France's Renewed Commitment to Commercial Diplomacy in the 1960s

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Abstract

The political and strategic aspects of General de Gaulle's policies, his grandeur *rhetoric and his hostility to European integration have between them taken up the attention of historians. It has therefore been overlooked that the 1960s were a period of unprecedented mobilisation by the French state in the promotion of French exports. This policy is not only due to the history of commercial diplomacy. The senior civil servants in charge of this process were interested not only in selling but also in creating a fundamental change to the perception of France by those abroad. It was a keen fight, involving not only official and semi-official bodies, but also private enterprise, who together furthered the neo-corporatist programme of the French state.*

It has long been recognised that commercial interests have played a central role in shaping the foreign policies of China, Japan and the United States, and European countries such as Germany. Little if any attention, however, has been paid to France's commitment since the late 1950s to promoting its commerce in the developing markets of eastern Europe and the Third World. For the majority of historians, the 1960s signalled a radical turning point in France's foreign policy because they constituted a transition from the imperial age to that of European integration.[1] The relative significance of economic and politico-strategic factors in defining France's policy towards the European Community (EC)/European Union (EU) has been the subject of recurrent debates for nearly a quarter of a century – debates which have not yet been exhausted.[2] These have brought into question not only the prominence

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[1] Maurice Lévy-Leboyer, ed., *L'économie française dans la compétition internationale au 20e siècle* (Paris: CHEFF, 2006); Frances Lynch, *France and the International Economy* (London and New York: Routledge, 1997); Jacques Marseille, 'Empire colonial ou Europe? L'enjeu des années 1950', in Jacques Marseille, ed., *Le commerce extérieur français de Méline à nos jours* (Paris: CHEFF, 1993), 85–94.

[2] See recently Laurent Warlouzet, *Le choix de la CEE par la France: Les débats économiques de Mendès France à de Gaulle, 1955–69* (Paris: CHEFF, 2011); N. Piers Ludlow, 'From Words to Actions: Reinterpreting

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given by General Charles de Gaulle to economic considerations but also, and more subtly, both decision-making within the apparatus of state and relations between the public and private sectors.[3] Fresh light may be shed on the issues raised by examining another little known aspect of the 1960s, notably France's assertion of its position as a major international trading power. This was completely underestimated by French Gaullist historians, who were much more fascinated by the politico-strategic content of the General's policy and by the rhetoric of his policy of *grandeur*, as indeed were many of their foreign colleagues. Consideration of economic diplomacy has been superficial and has failed to analyse its foundations.[4]

During the 1960s the so-called *grands contrats*, or public procurement policy, first appeared in France. The term includes orders made by state purchasers at central government or sub-central government levels. Within this context the state initially occupied an ubiquitous position in the promotion of large French industrial companies and their sales abroad, the very high sums at stake requiring government guarantees. Sources for the study of this subject are, however, very difficult to access in France: companies, be they in the manufacturing or banking sectors, rarely make their files on these contracts available – BNP-Paribas and Total are among the few exceptions. The Compagnie française d'assurance pour le commerce extérieur (COFACE)[5] also has a very restrictive attitude. To circumvent this difficulty, recourse must be made to official economic and financial archives and, to a lesser extent, diplomatic records. Equally important are those of parastatal bodies, such as the Paris Chamber of Commerce and Industry and the Centre français du commerce extérieur.[6] A study of such sources gives a better understanding of the functioning of the Gaullist governmental machine, places new commercial practices in their historical perspective, and gives due emphasis to the state's polycentric structure as well as to the continuity of foreign trade policy. This study therefore builds on the seminal work of Richard Kuisel and Michel Margairaz on the construction of an economic administration in France.[7] It strives in particular to link their research to that of business historians. The latter have paid insufficient attention to state support

de Gaulle's European Policy, 1958–69', in Christian Nünlist, Anna Locher and Garett Martin (eds), *Globalising de Gaulle: International Perspectives on de Gaulle's Foreign Policy* (Lanham: Lexington Books, 2010), 63–82. See also Alan Milward, *The European Rescue of the Nation State* (Berkeley: University of California Press, 1995); Andrew Moravcsik, *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (London: UCL Press, 1999).

[3] See Matthias Kipping, 'Les relations gouvernement-monde des affaires dans la France de l'après-guerre: Adaptations et adaptabilité d'un système original', *Histoire, économie et société*, 4 (2001), 577–96.

[4] Maurice Vaïsse, *La grandeur: Politique étrangère du général de Gaulle, 1958–69* (Paris: Fayard, 1998), 323–29; idem, *La puissance ou l'influence? La France dans le monde depuis 1958* (Paris: Fayard, 2009), 51–7.

[5] French Insurance Company for Foreign Trade.

[6] French Centre for Overseas Trade.

[7] Richard F. Kuisel, *Le capitalisme et l'État en France: Modernisation et dirigisme au XXe siècle* (Paris: Gallimard, 1984); Michel Margairaz, *L'Etat, les finances et l'économie. Histoire d'une conversion, 1932–52* (Paris: CHEFF, 1991); Matthias Kipping, *La France et les origines de l'Union européenne, 1944–52: Intégration économique et compétitivité internationale* (Paris: CHEFF, 2002).

for the expansion of private enterprise abroad,[8] and, concentrating mainly on the internal and managerial organisation of businesses, have – albeit insufficiently – studied companies' commercial strategies without ever linking these to the internal organisation of the state or to international issues. This article therefore examines the connection between private actors and the political imperatives of the French government during the Cold War. It also reconsiders commercial issues within the context of the history of international representation: some senior civil servants saw in the export of technologically sophisticated products a means of effecting a profound change in the perception of France abroad. This would seem to substantiate the notion of a state-driven process in the 1960s, support for which involved the development of a diplomatic-financial plan. The article will explain the economic and cultural aspects of the changes effected at the end of the 1950s, the internal transformation of the state apparatus, and the definition of the financial procedures that sustained this undertaking in the 1960s. Finally, it will highlight the diversity of actors supporting the French government in its effort to assist companies abroad and the relationship between private and state actors.

France's commercial diplomacy fulfilled its role in affirming de Gaulle's policy of *grandeur*. What was then called the *intendance* (economic and material issues) and what was elsewhere often considered a 'Cinderella' service, in fact rallied industrialists, engineers, bankers, high-ranking government officials and policy-makers because it changed the image of France abroad. The history of the origins of these *grands contrats* is not only a history of commercial diplomacy, it also shows how French foreign policy adopted 'soft' power. Alongside the *grandeur* discourse, a far more pragmatic approach to international relations was being established. This meant developing, not without some difficulty, new tools in order to adapt the country to a changed international environment.

How to transform economic constraints into a tool for achieving *grandeur*

Before 1914, the inadequacies of the majority of French companies in the face of international competition did not really pose a problem, because of the financial strength of the state and the colonial market.[9] Only a few very large international companies (such as Pont-à-Mousson, Saint-Gobain, Lafarge, Schneider, Batignolles) had been able to open branches abroad or build up a network of correspondents enabling them to acquire commercial information. But none could yet rely on a financial structure adapted to the longer time period that international transactions

[8] See Dominique Barjot, *La grande entreprise française de travaux publics (1883–974)* (Paris: Economica, 2006); Dominique Barjot, 'Lafarge: L'ascension d'une multinationale à la française', *Relations internationales*, 124, 2 (2005), 51–67; Jean-Pierre Daviet, *Une Multinationale à la française: Histoire de Saint-Gobain, 1665–1989* (Paris: Fayard, 1989); Alain Baudant, *Pont-à-Mousson, 1919–39: Stratégies industrielles d'une dynastie lorraine* (Paris: Publications de la Sorbonne, 1980); Jacques Marseille, *Alcatel-Alsthom: Histoire de la Compagnie Générale d'Electricité* (Paris: Larousse, 1992).

[9] Jacques Marseille, *Empire colonial et capitalisme français: Histoire d'un divorce* (Paris: Albin Michel, 2005 [1984]).

required. The debate on the introduction of a medium-term bank credit had not led to any tangible action, and there was no safe system to insure against the risk of bad debts or customer insolvency. But all that was changed by the First World War and France's financial ruin.[10] The country's post-war indebtedness to the Anglo-Saxon powers spotlighted the deficiencies of both companies and state.

The initiative was taken by the government rather than private actors. It instituted the creation of a genuine foreign trade policy based on a wide range of administrative services and parastatal bodies. French overseas trade enjoyed some auspicious years in the 1920s; France then retreated behind the barriers of protectionism and the closed market afforded by her colonial empire in the aftermath of the financial crisis of 1931. It was not until the very end of the 1940s that a new era began. In 1949, quotas were abolished for 50% of imported goods. The Franc zone began to recede in 1953 in favour of the European zone. Anticipating the scheduled end of Marshall aid, French leaders understood the importance of structuring a long-term policy to stabilise the balance of payments in the long-term and to fuel growth by boosting businesses' productivity.[11]

In this context, the state turned overseas trade into a national cause and rallied both entrepreneurs and its foreign office to support it. This obsession was, in this instance, shared by all European states at the end of the conflict, as evidenced in particular by the famous British slogan 'export or die'.[12] The Council of the Republic clearly expressed the same message: 'We must first instil an "export mentality" in our industrialists'.[13] In the commercial field, the Gaullist state inherited the momentum given by the Fourth Republic. The international environment had changed, however, at the end of the 1950s.

The emergence of newly independent African and Asian states increased the number of countries looking to equip themselves by obtaining credit at favourable rates.[14] The saturation of western domestic markets and the frantic search by businesses for new opportunities met the needs and demands of these developing lands. Ambitions and commercial rivalry were given free rein in the third-world markets.

[10] Robert Boyce, 'Business as Usual: The Limits of French Economic Diplomacy, 1926–1933', in Robert Boyce, ed., *French Foreign and Defence Policy, 1918–40: The Decline and Fall of a Great Power* (London: Routledge, 1998), 107–31; Patricia Clavin, *The Failure of Economic Diplomacy: Britain, France, Germany and the United States, 1931–6* (London: Palgrave Macmillan, 1996); Stephen A. Schuker, *The End of French Predominance in Europe: The Financial Crisis of 1924 and the Adoption of the Dawes Plan* (University of North Carolina Press, 1976; paperback edn, 1988); Charles Maier, *Recasting Bourgeois Europe: Stabilisation in France, Germany and Italy in the Decade after World War I* (Princeton University Press, 1975, 1988); Marc Trachtenberg, *Reparation in World Politics: France and European Economic Diplomacy, 1916–23* (New York: Columbia University Press, 1980).

[11] Gérard Bossuat, *La France, l'aide américaine et la construction européenne, 1944–54* (Paris: CHEFF, 1992).

[12] Neil Rollings, *British Business in the Formative Years of European Integration, 1945–73* (Cambridge: Cambridge University Press, 2007), 18.

[13] 'Il faut d'abord donner à nos industriels "l'esprit exportateur"', Conseil de la République 1953, appendix to the minutes of the sitting of 10 Dec 1953. 'Sur l'aide à l'exportation', advice of Mr de Villoutreys (Commission des affaires économiques, des douanes et des conventions commerciales), Centre des archives économiques et financières (CAEF), Savigny-le-Temple, B 26 416.

[14] See special issue on development aid, *Contemporary European History*, 12, 4 (2003).

French politicians were also beginning to realise that development aid, which was overwhelmingly bilateral public aid within the Franc zone, needed to be redirected to Latin America, the Middle East and Asia in order to diversify France's trading patterns and, beyond that, to support French companies' business expansion.[15] The Jeanneney Commission's report in 1963 strongly supported this idea.[16] Indeed, until then market competition had been regulated by the Berne Union. This International Union of Credit and Investment Insurance was founded in 1934, disbanded in September 1939 and re-established in 1946. In 1953, its members adopted a code of good practice on the maximum duration for export credits, in particular five years for capital goods.[17] However, some major western countries such as the United States were not members of the Berne Union and did not hesitate to extend the terms of the loans granted to their buyers. The financial counsellor of the French embassy in London reported in 1958 that Britain's chancellor of the exchequer had announced in Parliament on 4 November that the Export Credit Guarantee Department (ECGD), a member of the Berne Union, had just been given exceptional authorisation to guarantee contracts for aircraft sales incorporating a seven-year credit.[18] In addition, direct pressure was being exerted by developing countries on industrialised countries, and relayed by the commercial departments of the French embassies. The interview between the Chilean minister of finance Roberto Vergara and his French counterpart Antoine Pinay in Paris in the summer of 1959 was one example. He secured the promise of an eight-year loan for importing French capital goods that caused Gérard Dubois, the French commercial advisor in Chile to comment: 'this information seems to confirm an earlier impression that the attribution of the *grands contrats* will be subject in future to the granting of loans over eight years or more'.[19] Dubois insisted in his reports that, 'the success of our economic expansion depends to a large extent on the removal of the obstacles we have indicated as far as loans are concerned'.[20]

However, because of their new multilateral commercial trade commitments, the only possibility that remained to states was to play on the system of export financing. The OECD and the newly created European Economic Community (EEC) had

[15] See Guia Migani, 'De Gaulle and Sub-Saharan Africa: From Decolonisation to French Development Policy, 1958–1963', in Nünlist, Locher and Martin, *Globalising de Gaulle*, 251–60, inspired by her thesis *La France et l'Afrique sub-saharienne, 1957–63: Histoire d'une décolonisation entre idéaux eurafricains et politique de puissance* (Bern: Peter Lang, 2008).

[16] Ministère d'Etat chargé de la réforme administrative, *La politique de coopération avec les pays en voie de développement*, 18 juillet 1963.

[17] Geneviève Barral, *L'assurance des crédits à l'exportation* (Paris: Nathan-Economie, 1987), 290–1.

[18] Memo from the financial advisor to the minister of finance and economic affairs (directorate of overseas finance), 6 Nov. 1958, CAEF, B 12 564.

[19] 'ces indications semblent confirmer l'impression déjà recueillie que l'attribution des grands contrats sera subordonnée dans l'avenir à l'octroi de crédits à huit ans ou plus'. Memo from the commercial advisor at the French Embassy in Chile, 13 Nov. 1959, Archives du ministère des affaires étrangères et européennes (AMAE), B-Amérique 1952–63, Chili, 37.

[20] 'le succès de notre expansion économique dépend pour une grande partie de la levée des obstacles que nous signalions en matière de crédit', ibid., Activity report for the financial year 1960 by Gérard Dubois, 2 May 1961.

begun to regulate competition, but this area still eluded them.[21] France stepped into the breach and in a few years its administration had perfected a highly competitive system (which is explained below), the basis for the *grands contrats*.

The trade issue was coupled with cultural and political issues. First, it is important to note that, unlike its larger neighbour Germany, France did not have a tradition of exporting. Trade was not perceived as a noble activity by French society as a whole. François David, a civil servant in the ministry for economic affairs in the early 1970s who became president of COFACE in the 1990s, said 'The French are civil servants, craftsmen or farmers at heart, but not tradesmen'.[22] In France, to say of someone, 'He's a grocer', or 'he's a small shopkeeper', indicates that they are someone who deals with things of no interest, far removed from big business. Negative stereotypes of the commercial profession in France have also had a lasting effect on diplomatic practice.

French diplomats, like their European counterparts, are not traditionally attracted to economic issues.[23] Their legal training does not focus on such issues and the case of Paul Cambon, ambassador in Istanbul, who actively supported business trends, was rare before 1914.[24] In the 1960s, the daily activity of the commercial attaché of an embassy, and beyond that the handling of everyday matters, was still referred to as 'the grocery trade' (*l'épicerie*). In other words, diplomats were not supposed to focus on trade but on high politics.

But the basic problem concerned the attitude of French entrepreneurs. Since the nineteenth century, German businessmen had with considerable success been developing methods of commercial promotion which were much admired on the other side of the Rhine.[25] In France, most industrialists were engaged in routine activity safe from protectionist obstacles. The commercial advisor in the French embassy in Sweden said: 'Our catalogues are representative of this state of mind, they are poorly presented, poorly written, not translated, they contain too many affirmations on how "French quality" is superior and too few technical instructions, too few technical guidelines, references, certificates, analyses.'[26] The sales and marketing departments of the majority of businesses were still too small in size and number. Only a minority of them could keep their own representative in post, or indeed set up branches. The case of the French presence in Germany after 1945

[21] Laurence Badel, *Diplomatie et grands contrats: L'Etat français et les marchés extérieurs au 20e siècle* (Paris: Publications de la Sorbonne, 2010), 400–9.

[22] François David, *Le Mythe de l'exportation* (Paris: Calmann-Lévy, 1971), 168.

[23] Keith Hamilton and Richard Langhorne, *The Practice of Diplomacy: Its Evolution, Theory and Administration* (2nd edn, London: Routledge, 2011), 121–4. See also D. C. M. Platt, *The Cinderella Service: British Consuls since 1825* (London: Longman, 1971).

[24] Laurent Villatte, *La République des diplomates: Paul et Jules Cambon, 1843–935* (Paris: Science infuse, 2002), 154–7.

[25] Henri Hauser, *Les méthodes allemandes d'expansion économique* (Paris: Armand Colin, 1915). See also Hans-Peter Ullmann, 'Groupes de pression économiques en Allemagne entre la fin du 19e siècle et le début du 20e siècle', *Histoire, économie et société*, 2 (1997), 299–309; Wolfram Fischer, ed., *Wirtschaft und Gesellschaft im Zeitalter der Industrialisierung* (Göttingen: Vandenhoeck & Ruprecht, 1972).

[26] Brochure *Journées du commerce extérieur, 8–13 mars 1954*, archives of the Paris Chamber of Commerce and Industry (ACCIP), Paris, VI-2.12 (3).

is illuminating. With the exception of the large companies which had long been established in Germany, such as Saint-Gobain, Pont-à-Mousson, L'Air Liquide or L'Oréal, more medium-sized companies still did not have sales networks able to support their exports. The role of the economic expansion post in the embassy was essential in order to facilitate their activities and promote their products.[27] Having received information from the commercial counsellor for the Red Sea region, the ministry for economic affairs in December 1965 again drew the attention of the Director of the Export Department of the firm André Citroën to the local representatives' weak activity in some Middle East countries: 'The activity of your agent in Kartoum, Bittat and Co., is almost nil. Apparently, it is impossible for Citroën car owners to obtain the necessary spare parts, so much so that our ambassador in that country regrets having purchased an *ID'*.[28] In short, France had to make a big effort to make known her industrial products and to break with the traditional image as exporter of luxury goods which had been created in the mid-nineteenth century.[29] The structural mindset in France had to be modified, as well as the perception other countries had of the French economy. The first major post-war event to promote exports was 'Export Days', held in November 1948.[30] It was organised under the auspices of the National Council of French Employers (Conseil national du patronat français, CNPF) and the Assembly of Presidents of Chambers of Commerce (Assemblée des présidents de chambres de commerce). The aim was to establish dialogue between the administration and employers' organisations within a framework in which industrialists were still subjected to severe restrictions on exports. In 1954, new 'Overseas Trade Days' provided an opportunity to popularise further new slogans used by the press such as 'expansion', 'initiative' and 'a taste for danger'.[31] Bernard Lafay, secretary of state for economic affairs, noted 'one mistake was to not consider overseas markets as a normal and permanent part of the business market'.[32] In 1956, the weekly magazine *Les Informations* created the 'Export Oscars', the aim of which was to reward companies which had significantly contributed to the economic expansion effort beyond France's borders.

The state also encouraged French industrialists to participate in commercial and technical fairs and exhibitions organised abroad. Parastatal actors held an important

[27] Jean-François Eck, *Les entreprises françaises face à l'Allemagne de 1945 à la fin des années 1960* (Paris: CHEFF, 2003), 45–65.

[28] 'L'activité de votre agent à Khartoum, "Bittat et Cie", serait à peu près nulle. Il serait impossible, pour les possesseurs de voitures Citroën, de se procurer les pièces de rechange indispensables, au point que notre ambassadeur dans ce pays manifeste son regret d'avoir acheté une I.D.' Letter from the Director of the DREE to Mr Noël, Director of the Export Department of the André Citroën Company, dated 17 Dec. 1965, CAEF, B 54 917, Proche-Orient.

[29] David Todd, *L'identité économique de la France: Libre-échange et protectionnisme (1814–51)* (Paris: Grasset, 2008).

[30] Laurence Badel, 'La chambre de commerce et d'industrie de Paris et l'expansion commerciale de la France (1898–1970)', in Paul Lenormand, *La chambre de commerce et d'industrie de Paris (1803–2003)* (Geneva: Droz, 2007), 365–403.

[31] *Journées du commerce extérieur, 8–13 mars 1954*.

[32] 'une erreur commise a été de ne pas considérer les marchés extérieurs comme un élément normal et permanent du marché des entreprises', *Ibid*.

and little known place in the world of French overseas trade. They helped gather information and saw to the promotion of French products, and included the Standing Committee for Fairs and Economic Events Abroad (Comité permanent des foires et manifestations économiques à l'étranger, CPFMEE), established in 1923, the Société pour l'expansion des ventes des produits agricoles et alimentaires (SOPEXA)[33] established in 1961, and especially the Centre national du commerce extérieur (CNCE) founded in 1898, disbanded in 1934 and re-established in 1943. After 1945, these bodies were systematically called upon to organise France's representation in trade fairs abroad.

These events were showcases for a modern France that was embarking on the third industrial revolution.[34] For the first time, a French minister for economic affairs travelled to Moscow in 1961,[35] and the following year to Mexico City, to support French exporters. The French technical exhibition in Mexico City was given major press coverage for a trade event: *Le Monde*, *Le Figaro*, *La Vie française*, *L'Economie*, *Combat* all reported enthusiastically on it. The exhibition provided an opportunity to reveal the prime place acquired by Renault in Mexico and its successful collaboration with Diesel Nacional SA (Dina), which had been founded by the Mexican government in July 1951. In January 1960, following the cessation of the manufacture of Fiat models by Dina, the two companies signed a contract for the assembly, manufacture and local distribution of the *Dauphine*, Renault's flagship model of the 1960s. For the organisers, the Mexico exhibition had to be a shop window for French technical prowess in all Latin American countries. In the process, and after fierce competition with companies from the United States, France won the tender for the Mexico City metro in 1967. In order to win these markets, industrialists and diplomats had to join forces.

State-owned companies most probably played a crucial role in the French system. Renault was nationalised because of its involvement with the Nazis during the occupation.[36] In the 1950s, the company became the industrial jewel in France's overseas crown. The socialist states bestowed on its leaders the position of representatives of the French government. And indeed, the relationship between Pierre Dreyfus, Renault's chief executive officer from 1955, and the French government was very close and enabled the company to gain a foothold in the Soviet Union. The symbolic nature of Renault, its already long history and its capacity for technical innovation contributed to this 'representation abroad',[37] to revitalising

[33] Society for the Increase in Agriculture and Food Product Sales.

[34] See Andreas Fickers, *'Politique de la grandeur' versus 'Made in Germany': Die Analyse der PAL-SECAM-Farbfernsehkontroverse als Beispiel einer politischen Kulturgeschichte der Technik* (Munich: Oldenbourg, 2007).

[35] Thomas Gomart, *Double détente: Les relations franco-soviétiques de 1958 à 1964* (Paris: Publications de la Sorbonne, 2003), 148.

[36] Patrick Fridenson, *Histoire des usines Renault*, vol. 1: *Naissance de la grande entreprise (1858–939)* (Paris: Seuil, 1972).

[37] The concept of 'auswärtige Repräsentation' has been borrowed from Johannes Paulmann, 'Deutschland in der Welt: Auswärtige Repräsentationen und reflexive Selbstwahrnehmungen nach

the image France wanted to project in the aftermath of the war – Krupp played a similar role at the same period in the cultural and economic diplomacy of the young Federal Republic. Once seen as war criminals and gun kings (*Kanonenkönige*), the Krupp industrial group succeeded in transforming its image through advertising campaigns, textbooks, participation in industrial fairs, and henceforth through its association with the German economic miracle.[38] Renault was seen as the symbol of a country that had managed to get back on its feet. Government efforts to promote the image of a dynamic and competitive France in overseas markets was the subject of regular media attention. The press may have been dubious about the 'travelling salesman' role that de Gaulle himself seemed determined to play in 1964 during his trip to Latin America;[39] the fact remains, however, that the authorities gambled on a long-term knock-on effect on French entrepreneurs. Ten years later, in June 1974, a new ministerial post was created by Valéry Giscard d'Estaing, the recently-elected president of the Republic, and his prime minister Jacques Chirac, that of secretary of state for overseas trade. Norbert Ségard, the first incumbent, also introduced himself as a 'travelling salesman serving exports'.[40] A typically ironic press questioned his new methods – he systematically took a herd of twenty to fifty industrialists abroad with him – but then finally had to recognise he was quite effective. *The Economist* welcomed the energy of 'Mister Export', who 'practically lives on an aeroplane'. 'Want to buy a French-built car factory', it asked, 'a cement plant, a television system? Call Paris now. A French minister will be knocking at your door tomorrow morning.'[41]

The theme of 'fabulous contracts' marked the peak of this mindset. The term was used by the minister for economic affairs and finance, Jean-Pierre Fourcade, on 28 June 1974 about promises to purchase made by Iran. The Persian state had committed itself in particular to entrusting the construction of the Tehran metro and two nuclear power plants to France. This tactless statement quickly gave rise to wry comments from the French press. 'French manufacturers have been led to believe that the "fabulous Iranian market" had been won. 'We are a far cry from that' claimed the non-specialist weekly magazine *L'Express* in April 1975. Another economic weekly magazine, *La Vie française*, spoke of the 'end of the mirage' in November 1978 when pondering the evolution of Iranian domestic politics. Yet even if the extent of this change in mindset in 1970s France must be put into perspective, these controversies reflected the emergence of a genuine trade promotion policy which remains a matter of current debate.

dem Zweiten Weltkreig – eine Skizze', in Hans Günther Hockerts, ed., *Koordinaten deutscher Gechichte in der Epoche des Ost-West-Konflikts* (Munich: Oldenbourg, 2004), 63–78.

[38] Simone Derix, 'Gruppenbild mit Industrielandschaft: Wie Krupp die Bundesrepublik Deutschland bei Staatsbesuchen bebilderte', in Johannes Paulmann, ed., *Auswärtige Repräsentationen: Deutsche Kulturdiplomatie nach 1945* (Cologne: Böhlau, 2005), 165–84.

[39] 'Des tournées peu rentables', *Le Nouvel Observateur*, 20 May 1965.

[40] *Les Echos*, 30 Dec. 1974.

[41] 'Off their derrières', *The Economist*, 4 Oct. 1975.

Sales, a new diplomatic function

The methods employed and mobilised by governments in the commercial context deserve further scrutiny. Analysis of the evolution of trade policy in the 1960s might suggest an expansion of the foreign policy agenda of the Elysée from 1958. But a more plausible interpretation is that the autonomy gained by senior officials during the Fourth Republic survived into the 1960s, and was even reinforced thanks to their continued presence at the top of key ministerial departments.

It was not until the Second World War and the restructuring brought about by the Vichy regime that experts well-versed in economic issues entered directly into the diplomatic machinery of state.[42] Only on 17 July 1945 did the ministry create a Directorate General for Economic, Financial and Technical Affairs (DAEF).[43] Its diplomats quickly acquired experience of multilateral negotiations when they attended the foundation of the Organisation for European Economic Co-operation (OEEC) in Paris. From 1958, the DAEF distinguished itself largely by its responsibility for EEC issues,[44] and it became an obligatory stop-off point for French entrepreneurs, thanks to its understanding of what was commercially at stake and to the networks established by its directors. It was one of the driving forces of France's commercial diplomacy from the late 1950s.

The DAEF understood in particular that it was important for France to participate in the technical assistance programmes set up by the United Nations (UN) in the early 1950s. Following President Truman's speech of 20 January 1949, and more particularly section IV of this speech that called on other nations to co-operate in a major international technical assistance programme, the UN General Assembly adopted, in December 1949, resolution 304 on an 'Expanded programme of technical assistance [EPTA]'. In parallel to this multilateral commitment, major governmental technical assistance programmes were set up, starting with the United States and the Soviet Union. In this context, France fully understood the importance of developing her own technical assistance policy to cope with demand from national governments anxious to free themselves from Anglo-Saxon influence. The Middle East was 'the cradle of French technical co-operation' as the young diplomat Stéphane Hessel explained a few years later.[45] According to the Quai d'Orsay, technical assistance was a 'new form of economic expansion' playing, and the imagery is striking, 'for the national economy, a role comparable to that of the advertising budget for private

[42] Laurence Badel, 'Les acteurs de la diplomatie économique de la France au 20e siècle: Les mutations du corps des attachés commerciaux (1919–50)', *Relations internationales*, 114 (2003), 189–211; Badel, *Diplomatie*, 118–19.

[43] Direction générale des affaires économiques, financières et techniques (DAEF).

[44] Laurent Warlouzet, 'Le Quai d'Orsay face au traité de Rome: La direction des affaires économiques et financières (DAEF) de 1957 à 1975', in Laurence Badel, Stanislas Jeannesson and N. Piers Ludlow, eds, *Les administrations nationales et la construction européenne. Une approche historique (1919–1975)* (Brussels: Peter Lang, 2005), 139–68.

[45] Stéphane Hessel, *Les pays en voie de développement (la coopération technique)*, fascicule 1 (Paris: Institut d'études politiques de l'Université de Paris, 1959–60), 81.

companies'.[46] In 1963, another high-ranking diplomat, Olivier Wormser, director of DAEF, defined the new challenge. 'At present', he observed,

> culture is not enough on its own, in other words spending money to have schools, to send teachers, to spread French culture, to create television networks that broadcast French films, is all very well but none of it makes any sense if there are no initiatives in the economic field . . . I reiterate, in my opinion, what is important is that culture is not alone.[47]

This link between culture and economics illustrated that, in the early 1960s, some French diplomats were beginning to understand the new challenges of globalisation. This was the foundation for an influential policy which considered cultural growth and economic growth in an integrated manner.

What made the decade so original, however, was the emergence of a new directorate. This one, which was integrated in the new ministry for economic affairs, now separate from the ministry of finance,[48] was the Directorate of External Economic Relations (DREE), set up on 23 November 1944.[49] Its authority was established during the discussions to set up a World Trade Organisation (WTO) and later the OECD. Then in 1945 the network of economic expansion posts abroad was permanently integrated into the DREE. Physically relegated to the fringes in the economic-financial apparatus, the DREE was installed not in the magnificent premises of the ministry of finance at the Louvre in the rue de Rivoli but in the newly-built post-Liberation administrative complex on the Quai Branly.[50] This complex seemed like a fortress within the French administration but it was in fact open to the world and very receptive to the needs of entrepreneurs. From 1960 to 1981, the DREE's strength was due in part to the continued presence in post of the officials who managed it, such as Bertrand Larrera de Morel – an inspector of finance, so part of one of the major institutions (*grands corps*) of the state – who started at the DREE in 1962. He was head of the board of the Credit Insurance and Export Financing Office, rose through the ranks and was director from 1972 to 1978.[51]

It was, however, the DREE's participation in the discussion developed by the banking sector on the financing and guarantee of overseas exports which demonstrated its dominance over foreign trade policy until the late 1970s. It should not be forgotten that, thanks to the law of 2 December 1945 that nationalised

[46] Draft budget for 1956, memo not dated, from the technical assistance office around 1955 (DAEF), AMAE, DE-CE, Papiers directeurs O. Wormser, 75.

[47] Commission d'étude de la politique de coopération avec les pays en voie de développement, AMAE, DE-CE, Papiers directeurs O. Wormser, 74.

[48] Laure Quenouëlle-Corre, *La direction du Trésor 1947–67: L'État-banquier et la croissance* (Paris: CHEFF, 2000).

[49] Direction des relations économiques extérieures (DREE).

[50] Laurence Badel, 'La direction des relations économiques extérieures (DREE): Origines, culture, logique (1920–70) ', in Badel, Jeannesson and Ludlow, *Administrations nationales*, 186–7. President Jacques Chirac set up the Musée des Arts premiers (primitive arts) after all departments had been grouped together on the new Bercy site in 1989.

[51] Laurence Badel, 'Les hauts fonctionnaires giscardiens, les affaires commerciales extérieures et le libéralisme dans les années 1970', in Olivier Dard and Gilles Richard, eds, *Les droites et l'économie en France au XXème siècle* (Paris: Riveneuve, 2011), 261–75.

the banks, the state credit insurance system, which went back to 1928, would be reformed.[52] The political and commercial risks taken by companies in their export operations were covered by a single agency, COFACE, a semi-public company whose capital mainly came from state institutions.[53] From the 1960s, the French procedure for protecting against risk came within the framework of a broader policy which enabled insufficiently competitive French companies to brave the fierce commercial competition in developing markets.

In the 1960s, the state and the Banque de France continued to finance exports and provide rediscounting for contracted credits. A law of 13 August 1960 enabled France to fulfil her ambition of reducing the widening gap between herself and her western competitors. It was the result of very hard internal negotiations between the DREE, the Directorate of Overseas Finances (Finex), and the Treasury which was very hostile to the prospect of its being applied in a short-sighted fashion. 'I believe it is my duty to remind you . . .', wrote Treasury Director Maurice Pérouse in July 1960 to the Minister of Finance, 'that export is not an end in itself and that a sale of goods abroad which does not involve payment in return would constitute a loss of substance and would inevitably be inflationary'.[54] However, the Directorate of Overseas Finances, which followed the same line as the DREE, felt that the granting of government loans should above all take account of the country's commercial interest and promote the growth of French engineering. 'Part of these funds should allow the growth of French engineering . . . Beyond [the] circle [of former colonies], they should be reserved for countries . . . which have been selected according to a rational policy of commercial growth.'[55]

The law laid down a dual system based on the extension of state guarantees to long-term loans granted by French suppliers, and on the institution of government loans to foreign, especially underdeveloped, states. Soon, France started to mix the two procedures together. This was known as 'privileged financing' to denote deals processed within the framework of protocols because they benefited from loans from the Treasury. The first time this 'mixing' of loans to companies with government loans took place was following an earthquake in Chile in May/June 1960. The Chilean government appealed for international financial assistance in order to rebuild the affected areas. On 9 June, the government requested a loan from France, and a loan of 20 million new Francs (equivalent to $4 million) was granted on 6 July

[52] Hubert Bonin, 'Aux origines de l'assurance-crédit en France (1927–39): La création et l'essor de la SFAC et le repli de ses concurrentes', *Histoire, Economie, Société*, 21, 3 (2002), 341–55.

[53] Samir Saul, 'La COFACE: des opérations avec garantie de l'État au risque pays', *Cahiers IRICE*, 6 (2009), 169–95.

[54] 'Je crois cependant de mon devoir de rappeler que l'exportation n'est pas un but en soi et qu'une vente de biens à l'étranger qui ne comporterait pas des paiements en retour constituerait une perte de substance et présenterait inévitablement un caractère inflationniste'. Memo for the minister from the director of the Treasury dated 4 July 1960, CAEF, B 0012 564.

[55] 'Une part de ces crédits devrait permettre l'expansion de l'engeenering français . . . Au-delà [du] cercle [des pays anciennement colonisés], ils devraient être réservés à des pays choisis . . . en fonction d'une politique raisonnée d'expansion commerciale', ibid., memo for the director of the 4th office of the Directorate of Overseas Finances, 20 April 1960.

1961 at a low rate of interest (3 or 3.5%), payable over fifteen years. The government also used the combination of a government loan with an extended medium-term commercial credit when negotiating the sale of 113 locomotives by the French group Billiard-Asthom for the renewal of damaged railway facilities. Valéry Giscard d'Estaing, then minister for finance and economic affairs, offered a second mixed credit to the Mexican government when he visited the French exhibition in Mexico City mentioned above in October 1962. Drawing from the experience with Chile, he made an offer of a loan of 750 million Francs ($150 million). The financial protocol was signed on 21 June 1963 in Paris by the French minister and his Mexican counterpart, Antonio Ortiz Mena, and comprised Treasury loans amounting to 150 million dollars.

British rivals observed closely the development of the French system of mixing credits. In November 1965, the Foreign Office claimed that 'The French intend to extend the use of aid-cum-credit offers . . .'[56] The councillor at the British Embassy asserted: 'the *prêts-mixtes* have not been as successful as had been hoped but nevertheless, it is intended to use this loan-method for the Maghreb countries'.[57] For its part, the ECGD said it had learned that 'The French policy of mixed loans (on the pattern of their previous arrangements with Spain and Mexico) was to continue and that the next budget would provide for an allocation of 300 million Francs'.[58] One of the ECGD representatives, W. Paxman, reported back from Paris: 'It appeared that this sort of extended credit and mixed loan facility was now part of French general policy and would be used for other countries, particularly those which might otherwise seek refinancing of their commercial debts'.[59] Indeed, as the DREE bluntly put it '[this procedure] is the absolute condition for maintaining our market position in [developing countries]'.[60]

The British interest was not surprising because, in these matters, there was a mutual monitoring of the ongoing reforms in the UK as evidenced, too, by the introduction of the buyer's credit procedure in France. These credits, which were awarded to the purchaser and which were granted by private financial institutions, were guaranteed by the state. They offered the key advantage of removing export companies from the financial circuit and thus exempting them from all cash charges and risk. The Director of the DREE, Bertrand Larrera de Morel, used to make short visits to London to study how the British (buyer credit) system worked, and

[56] Minutes, 9 Nov. 1965, The National Archives, FO 371/182 958.

[57] Letter from T. H. Steggle, British Embassy, to J. F. J. Jardine, Commercial Relations and Export Department, Foreign Office, 2 Nov. 1965, *French Export Incentives*, FO 371/182 95. The loan described, more usually called *crédit mixte*, is a complex instrument, part grant extended by the government as a government loan, and part commercial loan.

[58] Restricted. The Secretary's weekly meeting. Meeting held on 11 Nov. 1965, ECG 5/211, Secretary's weekly meeting (1965).

[59] Restricted. The Secretary's weekly meeting. Meeting held on 24 Feb., 1966, ECG 5/211, Secretary's weekly meeting (1966).

[60] '[cette procédure] constitue la condition absolue du maintien de nos positions commerciales dans [les pays en voie de développement]'. Memo from the DREE, Jan. 1966. 'Le crédit extérieur en 1965', CAEF, B 55 117.

met Anthony Percival, ECGD secretary general from 1963.[61] Paxman testified to that effect in November 1965. 'M. de Morel of the French ministry of finance', he noted, 'had enquired whether he could visit ECGD next week to discuss the mechanics of financial guarantees, which the French had decided in principle to introduce'.[62] This was achieved by a law of 30 December 1965. It proved particularly suitable for major industrial equipment and installations – such as turnkey factories, or ready-to-use machine-tool assemblies for major factories – which otherwise would require the intervention of several contractors, each contract exceeding 25 million Francs in value. The development of these financial procedures thus gave the ministry for economic affairs and finance, and in particular the Quai Branly, exhorbitant power which enabled it to influence the award of these *grands contrats* through a Committee of Directors managed by the DREE. The lack of transparency in this committee's decisions was denounced by the Quai d'Orsay: 'more often than not, it is impossible to know which long-term deals are supported by the Committee of Directors. It is also difficult to know its decisions on projects subject to a favourable opinion before they are sent to the COFACE for implementation'.[63]

Private actors in the economic cold war

The DREE's strength within the state apparatus can also be explained, to a large extent, by the partnership it forged with major companies – a relationship which reached its high point in the 1960s.

Since the 1950s, the DREE had immersed itself in activities which have helped shape the evolution of companies. Francis Gavois, Raymond Barre's former chief of staff, who began his career there in 1969, testified that the 'DREE constituted the 'day-to-day life' of exports'.[64] The directorate was in daily contact with companies' chief financial and commercial officers or presidents/directors general. Air Liquide, Alsthom, Babcock and Wilcox, Dassault, Degremont, Five Lille-Cail, Pont-à-Mousson, Renault, Saint-Gobain, Schlumberger, to name but a few, were regular visitors to Bertrand Larrera de Morel's offices. This uninterrupted dialogue was evidence that the Gaullist state was continuing neo-corporatist practices. As is well understood, the debate on the relationship between the French state and the private sector is not new. It was fuelled by Anglo-Saxon historians working on the 1920s, 1930s and 1940s,[65] and more recently by French historians who were again looking at

[61] Interview of M. Bertrand Larrera de Morel by the author, 18 April 2005.

[62] Restricted. The Secretary's weekly meeting. Meeting held on 30th Sept. 1965, §2b, ECG 5/211, Secretary's weekly meeting (1965).

[63] 'Il est le plus souvent impossible de savoir quelles sont les affaires à long terme qui sont portées au Comité des Directeurs, difficile également de connaître les décisions avant qu'elles n'aient été retransmises à la COFACE pour exécution lorsqu'elles ont fait l'objet d'un avis favourable'. Memo from the DAEF, 13 Dec. 1962. 'Le régime de marche de nos relations commerciales avec les pays de la CEE', p. 9, AMAE, DE-CE, Papiers directeurs O. Wormser, 134.

[64] Interview of M. Francis Gavois by the author, 11 Dec. 2007.

[65] See Michael J. Hogan, 'Corporatism', *The Journal of American History*, 77, 1 (1990), 153–60; Philip Williams, *La vie politique sous la Quatrième République* (Paris, 1971; English original: *Politics in Post-War*

the work of intermediary bodies.[66] In truth, this interventionist approach continued resolutely into the 1950s and 1960s.

The CNPF, which was closely associated with the definition of European integration policy,[67] was also very active in the world trade diplomacy that the Quai Branly intended to co-ordinate. In the mid-1960s, it asked the ministry of finance and economic affairs to 'strengthen [its] connection with the Administration on foreign trade related issues, especially exports'.[68] As finance minister, Giscard d'Estaing personally approved the request on 14 March 1964 and hosted a meeting of the CNPF president, George Villiers, with officials of the DREE and Overseas Finance. As a result, stock was taken of the institutional co-operation that already existed and new goals were set. On 2 July 1964, another meeting was convened which this time brought together major corporate managers: Jean-Pierre Peugeot for Peugeot cars, Pierre Dreyfus for Renault, Maurice Ponte for the Compagnie Générale de TSF, Jean Faye for the Compagnie électromécanique, George Glasser for Alsthom, and Ambroise Roux for the General Electricity Company.[69]

In parallel, this daily exchange also threw light on new aspects of the economic cold war in which the French private sector was participating. It is, as other researchers have contended, important to emphasise the need for an everyday or 'bottom up' approach to trade relations between east and west as opposed to the 'top down' approach sometimes adopted towards the economic cold war. In this way, the role of non-governmental actors in the field – employers, small exhibitors, engineers, representatives of commercial companies – can be highlighted. Neither the breaking-off of relations with the Communist countries nor the adoption of an embargo on the export of strategic products[70] prevented French entrepreneurs 'from preparing for a possible resumption of trade negotiations with eastern countries' from the early

France: Parties and the Constitution in the Fourth Republic, London: Longmans, Green, 1954), 638–66. Charles Maier, *Recasting Bourgeois Europe*; Adrian Rossiter, 'Experiments with corporatist politics in Republican France (1916–39)', D. Phil. thesis, Oxford University, 1986.

66 See Pierre Rosanvallon, *Le modèle politique français: La société civile contre le jacobinisme de 1789 à nos jours* (Paris: Seuil, 2004); Alain Chatriot and Claire Lemercier, 'Les corps intermédiaires', in Vincent Duclert and Christophe Prochasson, eds, *Dictionnaire critique de la République française* (Paris: Flammarion, 2002), 691–7.

67 Warlouzet, *Le choix de la CEE*; Kipping, *La France et les origines*.

69 'renforcer [sa] liaison avec l'Administration sur les questions relatives au commerce extérieur, et spécialement aux exportations': Memo for the Minister from André de Lattre and Guillaume Guindey, 9 March 1964, about the CNPF memos, CAEF, B 26 416.

69 Study day, 2 July 1964, *Liste des personnalités invitées à la Journée d'études du commerce extérieur,* CAEF, B 26 416.

70 France was a member of the COCOM (Co-ordinating Committee for Multilateral Strategic Export Control) and of the CHINCOM (China Committee) which seriously restricted, indeed forbade certain exports to eastern countries and China. However in France, as in Italy, Federal Germany and Great Britain for that matter, this redefining of national economic objectives, imposed by the United States and quickly contested by the Europeans, had to take into account the commercial and financial reasoning of companies. See Bent Boel, 'La France, les Etats-Unis et la politique occidentale d'embargo, 1948–1954', *Revue d'histoire diplomatique*, 1 (2001), 35–40. See also Philip Funigiello, *American-Soviet Trade in the Cold War* (Chapel Hill: University of North Carolina Press, 1988); Diane Kunz, *Butter and Guns: America's Cold War. Economic diplomacy* (New York: The Free Press, 1997); Ian Jackson, *The Economic Cold War: America, Britain and East–West Trade, 1948–63* (New York: Palgrave,

1950s.[71] In the Soviet Union, the French banks were again present from at least 1954. The banks were stronger thanks to the networks established within the state apparatus and the banking system in France[72], thus they were able to set up similar networks in the socialist countries, taking into account their specific system.[73] They made contacts with central purchasing agencies and helped relations between French companies and industrial manufacturers in the people's democracies.[74] Crédit Lyonnais and Société Générale set up subsidiary companies in Moscow, SORICE and Intercontinentale respectively. Between 1961 and 1963, Paribas started to negotiate, with the support of the state, possible funding for the export to the USSR of capital goods manufactured by the companies Five Lille-Cail, Neyrpic, Ateliers et Chantiers de Bretagne, and Ateliers et Chantiers de Nantes.[75] This led to the first financial protocol, signed on 9 July 1964, between Paribas and the Vnechtorgbank (Foreign Trade Bank), which since 1961 had been entrusted with the international activity of Gosbank (the State Bank). Thus the consolidation of exchange flows, initiated by French private circles, unmistakably preceded the institutionalised political and economic rapprochement of June 1966,[76] even if the NGO's actions were carried out in close collaboration with the government.

Similarly, the French trading companies were actively involved in the French penetration of the Chinese market before France's recognition of China in 1964. Specialising in the sale of consumer products (wheat, sugar, etc), they had an unofficial role as go-between on notoriously difficult markets (China, USSR) where overseas trade was controlled by the state and governed by often opaque regulations. Regularly present at the Canton Fair, they had good contacts with both the Quai d'Orsay and the Quai Branly. Among them, the company Olivier was renowned for its command of the existing networks between France and the socialist countries.[77] In the early 1960s, its chair and CEO, Maurice Rosier, was always welcome at the Quai d'Orsay, in particular in the Asia Department, where he asked the director Etienne Manac'h to normalise diplomatic relations between France and China.[78]

2001); Frank Cain, *Economic statecraft during the Cold War: European responses to the US trade embargo* (London: Routledge, 2007).

71 'L'assemblée générale du Comité d'action et d'expansion économique', *Le Monde*, 5 juin 1953.

72 Memo for the minister from the DREE, 27 March 1956, reporting on a recent visit by Paribas regarding the setting up of a semi-public company destined to follow the progress of exchanges with the East, CAEF, B 54 922; ibid., letter from Max Fléchet to J. de Précigout, president of the French Union of Artificial Textiles, 19 May 1959.

73 Report of the interview with Mr Mennesson at the Quai Branly, 19 Jan. 1956, Archives historiques de Paribas, DE 44.

74 Memo addressed to the Economic Expansion Department of the Trade Policy Department, 31 Jan. 1964, CAEF, B 54 922.

75 Hubert Bonin, 'L'émergence de la coopération industrielle, bancaire et commerciale franco-soviétique dans les années 1960', in Maurice Vaïsse, ed., *De Gaulle et la Russie (*Paris: CNRS éditions, 2006) 237–8.

76 Marie-Pierre Rey, *La tentation du rapprochement: France et URSS à l'heure de la détente (1964–74)* (Paris: Publications de la Sorbonne, 1991).

77 Philippe Chalmin, *Négociants et chargeurs: La saga du négoce international des matières premières* (Paris: Economica, 1984), 128–31.

78 Memo from Manac'h (Asia Department), 27 April 1963, AMAE, Asia-Oceania 1956–67, China, 485.

Unsurprisingly, the CNPF was a key private French actor in the talks with the east. The role of the CNPF vis-à-vis the French authorities was similar to that of the Federation of German Industries (Bundesverband der Deutschen Industrie, BDI)[79] in West Germany: it was closely associated with the definition of the European integration policy and was a key player in the rapprochement with the east. A meeting in Bern (Switzerland) on 29 April 1963 between Lu Hsu-Chang, Chinese deputy minister of overseas trade, and Guillaume Georges-Picot, former diplomat and chair of the France–Far East study group of the CNPF,[80] was a prelude to the CNPF's first official visit to China in September and October 1963.[81] The delegation was extended to about twenty representatives of commercial companies, large companies and banks interested in the Chinese market.[82] Partly stimulated by private actors, French commercial diplomacy had increased means to support a policy of independence between the blocks at the heart of the Gaullist project.

Conclusion

This study of France's commercial diplomacy confirms that the French government machinery of the 1960s was not homogeneous, and beyond that, that this diplomacy was also the result of co-ordination among several participants. The system was based on the administrative pillars of the rue de Rivoli (Treasury), the Quai Branly (DREE) and the Quai d'Orsay (DAEF), and on parastatal and private actors. For nearly two decades France's new strategy of economic expansion was defined by the DREE, which benefited from both the relative neglect of de Gaulle and the interest of his successors. The trade-offs were the result of internal negotiations with the Treasury, while the Quai d'Orsay most of the time supported the DREE's projects since they reinforced de Gaulle's international ambitions. The resulting policy was, nonetheless, destined to conflict with emerging regulatory controls that did not respect free competition. These were proposed by two international organisations: the EEC (Policy Co-ordination Group for Credit Insurance, Credit Guarantees and Financial Credits) and the OECD (Group on Export Credits and Credit Guarantees). Moreover, the cost of practices which involved the subsidising of exports was increasingly burdensome for the state's finances. The creation in 1974 of the post of minister for foreign trade was a sure sign of the determination of the political leadership to reassert its control over the public administration. In 1976, Raymond

[79] See Werner Bührer, 'Die Wirtschaftsdiplomatie des BDI von 1949 bis Mitte der 1970er Jahre', in Johannes Paulmann, ed., *Auswärtige Repräsentationen,* 121–37. See also Karsten Rudolph, *Wirtschaftsdiplomatie im Kalten Krieg: Die Ostpolitk der Westdeutschen Großindustrie, 1945—1991* (Frankfurt: Campus Verlag, 2004).

[80] See Jacques Georges-Picot, *Souvenirs d'une longue carrière: De la rue de Rivoli à la Compagnie de Suez (1920–71)* (Paris: CHEFF, 1993) 51–2.

[81] Telegram of Baudet, Bern, received 18 April 1963, AMAE, Asie-Océanie (1956–67), Chine, 485.

[82] Letter from Jean Allègre, commercial advisor in Hong Kong to the minister of finance and economic affairs (DREE), 1 Aug. 1963, AMAE, Asie-Océanie (1956–67), Chine, 485.

Barre, who held this position for six months before becoming prime minister, was the first to adopt a more stringent attitude.

Private companies were for their part dependent on administrative and political developments. Most were apathetic towards exporting, and a handful of the larger ones, seeking to seize the initiative and diversify their markets, endeavoured to take advantage of the opportunities presented by de Gaulle's desire for independence between the East and the West. Many had anticipated the new policy direction. From 1958, it was as much the international situation as de Gaulle's strategy that encouraged a much more proactive attitude towards the developing world, including Communist countries. The large companies and their sectoral or national representatives thus perpetuated a neo-corporatist mode of operation directly inspired by the partnership established under the Third Republic and closely associated with the development of the financial procedures of earlier trade policies.