



## Discursive strategies and change: Developments of French capitalism in crisis

**Abstract:** In times of crisis, comparative capitalism analysis has difficulties differentiating crisis symptoms and effects from trends that may be more long-term. In this paper, I propose that by looking at the discursive strategies of central actors within the political economy, we may improve our understanding of capitalist trajectories. Drawing on Regulation Theory and Gramsci, the main empirical argument is that the French accumulation regime and its regulation are changing to a more explicitly export-oriented and financialised capitalism. This is underscored by the political project of capital-friendly austerity corresponding to a shift in the relationship of forces, the establishment of a neoliberal understanding of competitiveness, and the fading-out of purchasing power. The theoretical contribution of the paper is to integrate more closely critical discourse analysis with a critical political economy perspective.

**Key words:** capitalist development, regulation theory, Gramsci, discourse, crisis, France

### 1. Introduction

Different facets of crisis are leaving their imprint on economy and societies in Europe. With the outbreak of the North-Atlantic financial crisis in 2007, the banking crisis and the resulting economic crisis, political responses at member state level have involved public money spent on ‘bank rescue’ and stimulus programmes (Jessop 2012). Soon, these expenditures combined with sluggish levels of recovery were discussed as a ‘sovereign debt crisis’ in Europe.

The impact of these developments on specific capitalist trajectories poses important questions to comparative capitalism research. Analyses use the specific ‘model of capitalism’ in order to explain the differentiated impact of the crisis on national economies (Lehndorff 2012; Bieling and Buhr 2015; Becker and Jäger 2010), to highlight differences in policy responses to the crisis at the national level (Lehndorff 2012; Bieling and Buhr 2015; Hall 2012), and understand different visions for the European crisis response by looking at domestic norms and beliefs (Schmidt 2013; Schelkle 2012). Theoretical and analytical disputes gain momentum as some approaches are deemed fitter to understand the crisis processes than others (Bruff and Horn 2012; Heyes, Lewis, and Clark 2012; Ebenau, Bruff, and May 2015; Wood, Dibben, and Ogden 2014). The question of the impact of the crisis on development trajectories has mostly implicitly been considered. This paper seeks to investigate how the crisis has contributed to changes in the capitalist trajectory in France by looking at the discourses on the crisis and labour and social policy. To understand continuity and change in the French political economy, I propose an

analytical framework grounded in Regulation Theory (RT), Gramsci and critical discourse analysis (CDA). In operationalising this framework, I seek to contribute to both theoretical and empirical debates about how we can better understand hegemony in the current stage of capitalist development in Europe.

To start with, I will sketch my framework for analysis informed RT, Gramsci and CDA (2). In application to the case, this paper first outlines the features of French capitalism and its crisis trajectory (3) in order to lay the ground for an analysis of the discursive strategies and political projects of French socioeconomic and political actors (4). My conclusion discusses the discursive changes in the public arena and actors' positions as well as shifts in the relationship of forces as indicators for a changed trajectory of French capitalism in a European setting towards a more explicitly export-oriented and financialised accumulation strategy at the cost of demand-led accumulation of smaller firms.

## 2. The analysis of capitalist development

RT evolved from a Marxian understanding of political economy. Its fundamental quest is to understand how the crisis-prone capitalist mode of production is stabilised by political and social rules, norms, and values (Aglietta 1979, 16; Jessop 1990b, 176). RT analytically distinguishes between the accumulation regime and its mode of regulation (Lipietz 1985, 120). The accumulation regime can be characterised along three axes: intensive/extensive, extraverted/introverted and productive/financial capital accumulation (Becker 2002, 68). The mode of regulation is characterised by three structural forms: the wage relation, forms of competition, and the monetary constraint (Aglietta 1979). The wage relation describes instruments of control over the labour force, modes of regulating working time and wage developments, as well as other aspects of working conditions. The wage-labour nexus is the 'fundamental relation defining the capitalist mode of production' (Aglietta 1979, 45). While the categories of RT provide useful tools for an analysis of national capitalist trajectories, some limits arise. Its formalistic set-up invites an economic functionalism (Bieling 2014, 36). Furthermore, while societal power relations are deemed essential (Bieling 2014, 35), more recent works centre on institutions and the role of social forces gets lost. How discourses contribute to stabilise the reproduction of the accumulation regime is under-theorized.

These limits can be transcended through Gramscian insights, thus reaffirming the Marxian roots of RT. Fundamental concepts for understanding (capitalist) societies are Gramsci's concepts of the 'integral state', hegemony and the subaltern. The 'integral state' underlines the links

between political society (the state) and civil society (economic activity and other parts) (Gramsci and Forgacs 1988, 235). From this integral understanding of governing society springs a complex conception of hegemony. Hegemony is defined as consisting of both coercion and consent (Gramsci and Forgacs 1988, 211). A dominant or hegemonic group leads a 'subaltern' group. The subaltern are the object of coercion and consent.

Gramsci's writings on hegemony in particular have inspired generations of scholars to work with the concept (Butler, Laclau, and Žižek 2011) which sometimes undermines its clarity. Hegemony is a process and an ambivalent relationship. Analytically, the idea of consent makes hegemony difficult to grasp. As consent and 'common sense' are rooted in everyday practices and understandings, they are time-consuming and difficult to research. Many analyses of hegemony have therefore been criticised for their 'domination-' or 'elite-focus' (Huke, Clua-Losada, and Bailey 2015; Davies 2013).

The focus of my analysis is not so much on the question of consent but on the intended creation of consent. Readers will notice that I usually frame the organisations that theoretically reflect the subaltern as 'potentially subaltern' actors. In doing so, I acknowledge that the subaltern are a fragmented group in terms of their political organisation. That is, while I would term any member of the working class subaltern, their political representatives in parties and trade unions may not represent the interests that might be associated with this socioeconomic position and workers themselves might not identify with these interests (Green 2002). Furthermore, there are different developmental phases to subaltern organisation in society that coexist (Green 2002). While some parts of the subaltern may already have formed a political organisation and sought change through the existing integral state, others' practices and resistance might go unnoticed. In other words, there are limits to evidencing consent or non-consent of the subaltern.

The idea of consent of the subaltern and an understanding of them as workers indicates another crucial aspect of hegemony that is often glossed over or deliberately put aside in parts of the literature (Laclau and Mouffe 2014; Phelan 2014). Hegemony in Gramsci's understanding is the hegemony of the capitalist mode of production. That is, the analysis of hegemony starts with the identification of the social relations of production (Cox 1981; Morton 2003). This is fundamental for our understanding and analysis of current society. On the coercive side of this hegemony, property laws allow for and protect the private ownership of the means of production and other repressive functions of the state. On a more individualised level, wage labour and the commodity form are almost inescapable means of survival and existence. The

focus then becomes how consent to this way of organising production and its accompanying social norms is created and secured.

This understanding of hegemony is not only important for analytical reasons but – in line with Gramsci's aims of unity in theory and practice and using analysis for transformative purposes (Green 2002) – it is also important for the scope of our critique. That is, analyses that discuss the hegemony of neoliberalism often limit our understanding of the socioeconomic conditions beyond this certain moment in time and our scope for critique (for an overview with regards to discourse see Phelan (2014), for a critique see Jordan (2015)).

Linking hegemony, discourse and critique as outlined above, my use of CDA is close to the dialectical-relational approach (for an overview see Wodak and Meyer 2016). In this approach, discourses are important for understanding hegemony as hegemonic practice and struggles often take discursive forms and because deliberative spaces are an important part of hegemony (Fairclough 2010; Donoghue 2017). To drive this point further, I suggest that ontologically, discourses are an important part of social life and are crucial in forming our understanding of our social context; and epistemologically, discourses are a way of knowing about norms, beliefs, and strategies of different actors as they express them.

In order to categorise the discourses regarding the French capitalist trajectory, I distinguish between different discursive strategies that actors can use in order to advance their own interests and legitimise their demands and political projects. The analysis seeks to highlight how these discourses 'produce and communicate sense and meaning' (Sum and Jessop 2013, 153) relating to capitalist norms and practices. At the same time, neither those discourses nor the inherent strategies are isolated from (material) structuration (Sum and Jessop 2013). That is, asymmetrical power relations in production and society interact and evolve co-constitutively with actors and their interests and strategies.

To integrate discourse and hegemony for my analysis, I propose to distinguish different discursive strategies that I assume to have different hegemonic effects. As Wodak et al. (2010) point out, strategies are not necessarily deterministic and the term does not always imply fully conscious intentions. I am using a limited number of discursive strategies and link them to their hegemonic effects, which allows for the illustration of the bigger picture.

As laid out in Table 1, the different strategies are non-address, externalisation, positive connotation, questioning, criticising and formulation of alternatives. Actors who are potentially hegemonic in the political economic structure and the discursive arena more often and more

successfully use the first three strategies when talking about the crisis of the political economy and political projects. The latter three strategies are potentially subaltern strategies as they seek to at the very least question the normativity of capitalist categories as will be discussed below.

#### TABLE 1 here

The struggle for hegemony builds on the politicisation of issues, which appears when discursive strategies clash. That is to say that while the former three strategies are potentially hegemonic, this can only be stated with certainty by looking at other actors' discursive strategies, too. As argued above, hegemony as a relationship cannot be understood by analysing the presumed dominant or hegemonic group only.

In order to integrate these discursive strategies with the hegemony of the capitalist mode of production, I combine them with different aspects that reflect the fundamental characteristics of capitalism and analytical categories of RT. The codes are ownership structures, power relations between capital and labour and labour as a commodity as representing fundamental characteristics of the capitalist mode of production (Jessop 1990a). With regards to accumulation regimes, the terms growth, export, demand, and financialisation are important. For the mode of regulation, concepts like employment through growth, competitiveness, purchasing power and (private and or public) investments are central. These concepts are specifically connected and may be contradictory. For instance, a neoliberal understanding of competitiveness as labour costs that are too high creates tensions with the aim of providing purchasing power to employees. These relations have to be set in context with the general mode of development as discussed in the next section (3).

For the analytical purpose of this paper, the structural level of French capitalism will be grasped using the conceptual tools of RT. Gramsci's work on the integral state identifies the following as central actors: parties, the main business association *Mouvement des entreprises de France* (Medef) and three of the five nationally representative trade unions, the 'reformist' *Confédération française démocratique du travail* (CFDT), the more protest-oriented *Force Ouvrière* (FO), and the 'resisting' *Confédération générale du travail* (CGT). The trade unions and left-wing parties are potentially representing subaltern groups while the business association and conservative parties represent dominant positions.

The following findings are the result of an analysis that draws on statistical and structural analyses of the French economy and uses a qualitative discourse analysis to investigate hegemony during the crisis. For the CDA, newspaper interviews, press conferences and other

speech acts of the above-identified actors have been gathered for the period 2007-2015. These genres are the most relevant because they represent the official lines of the organisations and are part of the public sphere/debate. The data analysis followed several steps. First, passages deemed relevant to the topics of crisis, economy, labour and social policy were identified. In a second step, more specific codes (like ‘growth’, ‘competitiveness’, ‘purchasing power’) were attached to the texts using Atlas.TI. Thirdly, the discursive strategy pertaining to the codes was mapped for every individual actor. Their positions were then compared and contrasted to one another to allow for consistency within the texts of one actor and between the texts of different actors.

### 3. The French capitalist trajectory in crisis

After World War II, the Fordist compromise that evolved in France was marked by the planning and investment capabilities of the state as well as the emergence of a redistributive welfare state. *Les Trente Glorieuses* saw relatively high growth and employment (for the male part of the population) encouraged by Keynesian-inspired policy. This came into crisis with the demise of the Bretton-Woods-System in the 1970s. The change is most poignant in the turn-around of Mitterrand who began to privatise and deregulate. This retreat from Keynesian policies coincided with the dissolution of the ‘virtuous circle of high growth and rampant inflation’ (Aglietta 1982: 17f.).

Since the 1980s, the role of the state is more subtle (Schmidt 2003; Amable 2017). The accumulation regime is intensive as reflected in a comparatively high labour productivity (almost €45 per hour worked in 2008 – to compare: Germany was at €42)<sup>1</sup>. Regular working time has been reduced to a formal 35-hours week in 2001. On the axis of intra- and extraversion, the accumulation regime is fragmented. Small firms make up an important part of the GDP through internal demand-led accumulation while ‘national champions’ are extraverted in sectors like air and space travel, pharmaceuticals or chemistry (Steinilber 1997, 91). French capitalism has been financialised, leaving more room for investment banking, insurance companies, and institutional investors in the economy and in corporate control structures.

The mode of regulation has undergone changes, too. With regards to the monetary constraint, the so-called *noyaux durs* that described a dense network of banks and companies has somewhat dissolved (Baudru and Kechidi 1998). Investment banking is growing more important (Howarth 2013, 377). In corporate control, shareholder value is crucial (particularly for big firms) and the

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<sup>1</sup> All statistic data is taken from the eurostat database unless otherwise indicated.

number of foreign investors has increased (Schmidt 2003, 539). Central banking - due to European integration - is more independent of the government and more focused on limiting inflation.

Competition among companies (forms of competition) has increased and the cleavage between small and big companies remains important. This fragmentation creates tensions with regards to interest representation by the major business association Medef (Woll 2006, 257). Small firms more explicitly organise in the *Confédération générale des petites et moyennes entreprises* (CGPME). Industrial relations (wage-relation) display pluralistic and corporatist features (Lallement 2008, 54). French trade unions are divided among ideological rather than sectoral lines, feature strong mobilisation potential and weak membership structures (Bérout and Yon 2012, 171). The mobilisation potential has achieved major social rights as governments are responsive to pressure from the street since the ‘almost-revolution’ of 1968 (Levy 2008, 420). The social system redistributes significantly and can thus account for 70% of the reduction in inequalities of living standards (Gautié 2015, 131).

The mode of regulation helps to stabilise the accumulation regime but cannot overcome its inherent contradictions so that business cycles and deeper crises occur. In France, strong public investment and purchasing power sustain internal demand-led accumulation. Purchasing power is guaranteed through respective wage development, the indexation and automatic adjustment of the minimum wage, and the shortening of working time to leave free time for consumption. The retreat of the state and thus public investment makes private consumption even more important. However, sluggish growth and persistent unemployment weaken internal demand. Social systems are struggling to compensate for these developments. Export-oriented companies were profiting from public investment in research and education. Here, too, the retreat of the state implicates the need for other ways of profit-making.

This set-up has witnessed different forms and aspects of crises. As Amable (2017, 27) discusses, ‘mediocre economic performance’ feeds into political crises. From a discourse-analytical approach, the term crisis represents a particular moment that needs constructing and deconstructing (Krzyżanowski 2009). From a Marxist perspective, crises demonstrate the inherent contradictions of the capitalist mode of production. In this article, the spotlight is on the financial, economic, and euro crisis as discursive events that are understood as symptoms of a more fundamental crisis of post-Fordism and ultimately capitalism to generate and distribute prosperity on a global scale (Panitch, Albo, and Chibber 2010).

The first phase of the crisis (the financial and economic crisis) affected France moderately. The losses of French banks were moderate or low in international comparison (Howarth 2013, 374). The conservative government stabilised the system by providing a bank rescue package developed in close cooperation with the five biggest banks (Jabko and Massoc 2012, 566). France was also moderately hit by the cut in global demand compared to the rest of Europe but still reported a decrease in growth of 3.1% in 2009. So, the government invested in a – in comparison to others small – stimulus package.

At the European level, crisis interpretations changed from a crisis of the economy to a crisis of public debt (Heyes, Lewis, and Clark 2012, 229; Schmidt 2013, 4). This turn was palpable at the French level, too (Jabko 2013, 709). Sarkozy started to implement austerity measures and made his most important project a pension reform in 2010 that sparked a wave of protests. The change of presidency to a *Parti socialiste* (PS) government under Hollande did not bring major changes in the approach to labour and social policy. On the contrary, Hollande soon began embracing competitiveness and austerity. In the next section, the analysis of actors' different discourses will show how the hegemony of capitalist development has been secured throughout these developments while demand-led accumulation is undermined by the political reforms.

#### 4. Actors' discursive strategies in the public arena

Sarkozy had campaigned in 2007 promoting a *rupture* with current politics and admired the 'Anglo-Saxon model' (Amable, Guillaud, and Palombarini 2011, 28). He introduced a deregulation of overtime in order to circumvent the 35h-work-week and strengthened the state's control over the unemployment insurance by joining the office for job-seekers with the office handling unemployment insurance in the new agency *pôle emploi* (Hassenteufel 2012). The introduction of the minimum income scheme *revenu de Solidarité active* also strengthened the neoliberal stance of the employment and social policy approach.

The government of the *Union pour un mouvement populaire* (UMP, since 2015: Les Républicains) can be seen as part of a conservative/liberal alliance which includes the *Medef* and to some extent the EU. These actors positively connote and connect growth and employment while not addressing its negative social and ecological effects. Ownership structures and power relations within the socio-economic sphere are not addressed, either. Employers profit from the consumption following wage increases as the president of the *Medef*, Parisot, explicitly states (Parisot 2011). This positive connotation of wage increases may help to incorporate potentially subaltern groups. At the same time, the instruments for strengthening



purchasing power came under discussion. In particular then minister of the economy, Christine Lagarde (2007), underlined the importance of price competition in order to reduce the cost of living rather than increases in wages and social security benefits.

In the first phase of the crisis, the conservative/liberal alliance celebrated the ‘French model’ for its resilience to crisis (Sarkozy 2009; Lagarde 2008b). Interestingly, this concerned the ‘old’ model of a more *dirigiste* approach and automatic stabilisers rather than a new, *rupture-d* model. What is more, Sarkozy began to question financialisation in announcing the ‘end of financial capitalism’ (Sarkozy 2008) and pointing to the negative effects of speculation on corporate governance, of the volatility of financial markets, or of the disproportionate influence of rating agencies on national governments (Sarkozy 2009). Neither the EU (the Commission placed the fault for the financial crisis in political regulation (European Commission 2008, 7)) nor the *Medef* (who externalised the issue by saying it lay outside the control of national governments (Parisot and Demorand 2008)) nor other members of government, particularly Lagarde (2008a), shared this sentiment. Still, questioning financialisation eventually served to limit criticism to the financialised aspect of capitalist accumulation rather than question this mode of production more fundamentally.

This strategy made it difficult for the social democratic/socialist alliance to formulate critique. The PS and the trade unions FO and CGT questioned redistribution effects (Aubry 2009; Mailly, Botella, and Fargues 2010; Thibault, Laurent, and Moreau 2010), accept(ed) growth as the general goal of economic policy-making but qualify it with regards to ecological and social effects (Berger 2014), and criticised financialisation. Wages and a generous social system are positively connoted as guaranteeing purchasing power and social progress (Mailly and Gasthé-Peclers 2009) and linked to an internal demand-led accumulation strategy (Aubry 2011; Mailly and Gasthé-Peclers 2009). In sum, these strategies remain within the framework of capitalist development.

In the second phase of the crisis (austerity, spotlight on public debt and current accounts at the European level, deterioration of unemployment at the national level), the praise of the French model could not be upheld. Public debt becomes more prominent in government discourses. ‘Fiscal consolidation’ is positively connoted by underlining the ‘need’ for national sovereignty secured by financial leeway (Sarkozy 2012) and often externalised as ‘no question of left or right’. Consolidation is constructed to be viable only through cutting expenditure not through raising taxes. As a result, cuts in public sector employment and spending are implemented. The legal retirement age is to be gradually raised from 60 to 62, the age for full pension rights from

65 to 67 – this is in line with EU prescriptions (Author 2016). In this phase, Sarkozy softens his rhetoric towards financial market actors and purchasing power is mostly not addressed.

The pension reform sparks protests and unites the trade unions in an *Intersyndicale* (Ancelovici 2011, 122). To qualify, these protests remain unsuccessful, reactive and non-radical in nature (Ancelovici 2011, 135) as do other workers' actions like 'bossnapping'. Meanwhile, the apparent weakness of the social democratic/socialist alliance in the instances of crisis and potential critiques of capitalism as well as in those rather project-focussed events, strengthens the *Front de Gauche* (FdG) as a more visible, clearer left-wing player at the national level.

Under Hollande's presidency, the left alliance soon dissolves. Trade unions are split into a reformist and a protest-oriented camp and the PS soon gives in to several of the *Medef's* and EU's demands. Austerity is externalised by most actors. The 'need' and priority to consolidate is seen as a given and while raising taxes for the wealthy has been stopped by the Constitutional Council, spending cuts are implemented. Meanwhile, the competitiveness discourse becomes dominant. At the EU level, this concept has been central for two decades and has mostly been interpreted in neoliberal terms, that is, labour costs are seen as hindering competitiveness, which has implications for wages and employers' social contributions (Wigger 2015). In France, the discussion of labour costs was limited until the second phase of the crisis. The PS then starts on its capital-friendly austerity course with the *Crédit d'impôt pour la compétitivité et l'emploi* (CICE) in 2013 and continuing with the *Pacte de Responsabilité* (PdR) in 2014 – both encompassing major reductions in social contributions or tax refunds to companies (Author 2015).

As a result, the socialist fraction distances itself from other actors within the left spectrum. CGT, FO and FDG continue to question redistribution effects and power relations in capitalism and seek to rethink growth and labour, albeit to differing degrees. The FO sticks to the vision of an old 'French model' with a stronger role for the state and purchasing power, public investment, and thus internal demand. The trade union's demands (mostly higher wages, strong public sector and social services) remain timid in contrast to the sharp critique by general secretary Mailly: '*... c'est une crise du système capitaliste avec une captation des richesses produites, une capitulation des pouvoirs publics qui ont favorisé libéralisation, privatisation et déréglementation, un recul de la démocratie et une montée de la ploutocratie*'<sup>2</sup> (Mailly 2014).

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<sup>2</sup> ...it's a crisis of the capitalist system where the produced wealth is being captured, where public powers who have favoured liberalisation, privatisation, and deregulation surrender, where democracy retreats while plutocracy rises. (own translation)

The socialist faction criticises the dominance of competitiveness in public discourse as well as its reduction to labour costs. CGT and FdG formulate the alternative concept of capital costs (Mélenchon 2013; Lepaon 2013). However, in elections at firm level, the reformist camp of trade unions around the CFDT gains the majority over FO and CGT. The CGT is weakened by leadership problems. In 2015, due to weak election results and internal issues, the FdG seems to have dissolved (Weber 2015) but is remobilised in the election campaign for 2017 as *France Insoumise*.

The conservative/liberal alliance has become more fragile, too. The UMP suffers from the defeat in the presidential election and financial scandals. The increasing strength of the extremist *Front National* (FN) puts pressure on the party, too. Within the *Medef*, the change in leadership from Parisot to Gattaz has meant a repositioning of the *Medef* as expressed in the construction of entrepreneurs as misunderstood ‘heroes’ (Gattaz 2013) while labour and its importance for production and accumulation becomes non-addressed. So, an effort to get workers’ consent is replaced by fear of unemployment, thus replacing consent with coercion. It is also the expression of a power shift within the *Medef*: towards the export-oriented big firms and away from the financialised and demand-led firms. The EU’s insistence on a financialised extraverted accumulation strategy furthers this development.

The eruption of the existing rift between big and small companies is also apparent in the discourse of the strengthened right-wing party FN. After the change in leadership from Jean-Marie to Marine Le Pen in 2011, the FN has gained traction in several elections, culminating in getting to the second round of the presidential election in May 2017. The party’s discourse speaks to small business owners as well as workers and the unemployed – positively connoting them as ‘heroic’ (Le Pen 2015). Le Pen criticises austerity and competitiveness discourses as an outcome of EU membership and demands for France to become a ‘self-sufficient economy, independent of globalised competition for both companies and workers’. In sum, the FN combines left problem definitions and grievances in the economic sphere with racist, islamophobic, misogynistic and homophobic solutions.

Meanwhile, during the second phase of the crisis, the impact of the EU’s policy programme on France and its public discourse becomes more visible. Even though French actors seldom reference the EU, the prioritisation of competitiveness and the externalisation of questions of public finances can be attributed to Europeanisation and European integration. These are intertwined with the interests of social forces behind integration. Apart from the ‘coordinative discourse’ (Schmidt 2013) voiced by the European Commission to French officials via the

documents of the European Semesters and the Macroeconomic Imbalances Procedure, the excessive deficit procedure puts pressure on the government (Author 2016).

### 5. Socioeconomic developments in France

This paper contributes to theoretical discussions on comparative capitalist analysis and hegemony by integrating Regulation Theory and Gramsci through a reaffirmation of their Marxist foundations. This enables the analysis to move beyond distinguishing different ‘models of capitalism’ or criticising neoliberalism as detached from the capitalist mode of production.

Through utilising a CDA methodology, I have critically evaluated public debates in France. Linking discursive strategies to hegemonic effects allows for grasping the extent of hegemony of the capitalist mode of production and shifts on a less fundamental level, i.e. accumulation regime and mode of regulation. Understanding hegemony in public debates also has implications for democratic deliberation and therefore democratic quality, as laid out in more detail by Farrelly (2015).

Analytically, I have highlighted that during both phases of the crisis, most actors do not address ownership structures and power relations. Wage labour is positively connoted. Thus, the fundamentals of capitalism remain hegemonic. In contrast, the specificities of the accumulation regime and the mode of regulation are under debate. Financialisation becomes criticised in the first phase of the crisis but transformation remains limited. Meanwhile, the role of demand, purchasing power, and public investments changes significantly. Purchasing power and consumption are not being addressed in the second phase of the crisis, public investments are detached from conditionality and public control – as seen in the social contribution reduction and tax refunds for firms. These changes are reflective of and symptomatic for shifts in the accumulation regime as well as in the mode of regulation.

Finance-led accumulation is fragile (Boyer 2000) and export-orientation dependent on external demand. In order to ensure external demand, the competitiveness discourse suggests that as long as countries and firms are competitive ‘enough’, this will not be an issue (Wigger 2015, 125). Within that framework, regulation stabilising export-orientation can consist of several instruments: The reduction of social contributions for employers as implemented via the *Pacte de Responsabilité* which allows employers to pull away from their commitment to family allowances; the extension of work via an increase in societal and individual working time as implemented by the pension reforms raising the retirement age and the contribution period and deregulating dominical work, - additionally, the *Medef* tries to decentralise and thus deregulate

the formal 35h work week (Parisot 2011) and the new labour reform of Macron in the summer of 2017 implements this; or the stagnation of wages and social benefits. Due to the crisis and high unemployment, purchasing power has stagnated and retracted. The minimum wage and the minimum income scheme are indexed to prices but the socialist government has not given them the boost some had hoped for. Instead, the socialist government has frozen wages in the public sector, thus sending a signal for wage developments to the private sector. So, the costs of the crisis and the mode of development are borne by workers, employees, and the unemployed while most big firms and financial capitals continue accumulating wealth.

This feeds into political crises. Economic and political struggles in France are ongoing. This paper argues that it can be deduced from current developments and discursive strategies of relevant actors that a financialised export-oriented accumulation strategy is being strengthened – and it is accompanied by a fragmented neoliberal regulation that tries to incorporate the population dependent on wage labour by inducing more competition among themselves. The internal demand-led side of the French economy continues to suffer from the effects of the crisis and crisis management. This consent-creating strategy is fragile although the Macron presidency symbolises the political representation of financial market actors and neoliberal policies.

The trajectory of France's political economy is intertwined with the situation at the European level. Although the dominant forces in Germany and other North European states are still profiting from the current European mode of integration, its shortcomings and negative effects are manifesting themselves in all European societies as increasing inequality, rising un(der)employment and precariousness as well as higher at-risk-of-poverty and poverty levels. So, while the capital-friendly austerity course boosting export-orientation and financialisation is the chosen strategy of dominant social forces at European and national stages, its potential failure as well as its negative effects on large parts of society may eventually lend renewed support to alternative modes of politico-economic development.

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Table 1: A categorisation of discursive strategies

potentially hegemonic strategy	potentially subaltern strategy
<p><b>Non-address:</b> Certain aspects, phenomena, or aims are not mentioned and thus ignored.</p> <p><b>Externalisation:</b> Certain aspects, phenomena, or aims are constructed as lying outside the realm of action, e.g. via constitutionalisation, technocratisation, or the de-legitimation of other actors' demands.</p> <p><b>Positive connotation:</b> Certain aspects, phenomena, or aims are constructed as inherently positive and useful.</p>	<p><b>Questioning:</b> Certain aspects, phenomena, or aims are questioned, thus implicitly criticised and slightly negatively connoted.</p> <p><b>Criticising:</b> Certain aspects, phenomena, or aims are condemned and thus heavily negatively connoted.</p> <p><b>Formulation of alternatives:</b> Demands and different aspects, phenomena, or aims are put forward.</p>

Source: own compilation