzes coalitions between actors for different policies, such as trade and corporate governance (Gourevitch 1986, Gourevitch&Shinn 2005, Rogowski 1989). Caviedes (2010), Haus (2002), Menz (2009), and Watts (2002) have focused on interest groups in order to examine policies for general labor immigration. This research extends the analysis to HSI by studying coalitions for different HSI policies through the interaction of interest groups as aggregates of preferences.

The paper is based on a number of assumptions about interest groups' preferences. Representatives of high-skilled labor (e.g. high-skilled unions/professional associations) will oppose open HSI policies because of (at least perceived) labor market competition. With HSI, the supply of qualified workers increases, which in turn decreases the wages in the sector (Borjas 2003). Interest groups representing native low-skilled labor (such as unions) will be moderately pro-HSI due to complementarity effects. They may benefit from HSI because of greater productivity and wages through increased demand for labor services (Chiswick 2005). Representatives of capital are mainly employers (businesses and associations) in high-skilled sectors (e.g. engineering, high-tech) who will be strongly in favor of HSI since they may benefit from lower wages and the sustained ability for growth.

These actors can build coalitions in order to push for more open or restrictive HSI policies. Coalitions will favor more open policies when low-skilled labor and capital are involved (the latter is especially key). In contrast, when high-skilled labor is part of a coalition, it will lobby for more restrictive HSI policy.⁶ When none of the actors have strong preferences about HSI policy, no change can take place without the intervention of the state. This point has been largely neglected in the literature so far; this paper seeks to fill this gap.

In a comparative perspective, French interest groups do not have a particularly strong position to influence policy-making. Union density is very low – less than 10 percent (even though all workers are covered through collective agreements), unions are highly decentralized (employers less so), and integration into policy-making is higher for employers than unions (Martin&Swank 2004, Traxler et al. 2001, Visser 2006). In contrast to countries such as Germany or Sweden, no particular union confederation is involved in policy-making. All these characteristics should allow employers to be more influential than unions. Based on the theoretical considerations, we would expect France to have a (weak) coalition involving capital and the state. This coalition also rests on the private-public partnership between employers and grandes écoles.

Yet even if there have been historically close links between the state and businesses, they can be “characterized by a clear disequilibrium in favor of state representatives, often reducing interest groups to near-state agencies” (Grossman&Saurugger 2004:206). Employers have not been as proactive in lobbying for HSI liberalization as in other countries. Overall, unions and employers have to make great efforts if they have strong policy preferences in order to influence the state. The question remains to what extent these interest groups have been involved in labor immigration and how much the state has been responsible for policy changes.

[Table 1 here]

While France seems to have labor shortages in high-skilled sectors (though the extent is not clear) and the state emphasizes the need to attract foreign talent, not many policy changes

have taken place. Do employers and multinational corporations (MNCs) in France not require high-skilled immigrants? One reason can be found in the preponderance of grandes écoles, which distinguishes France from other countries. It is often argued that these highly selective and prestigious schools (mostly in sciences, engineering, and business) are “selection machines and efficient head hunters for companies of CAC 40” (benchmark French stock market index) (Veltz 2007:11).

The CEOs and managers of these companies (e.g. BNP Paribas, Société Générale, EDF, and France Telecom) usually recruit from the grandes écoles, elite schools they themselves went to, as there are strong links between these institutions. They are less keen on employing graduates from universities (and if so, for lower salaries) and even less international graduates (Lebègue&Walter 2008). Human resource directors hence prefer to employ candidates from labeled grandes écoles since “French MNCs are known for their conservatism and their weak taste for risk” (Lebègue&Walter 2008:145). The persistence of the networks of alumni is noteworthy (Philippon 2007). “Collaboration across French companies is based on career patterns that led many of the managers of leading firms through a few elite schools and the public service before taking up their positions in the private sector” (Hall&Soskice 2001:35).

But the grandes écoles have been criticized for the lack of scientific and technological development in an innovation economy because they do not encourage entrepreneurship and recruitment of international students and researchers (Veltz 2007). In addition, “the traditional grande écoles links between private and public sector officials are losing some of their importance” due to a greater separation between public and administrative spheres (Bézès 2004, Grossman&Saurugger 2004:207). Therefore, there might be now a greater need for high-skilled immigrants. The next section examines the relationship between interest groups and the state for HSI policies.

3. History of Labor Immigration and Selected HSI Policy Changes

Similar to other European countries, France has had significant experiences with labor immigration in 1950s/1960s. However, the implementation of more restrictive policies towards migrant workers and professionals in the 1930s is less known. After employers had pushed for a liberalization of labor immigration in the 1920s, the situation changed drastically with the 1930s economic crisis.⁷ Upon the establishment of professional associations, the liberal professions took specific protectionist measures.⁸ But businesses lobbied the state to moderate its actions and to liberalize immigration instead.

The French state then organized a wave of labor immigration in order to respond to economic growth and labor shortages in the ‘trente glorieuses’ (1945-1975). Italian, Spanish, and Portuguese workers were recruited for agriculture, construction, and industry. In the 1960s, they were joined by Moroccan, Tunisian, Turkish, and Yugoslavian immigrants (Wenden 2009:69). The decree of 1945 had given no preference to domestic job seekers over foreigners (Kretzschmar 2005). France, however, halted labor immigration in 1974 following the 1973 oil crisis and has tried since then to deter migration. From 1976, it established family reunification and encouraged return migration (Guiraudon 2002, Wenden 2009). In addition, French employers did not need migrant labor due to restructuring and economic downturns, as well as xenophobic sentiments in public opinion (Guiraudon 2002). However, some changes were on the horizon from the late 1990s, to which we now turn.

The 1998 Chevènement law had already created a special status for scientists and scholars. This law and the following circulars on IT experts were greatly influenced by *L’immigration et la nationalité*, a report written by Patrick Weil. Weil was chosen by the

Socialist Prime Minister Lionel Jospin for this task. The report argued that “the 1993 Pasqua law deterred foreign students and young professionals from settling in France. It thus deprived the country of a source of human capital and undermined its national interests in the global competition for the brightest minds” (Guiraudon 2002:3).

The Socialist government introduced circular DPM/DM2-3/98/429 of 16 July 1998 to facilitate the recruitment of foreign IT workers, which marked the start of France’s HSI liberalization.⁹ It specified that if there was a tension on the labor market in the IT sector, the labor situation was no longer opposed to qualified IT experts through posting or direct hire (with at least 180,000 francs/year, or 2,740 Euros), as well as to qualified foreign students recruited as IT engineers, averaging a minimum salary of 150,000 francs/year (or 2,250 Euros).¹⁰ The Ministries of Labor and Interior responded to claims by IT professional organizations (such as Syntec federation) that 35,000 IT specialists were needed to prepare computer systems for the New Millennium and the Euro (Bertossi 2008). The new procedures made the work permit process faster and easier, and IT professionals could come to France under permanent or provisional work permits (McLaughlan&Salt 2002:84).

French employers were also interested in foreign talent in other sectors, such as finance, management, research, and development (Menz 2009). A study by think tank Institut Montaigne (2003:41&177) argued that “a doubling of the migration flow, accompanied by a selection of the candidates could add another 50,000 employees per year to the French workforce” to address “already apparent shortages” of skilled labor. Labor shortages were identified through enquiries and meetings between the state and employers at regional and national levels. Both low- and high-skilled sectors (e.g. banking, insurance or IT) were affected by labor shortages. The system responded slowly to changing needs (McLaughlan&Salt 2002:83). There was a coalition between capital and the state in order to encourage more open labor immigration policies. However, capital’s position was less

enthusiastic than in the UK. For instance, MEDEF (employers' confederation) moderated its position on liberalizing labor immigration (Monnot&Zappi 2001).

In January 2004, the circular on computer specialists was repealed by Sarkozy (then interior minister) and François Fillon (then labor minister). Circular DPM/DMI 2 n°2004-12 of 13 January 2004¹¹ in relation to the recruitment of foreign IT engineers specified that the labor market situation has changed significantly and the economy was widely regarded by interest groups as detrimental to recruitment (Bertossi 2008).¹² Therefore, the 1998 circular had no reason to be maintained in this context. Despite consultations with interest groups, MUNCI (professional association dealing with IT workers) had lobbied the government for several years in order to have the 1998 circular on IT specialists revoked. Even though the crisis in the IT sector started in reality in mid-2001, it took more than two years before the new 2004 circular repealed the two preceding ones and opposed the labor situation (MUNCI 2005). The lack of responsiveness to the demands of unions and professional associations was a continuing source of complaints in the French system (Interview #12).

Some statistics indicated that, since 1999, 6,374 IT specialists had obtained a temporary residence permit for employees and 4,179 a provisional work authorization due to the circulars (Bertossi 2008). MUNCI, however, claimed that there were between 15,000 and 30,000 foreign IT professionals in France with a residence permit or temporary work permit (about 3-5 percent of all employed IT specialists). The majority had arrived between 1998 and 2001 during the 'not real' shortage of IT specialists. Their residence permit was also renewed every year (Munci 2005).

MUNCI further argued that the IT sector was overstaffed and about 50,000 French computer specialists registered with the ANPE (National Agency for Employment). But the chief representative of Syntec federation on the side of capital said that "we have actually resorted to immigration in 1999-2000 when we were in shortage of resources. There was then

an explosion of needs with the transition to the Euro and the year 2000” (Le Monde 2003). While the labor market was no longer open to foreign IT specialists (some exceptions were in place), (high-skilled) migrants were needed in other sectors. After almost two years, professional associations finally succeeded in revoking the 1998 circulars. The state responded slowly to the demands of high-skilled labor. Even though the liberalization of the IT sector was over, employers and the state showed support for more open labor immigration in other sectors. Capital was soon to be successful again.

A major policy change took place with the 2006/2007 Sarkozy and Hortefeux laws. On 24 July 2006, a new Immigration and Integration Act (Loi n°2006-911 du 24 juillet 2006 relative à l’immigration et à l’intégration) entered into force, comprising a series of provisions on employment conditions to attract more skilled labor and facilitate temporary migration. The employment market situation could no longer be used as an objection in a number of occupations experiencing labor shortages (OECD 2007:248).

The most innovative aspect of the law was the introduction of a skills and talent permit, which aimed to increase the number of labor migrants and omit the labor market review condition (Menz 2007). This 3-year temporary permit allows the migrant to perform a salaried or business activity in France. It is designed for foreign nationals who have the potential to make a significant enduring contribution to economic development, particularly in intellectual, scientific, cultural and humanitarian or sporting fields, in France and their native country (Invest in France 2009). The permit is renewable, except for nationals from the “priority solidarity zone”, i.e. developing countries particularly exposed to brain drain risks. The holder’s family receives full entitlement to a temporary private and family life residence permit (*carte de séjour temporaire vie privé et familial*), which enables them to come to France to seek work (without having to apply for a work permit) or create a business without any formalities (Invest in France 2009).

A new ministry was set up (Ministère de l'immigration, de l'intégration, de l'identité nationale et du développement solidaire)¹³ to design policies, which were implemented by a public body, OFII (Office Français de l'immigration et de l'intégration). The government also had to submit an annual report to parliament about the direction of immigration policy, such as 'annual quantitative objectives' concerning residency permits and visas, taking into account the demographic situation, France's growth prospects of the needs of its market employment and its capabilities of reception, in matters of housing, education, and utilities (Menz 2009:148, Van Eeckhout 2007b:33).

The 2006 law introduced a new departure: France wanted to increase the number of high-skilled immigrants ('immigration choisie') and instead reduce family migration ('immigration subie'). President Nicolas Sarkozy sought to attract rare competencies, high-skilled people, IT professionals, experts in biotechnology, scientists (Alma 2006). This legislation extended the Socialist program of 1998, but it was strongly opposed by the Socialists because of the new restrictions on family reunification (Schain 2008:106). In their letters to the newly appointed immigration minister (Brice Hortefeux, later succeeded by Eric Besson), the then-President and Interior Minister clearly stated that France had to rebalance labor immigration and family immigration flows from the previous 10:90 percent, respectively, to 50:50 percent (Ministère 2008). But the tightened conditions on family reunification might have discouraged high-skilled workers from coming (Van Eeckhout 2007a). Another goal of the new policy was to diversify migration flows, thus move from former colonies to countries in Asia, Latin America, and other parts of Africa (Interviews #5, 13).

Labor shortages have appeared in different sectors, such as education, humanities, sciences, and medical professions (Le Monde 2003). The French public hospital system depended on foreign doctors (about 8,000 medical degrees were obtained abroad, more than a

third of the sector workforce). They constituted 15 percent of the medical hospital, much of just over 48,000 practitioners, 25 percent of emergency physicians and 30 percent of surgeons. At least 50 percent of night guards at the hospital were foreign doctors (Le Monde 2003). Various demographic and economic forecasts indicated a need for foreign labor over the next 15 years, growing from 50,000 to 250,000 per year (Kretzschmar 2005:16).

Studies showed that France needed high-skilled immigrants because its education system had been inefficient for many years. The Economic and Social Council (ESC) stated that France did not produce enough graduates: less than 150,000 French individuals per year obtained a BA or higher degree. This number of students would have to increase by 35,000/year to balance the number of retirements (Kretzschmar 2005:10). Therefore, the ESC recommended opening up labor immigration to fill identified and future needs of the economy and thus restarted a debate on the need of immigration (Le Monde 2003). One of the more outspoken leaders of MEDEF, Denis Gautier-Sauvagnac, was pleased with the ESC's call for labor immigration. "For several years I said we needed a new immigration policy," he told Le Monde. The Chamber of Commerce and Industry of Paris advocated the liberalization of labor immigration, claiming in a 2000 report that foreign labor could participate in the country's economic growth. Labor shortages could be solved by easing procedures for migrant workers (Justeau 2001).

Employers' association MEDEF was informally consulted and played a significant role in the state's thinking for more flexible labor immigration policies, particularly in high-skilled sectors. The larger MNCs within MEDEF were most proactive since they were concerned about existing and future labor shortages (Menz 2009:149). Employers were informally consulted on policy proposals and benefited from considerable access to the state. MEDEF launched a consultation with its regional federations to identify labor shortages.

Employer requests included both high-skilled jobs in IT and the new economy, and low-skilled jobs in construction, public works, and services (Conan 2003).

However, not all actors were advocating more open labor immigration. ANPE representing workers in France pointed to a large number of unemployed workers (about 3 million) and further 2 million in reserve (those in training, female workers over 55 years). Therefore, it argued that efforts should be increased first to train/retrain the native labor force before recruiting migrant workers (Le Monde 2003). Especially (high-skilled) unions were not formally involved in policy-making and low-skilled unions were more concerned with discrimination and integration of existing migrant workers. In general, unions suffered from low membership numbers, ideological divisions, and fragmentation in the system. The state did not consider their position important and did not consult them formally on a regular basis (Menz 2009). The few professional associations with strong (restrictive) HSI preferences (e.g. MUNCI) worked on their own, but without enough power to influence the state straight away.

From the descriptions above, it is evident that a coalition between capital and the state took place. The state was shaped in its policy change approach by employers, who sought more open labor immigration in order to fill labor shortages in particular sectors. But it was the initiative of the state (especially the government and the president) which led to a major overhaul of the immigration system.

A revised law on the management of immigration, integration, and asylum (Loi n°2007-1631 du 20 Novembre 2007 relative à la maîtrise de l'immigration, à l'intégration et à l'asile) replaced the immigration and integration law of 24 July 2006. A number of measures sought to promote labor migration: the procedures for issuing 'employee on mission' and 'skills and talent' residence cards were relaxed and permit holders were not required to sign the reception and integration contract. The French state also defined two

separate shortage occupations lists: the first concerned the nationals of ten EU member states subject to transitional measures and comprised 150 occupations, including those with low skills; the second dealt with third-country nationals (TCNs) and included 30 skilled occupations (OECD 2008:244).¹⁴

Interest groups were to be consulted every year on existing shortage occupations lists, but this did not happen in reality. Unions/professional associations complained instead that the state was too slow to respond to changing needs (Interviews #4, 9, 10, 12). The policy change benefited employers since it relaxed requirements for different work permit categories and established new shortage occupations lists, while labor representatives were not regularly consulted.

The National Skills and Talent Commission (*Commission nationale des compétences et des talents*) was established by decree on 22 March 2007. Pierre Bellon was subsequently appointed president of the Commission. Composed of 15 members (a chairman, a deputy, a senator, a member of the ESC, President of the French Agency for International Investment, and one or two representatives from each department (Interior, Foreign Affairs, Labor, Economy, Education, Culture, Sports), the Commission was responsible for setting criteria for the skills and talent permits (Barcellini 2007). Its goals were first to make the French territory more attractive for foreign candidates because of the war for talent between industrialized countries and second, to simplify the procedures for companies since the current administrative procedures were too cumbersome and slow for companies to import foreign workers (Fouteau 2007). It was widely debated with the former immigration minister whether the commission would play a larger role in examining all work permits (Interview #15).

It is clear that while interest groups were represented to a certain extent, the process was biased towards employers. The president of the commission, Pierre Bellon, was the

founder and former CEO of a MNC (Sodexo). Other members stood behind the interests of French employers. The president asked for more company representatives because they were the ones recruiting migrant workers. Therefore, the number of commission members increased. Labor representation was limited – there was only one representative from the ESC. As emerged from the interviews, the practitioners had more say than the ministry representatives (Interviews #1, 15). A questionnaire was also sent out to the heads of professional organizations (e.g. Syntec), in which they were to specify their labor market needs for future years (Interview #15). A coalition between capital and the state took place in this instance.

[Table 2 here]

While about 2,000 permits per year were envisioned, the number of delivered permits differed greatly. The commission and the government did not seem concerned about the low visa numbers, blaming it partly on the impact of the economic crisis and partly on the lack of labor market shortages (Interview #3, 15). In 2008, the Sénat conducted a policy review and concluded that low numbers were likely due to: (a) lack of advertisement by the prefectures abroad, (b) the great variety of existing permits, (c) restrictive conditions of the permit as the project had to cover co-development, and (d) administrative delay (Sénat 2008).

To increase interest in the visa, the commission and ministry representatives have embarked on missions to advertise the talent visa in migrants' main countries of origin. The ministers of immigration, higher education and economy also issued a letter to all prefectures to advise them to diffuse information widely about labor immigration and to promote the talent and skills visa (Ministère 2008). But the French immigration ministry favored the EU Blue Card and hoped it would bring more high-skilled immigrants to France. Some policy-

makers even considered the Blue Card to be better than their own skills and talent visa (Interview #3). The goal of the Blue Card directive was to increase EU's attractiveness for high-skilled workers from third countries and also dealt with their families (Europa 2009). The Council of the EU adopted the Directive on 25 May 2009. It entered into force on 19 June 2009, and France transposed it by the deadline of 19 June 2011.

4. Summary and Conclusions

France liberalized the immigration of IT specialists in 1998, similarly to other European countries. But it seems to be a latecomer in its HSI approach. In early 2000, France was only represented by third assistants at Metropolis conferences (for migration policy-makers), whereas Australia, Canada, the Netherlands, and United States sent their migration ministers. The latter countries were concerned about the fierce competition of high-skilled immigrants, whereas some argue that France was happy to leave these immigrants to them (Interview #8). The discourse was therefore completely different as France was preoccupied with discrimination and integration of immigrants (Interview #8). It was not until Sarkozy's efforts, first as interior minister and later as president, that shifted the focus away from family migration to HSI. While the state tried to limit family migration and instead increase labor immigration, it was perhaps more politically correct to frame it as 'rééquilibrage' between the two types of immigration.

The state has remained powerful in France's immigration policy. Even though interest groups, such as unions and employers' associations, are consulted, the state makes the final decision. Especially unions/professional associations complain that they are not heard (Interviews #4, 9, 10). Whereas unions have been more concerned about discrimination of immigrant workers and irregular migrants, professional associations have not had much

opportunity to be involved. For instance, MUNCI lobbied the government several years before the 1998 circular on IT specialists was revoked in 2004, even though the IT boom was over by 2002.

Employers' associations have had better access to the state than unions, but they have been less vocal about policy liberalization than their counterparts in Germany and the UK, for instance. Instead, they relied on home-grown talent and seemed less concerned about labor shortages than other countries. Therefore, it was unexpected that an executive board member of MEDEF (employers' federation), Denis Gautier-Sauvagnac, proposed to liberalize labor immigration policy at a press conference in early 2000. He argued that Europe could not survive in the years to come without labor immigration due to its demographic evolution and labor market needs. This proposition was taken up by the press because it was unusual for an employer representative to display such a positive attitude on immigration (Interview #7).

Overall, interest groups have mainly informal and fragile access channels to national decision-makers (Menz 2007). Nonetheless, employers and their representatives have exercised pressure on the state in some instances to simplify rules and ease bureaucracy (e.g. 1998 circular). Based on the recommendations of Invest in France (a public organization that promotes France to foreign investors and companies), a new permit (*salarié en mission*) has been established (Interview #4). It allows intra-company transferees to come to France for three years (renewable), while their families also receive a residence and work permit for one year (renewable). Overall, coalitions for more open labor immigration policies included capital and the state.

France has increasingly recognized that in order to succeed in global competition, it would have to attract the best and brightest, a strategy widely used by other countries. The 2008 modernization law included a focus on high-skilled immigrants as they constituted to France's dynamism and should be attracted with tax breaks and long residence permits.¹⁵

Nevertheless, latest statistics indicate that the rebalancing of flows does not seem to have been successful. (Permanent) family migration is still about four times higher than labor migration flows from TCNs – there were about 84,000 family and 23,000 labor migrants in 2010 (Breem 2011:22). But there has been an increase in temporary (high-skilled) labor migration and some decrease in family migration since the new laws were implemented in 2006/2007.

France differs from other countries in other aspects. While establishing quotas was widely debated, none were imposed in the end. However, some annual quantitative objective exist (e.g. 2,000 skills and talent visas/year). The Mazeaud Commission, set up in February 2008 to find ways of reforming the Constitution, finally decided that quotas would be inefficient, manifest racism and contradict France's republican tradition (Bertossi 2008, Kretzschmar 2005).

In contrast to countries such as Australia, Canada, and the UK that regularly publish reports on how much immigrants bring to the economy, tax system, and innovation, France does not have reports on the economic utility of immigrants (Interviews #2, 6). Nonetheless, it does seek to attract high-skilled immigrants based on economic needs. According to former President Sarkozy, "France is the only developed country which robs itself of the possibility to invite on its territory migrants that it needs to contribute to growth and prosperity" (Roger&Van Eeckhout 2006). Such views have attracted considerable opposition from unions and leftist parties (e.g. Greens and Communist Party).

Further research should examine coalitions at the political level and the representation of actors. In the winner-take-all electoral system in France, left and right parties have overstated partisan differences and took on new issues such as immigration (Guiraudon 2002). The extreme right has also become involved in this area "in order either to win back

voters from the far right, or to cause competing parties to lose votes to the National Front” (Guiraudon 2002:3, see also Marthaler 2008, Meyer 2007, Schain 2008, Tiberj 2008).

Another strand of research should analyze the impact of the EU on French HSI policy. A number of authors have described the role of the EU for (labor) immigration in member states (see, for example, Favell&Hansen 2002, Geddes 2003, Guiraudon 2000, Guiraudon&Lahav 2000, Koslowski 1998, Luedtke 2011, Menz 2009). While the EU is a significant actor, especially in terms of free movement of EU nationals, pressures on HSI of TCNs have been minor so far. But more developments might be visible with the Lisbon Treaty and the new Blue Card directive.

This paper has not been an argument for French exceptionalism. Instead it has identified some specific aspects of French HSI policy to demonstrate how the case of France could provide some useful insights into the general issue of the role of interest groups (especially employers) and the state (such as in Japan or some Latin American countries), as well as immigration policy-making. The development of France’s HSI policies has provided a fascinating case to study coalitions between interest groups and the state. It is clear that France has had a ‘prise de conscience’ in regard to its position in the global market and the need to compete with other industrialized countries for the best and brightest. As policy outcomes have been lagging behind policy outputs, it remains to be seen how well France will deal with the challenge of attracting these immigrants – either by implementing further immigration reforms or by looking to the EU’s Blue Card to replace its national policy.

NOTES

¹ France has an economic need for immigrants. It needs them for its growth, for the development of labour, for the future of pensions and social protection.

² Job vacancies have ranged between 193,000 at its low in 1996 and 309,000 at its peak in 2007 (1996-2012 data) (INSEE 2012). However, how many of these vacancies are for high-skilled jobs is unclear.

³ These are prestigious and selective higher educational institutions outside the university sector, associated with career advancement to senior positions in the French public and private sectors.

⁴ Appendix B. All interviews were translated from French by the author.

⁵ Appendix A.

⁶ Author 2009.

⁷ Recruitment policies were supported by major segments of republican right (esp. Gaullists) oriented to big business and rapid economic growth, and by segments of old republican left (radicals, socialists and communists) (Hollifield 2004:185).

⁸ In April 1933, the Armbruster Law limited the practice of medicine to French people, or to nationals from countries placed under the protection of France, if they had obtained their doctorate of medicine in France. The lawyers protected themselves in a different way: fearing the arrival of German lawyers (refugees), they voted in June 1934 for a law that prohibited naturalised French the practice of public professions established by the state or the inscription to the bar (Weil 2004:27-28).

⁹ The 1998 administrative circular had advised provincial governments to consider fast-tracking residency permit application from IT experts (Menz 2007).

¹⁰ Circulaire DPM/DM2-3/98/767 du 28 décembre 1998 relative à la délivrance d'autorisations de travail et au séjour des ingénieurs informaticiens étrangers.

¹¹ Circulaire DPM/DMI2 n°2004-12 du 13 janvier 2004 relative au recrutement d'ingénieurs informaticiens étrangers et à la procédure d'introduction simplifiée de ces ingénieurs.

¹² Circular DPM/DMI2/DHOS/P2 n°2003-1001 of 3 March 2003 in relation to the delivery of stay and work authorisations to nurses coming from countries outside the EU and holders of foreign degrees.

¹³ It later came under the auspices of the renamed Ministry of the Interior (Ministère de l'intérieur, de l'outre-mer, des collectivités territoriales et de l'immigration).

¹⁴ The lists have been reduced following the economic crisis.

¹⁵ Loi de modernisation de l'économie - 23 juillet 2008.

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Table 1: Representatives

| High-skilled labour | Low-skilled labour | Capital |
|----------------------------|---------------------------|--------------------------------|
| FO-Cadres | CFDT | MNCs from high-skilled sectors |
| MUNCI | CGT | MEDEF |
| UGICA-CFTC | FO | Syntec Federation |
| CFE-CGC | CFTC | Chamber of Commerce & Industry |
| CFDT-cadres | | Institut Montaigne |
| ANPE | | Economic and Social Council |

Table 2: Number of skills and talent permits granted

| | 2007 | 2008 | 2009 | 2010 |
|--------|------|------|------|------|
| Number | 11 | 473 | 345 | 365 |

Sources: Breem 2011, OFII, Regnard 2009.

Note: Most permits were granted to (male) immigrants from Japan, the United States, China, Tunisia, and Morocco.

Appendix A: Selected HSI Legislation in France

| Legislation | |
|--------------------|--|
| 1998 | Chevènement Law 98-349 - Special consideration given to foreign scholars and invited professors. |
| 1998 | The law of 11 May 1998 facilitates the admission of foreign scientists. It establishes the categories of “scientific visa” and “scientific resident” in France. Foreign nationals who qualified for this new status were entitled to enter France for the purpose of employment at a public institution of higher education or at an officially designated, independent research organisation. |
| 1998 | Circular DPM/DM2-3/98/429 of 16 July 1998 French companies confronted by the preparation for the year 2000 bug could recruit foreign IT professionals. |
| 2002 | Administrative circular issued by DPM/DMI, encouraging the prefectures to treat requests for residency permits by skilled workers favourable |
| 2004 | Circular from 1998 revised Circular DPM/DMI 2 n°2004-12 of 13 January 2004 |
| 2006 | 24 July 2006 - Sarkozy law – created new category for labor migrants (compétences et talents) |
| 2007 | 20 November 2007– Hortefeux law - Revised Law on the Management of Immigration, Integration and Asylum |
| 2007 | Decree on the Establishment of the National Talent Commission |

Appendix B: Interviews in Paris, France

| | Date |
|--|------------------|
| #1 Official, ESC & Member of skills and talent commission | 28-January-2010 |
| #2 Journalist, Le Monde | 09-February-2010 |
| #3 Officials, Ministry of Immigration | 11-February-2010 |
| #4 Official, FO-Cadres | 12-February-2010 |
| #5 Former director of cabinet of Brice Hortefeux | 15-February-2010 |
| #6 Former immigration ministry official | 16-February-2010 |
| #7 Denis Gautier-Sauvagnac, former head of MEDEF | 23-February-2010 |
| #8 Immigration Scholar | 08-March-2010 |
| #9 Officials, CFDT | 11-March-2010 |
| #10 Official, CFDT-Cadres | 12-March-2010 |
| #11 Immigration Scholar | 22-March-2010 |
| #12 Official, MUNCI | 26-March-2010 |
| #13 President, Cité Nationale de l’histoire de l’immigration, Afrique 2010 | 29-March-2010 |
| #14 Officials, Invest in France | 12-April-2010 |
| #15 President, Skills and talent commission | 15-April-2010 |