Chapter 8

General Policy Speech of Prime Ministers and fiscal choices in France: « Preach water and drink wine!»[1]

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Abstract: *Since the inception of the fifth French Republic, the Prime Minister pronounces an expected inauguration address of general policy in which main public policies are announced. Usually a hierarchical priority of policies is raised from this address. As a consequence the government aims at allocating budgets in accordance with such a ranking. Nevertheless public budgeting processes are regularly faced with incrementalism which causes huge problems when some unexpected problems arise. Furthermore, during the electoral cycle, governments face a paradoxical problem: once elected they are supposed to transform their electoral promises into public policies but at the same time they are forced to propose a new electoral platform for being re-elected.*

All along the Fifth Republic in 1958, France has experienced 17 governments and then 17 addresses of general policy. The regular shift of majority since the beginning of the eighties outlines the (in)capacity of incumbent governments to satisfy a majority of voters. In this perspective, this paper aims at testing whether priorities of governmental action are matched with the ranking of budgetary allocations. For that, we propose to analyze all the 17 addresses of Prime Minister with a data text mining technology in order to construct a dependant hierarchical variable. Thus we use budget series, economic and political data as independent variables to estimate the shift of annual budget according to both the governmental priority and the time distance between the date of the Prime Minister's inauguration address and observed annual budget law.

From a political economy perspective, this paper tackles the ambiguous relationship between political address of French Prime Ministers and the budgeting response of their government. Using an original statistical database (47 years), we plan to better understand the relevance of public policy as it is implemented and not necessarily as the public address should target it.

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1. Introduction

In a famous address in 1980, Margaret Thatcher claimed that "To those waiting with bated breath for that favorite media catch-phrase – the U-turn – I have only one thing to say: you turn if you want to; the lady's not for turning". This example, reminded by Montpetit (2008), reveals a rigorist behavior of the previous PM that she confirmed by decreasing public spending. In a sense she made what she promised to do. Are convictions more powerful than expected results of political action? Is it conceivable that within a democracy elected governments are inclined to change their initial positions? For some scholars, such an attitude entails that promises be not satisfied and then their political legitimacy be depleted. Many empirical studies have tested the mandate theory by matching emphases of party platforms and government expenditures (Artes and Bustos, 2008, Hofferbert and Budge, 1992 ; Pétry, 1995 ; Royed, 1996). The main conclusion entails that about 60 percent to 80 percent of pledges contained in parties' manifestoes are fullfield. By relaxing the theoretical framework of mandate theory, another avenue of research argues that the content analysis of politicians' speeches provides a new tool for capturing the decision-maker's preferences. In this perspective, Imbeau (chapter 1) advances the concept of dissonance in policy process and applies it to different subfields at the crossroads of political behavior and public policy.

One of the most frequently questions asked by researchers focusing on the behavior of the governing body is the following: Do politicians practice what they preach? From a political economy perspective, the relationship between the appraisal of the incumbent and the probability of victory was exhaustively discussed in the framework of political economy cycles through the retrospective vote. At the opposite however, the place of electoral promises in the understanding of public policies' choices was rarely the object of study. That is why this chapter aims at focusing on the influence of the general policy address, enunciated by the French Prime Minister,

on fiscal priorities. In other words, we would like to better understand the relationship between the government's general policy speeches (i.e. Throne speeches) and budgetary actions, understood here as a tangible measure of public action.

The chapter is structured into four parts. A first section describes the content the French Prime Ministers' general policy speeches since 1958 and the political context in which it was enunciated. A second section reminds the expected effects between political discourse and budget allocation decision. A third section presents the data used: lexicographic data issued from a computer data mining and budget data for nine ministries. Diagnostics and econometric estimations are developed in a fourth section, followed by a discussion of results and concluding remarks.

2. General policy speeches of French Prime Ministers: framework, stakes and shape.

In the following section, we present the institutional framework in which the general policy inauguration address of French Prime Minister's takes place. We must, indeed, go back to the place this particular function in the French diarchy in order to comprehend the importance of the inauguration address.

2.1. The role of the Prime Minister in the 5th Republic

The French executive power is characterized by an important diarchy. Indeed, the executive power is shared between the President of the republic and the Prime Minister, but this power sharing is not on a equal basis since they both derive their legitimacy from different sources, and that the Prime Minister is clearly the President's subordinate.

First of all, the source of their respective legitimacy is totally advantageous to the President. The President of the republic anchors his power on the fact that he is elected by direct universal suffrage. At the opposite, the Prime Minister is directly nominated by the President of the French Republic. His nomination answers to the full discretion of the President of the French Republic. No rule is set, whether formalized by the Constitution or an implicit rule coming from the practice, since the Prime Minister can be an experienced politician known to the general public like M. Rocard, or an unknown administrator, unknown to the general public and without any political experience like R. Barre, or even very close collaborators to the President like M. Debré or P. Bérégovoy.

In a similar fashion, if the Constitution foresees the question of the Prime Minister's destitution in a sibylline manner since the "*the President of the French Republic shall appoint the Prime Minister. He shall terminate the appointment of the Prime Minister when the latter tenders the resignation of the Government*." (art. 8). The Prime Minister thus resigns from his functions at the demand of the President but without any coercive power from the latter. It is even said that at the inauguration of his or her term, every Prime Minister hands the President an undated letter of resignation. At the same time, the Prime Minister's nomination or reshuffling of the calendar follows the President total discretionary power. These changes thus don't automatically follow electoral events.

The only constraint that weighs on the President when it comes to the nomination of the Prime Minister resides in the accountability of the latter to the national assembly. In other words, the President can choose a Prime Minister that doesn't hold a seat in the majority wing of the National assembly. Duhamel (1998: 191) speaks of a Prime Minister "acceptable to the Assembly". This constraint gets stronger when the general political color of the national assembly is different from the President's political family (in case of divided government).

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Second, this constraint can be explained by the fact that the Prime Minister is accountable to the National Assembly, which has the means to overturn governments by a vote of its own initiative. Historically, a vote of non-confidence (during a vote of censorship motion) was only practiced once, in 1962. In a symmetrical fashion, the Prime Minister can provoke an adherence vote of the National Assembly by submitting his government to the confidence vote of the parliament. If the vote is negative, the government is overturned. At the opposite, the President is not responsible to electors for the eventual renewal of its mandate.

Finally, the Prime Minister is totally subordinate to the will of the President, which translates into the constitutional formulation, which sets power sharing as follows:

The President of the French Republic shall see that the Constitution is observed. He shall ensure, by his arbitration, the proper functioning of the public authorities and the continuity of the State ." (art. 5). "*The Government shall determine and conduct the policy of the Nation (art. 20). "The Prime Minister shall direct the operation of the Government.*" (art. 21).

2.2. The importance of general policy inauguration address

The general policy inauguration address is of essence to a Prime Minister for several reasons. First, it represents of the most important first moments of a new government, ranking at the same level as the first Council of Ministers (which is made up of the government, the Prime Minister and the President). To that effect, it is a heavily publicized moment for the Prime Minister. Second, it is considered as one of the rarest moments where the Prime Minister has the opportunity to explain his policy, his political agenda to the electorate through media coverage. At a time when the President can address the nation whenever he sees fit, the Prime Minister enjoys only one instituted moment, abundantly reprised by the media.

Third and as its name indicates, it is an allocution on the totality of themes and issues that are presented for government action. Of course, through his mandate, the Prime Minister delivers several public interventions, but these allocutions are usually centered on specific and succinct themes. Thus, this inauguration address is the only moment at which the Prime Minister can stress the overall actions of the new government as well as its coherence. For all these reason, the inauguration address is considered as a valuable exercise for the Prime Minister and for the conduct of his actions.

2.3. *The political aspect of the general policy inauguration address.*

The form of the general policy inauguration address is totally arbitrary, but it must respond to certain recursive contents. First, the inauguration address must set the deadline that the Prime Minister gives himself. It is of course simply a formal announcement since the duration of a government depends on the President of the Republic. Generally the time set in the inauguration address covers the period between the nomination of the Prime Minister and the next legislative election.

Second, it is an inauguration address addressed at the same time to the National Assembly and to the general public as a whole since it is the object of several reprisals by the media. This diffusion impacts the form of the inauguration address. The Prime Minister must set his priorities, and, *a contrario*, he mustn't evoke the stakes or the public policies which are not. In other words, the mere mentioning of a public policy is enough to be considered as a government priority since its absence from the inauguration address means its relegation in terms of priority. However, the Prime Minister can, at his convenience, invoke or not the responsibility of his government following his inauguration address. In other words, he can ask for a vote of confidence at the National Assembly through his general policy inauguration address, which in

case of a negative result can lead to the overturn of the government. Since the risk of defiance is very low, (see above), a fortiori for a new government, the confidence vote is more of a symbolic vote, which unites the parliament majority behind a government.

3. The general policy inauguration address and budget action: the expected consequences

Stemming from the role of the Prime Minister, the importance of the general policy inauguration address, and the forms of this inauguration address, we can advance certain empirical hypotheses concerning the relationships between the content of the general policy discourse and the government budgetary choices.

In his founding book, Christopher Hood (1983) distinguishes four basic resources in the conduct of public policies: communication (nodality), financial credits (treasure), legal authority (authority), and direct interventions on the administration (organization). These four tools form the repertoire of government actions. If we set aside the public action through authority (symbolic in nature and not under the prerogative of a Prime Minister) as well as the questions of organization of the public administration sphere (organization), which remains an internal question, the two major tools a Prime Minister has at his disposal and addressed to the public are the inauguration address and the budget. Thus, we can question the links between these two dimensions of public action. If the analysis of French governments was the object of numerous publications, the study of the interactions between the inauguration speech and the budget was largely ignored.

We have seen how the general policy inauguration address is the ultimate moment for a Prime Minister to set his priorities in terms of public policy. It is thus the ideal medium to analyze the announcements of the government and the Prime Minister public policy priority. We must then

be able to measure this political prioritization through the inauguration address. In other words, we must measure agenda setting once it has reached government decision. The question lies in finding out if government agenda setting is translated through the budget.

By starting with the typology advanced by Imbeau (2005), we suggest three conceptions of relationships between the inauguration address and the action (Walk-talk relationship), which corresponds to three empirical hypotheses to verify.

The first hypothesis can be considered as a cynical behavior in the sense that budgetary choices undertaken by the Prime Minister are not influenced by the priorities announced during the general policy inauguration address. The second hypothesis rests on the consistency between the inauguration address and the action since in that case; the priorities set forward in the general policy inauguration address are positively translated in the budget allocations. The third hypothesis, at the opposite, rests on the inconsistency between words and actions taken into consideration that priorities are translated negatively into the budget.

From the quantification of priorities of the different Prime Ministers in terms of public policies, we can put this measure face to face with budgetary decisions that followed the general policy inauguration address. This relationship, between political priority and budgetary decisions, rests on the hypothesis that governmental priorities must be translated in budgetary terms. More specifically, the higher in priority a public policy is placed on the Prime Minster's agenda, the more likely the increase of the concerned Ministry's budget. This hypothesis seems to us both realistic and reasonable. Realistic, in the sense that the French trend in regards public spending has been towards a continuous increase since the Second World War not only of public intervention but also of public spending. Reasonable, because the most tangible translation of priorities for a politician is the increase in the budget he allocates to this priority. Thus, we can

hardly visualize a Prime Minister putting forward an application domain of his public policy to then diminish the credits that he set for this purpose.

The three hypotheses thus presented, concerning the links between the words of Prime Ministers and budget choices, will thus be the object of an empirical analysis dealing with the general policy inauguration address and the French budgetary choices for the main political domains since 1958.

4. Data and estimation strategy

Our analysis rests on the confrontation of two sorts of information concerning the French governments since the beginnings of the Fifth Republic. On the first hand, the inauguration address of general policy allows us to detect the main announcements and engagements taken by the executive power. On the other hand, the budgetary evolution allows pinpointing the main actions decided by the government during the same period. T he comparison of these two series will allow us to know whether or not there exists a convergence between the word and the action of French governments.

In the next part of the section, we will present the used data as well as the statistical treatment in order to way to come up with the necessary information on political attention of governments.

4.1. The description of focused governments

Since the inception of the Fifth Republic in 1958 (until the 2007 presidential elections), France has known 18 different governments and 18 different Prime Ministers. In light of the availability of data (those concerning the budget), we will not integrate in our analysis the 2005-2007 De Villepin government.

Our database thus includes 17 governments and 17 general policy inauguration addresses undertaken by 17 different Prime Ministers. In order to facilitate the analysis, we will consider as a single government the ensemble of the period covered by the same Prime Minister even if this government composition can alter during that period. For example, the Prime Minister George Pompidou matches the single government category in our analysis even if its composition has changed three times. This choice has little incidence considering that the timing of the general policy inauguration address is linked to the Prime Minister and not to the government. The details of the analyzed governments in our study are given in Table 8.1.

[Table 8.1 around here]

We can note that the time of study covers the period from 1959 to 2004, namely five different Presidents and 43 years. Among the 17 Prime Ministers, five were from the left and twelve from the right. Regarding the institutional contexts evoked earlier, we have three periods of divided government: two with a President from the left and a government from the right (J. Chirac and E. Balladur) and with a President from the right and a government from the left (L. Jospin). Finally, these governments have had different durations, since the shortest term was 10 months and the longest 75 months.

4.2. The general policy inauguration address of the French Prime Ministers

Every Prime Minister has thus pronounced a general policy inauguration address in front of the National Assembly. We thus have 17 inauguration addresses to analyze. Taking this corpus as a starting point, we would like to highlight which public policy is a priority for the Prime Minister, and not to make a semantic or semiotic analysis of these inauguration addresses.

To extract quantitative information from general policy inauguration addresses, we will adopt an inductive strategy that is undertaken along several stages; and that, by getting our inspiration from the methodology developed by M. Laver, K. Benoit and J. Gary (2003). However, contrary to the latter, our objective is not to position Prime Ministers against each other regarding specific themes. To that extent, our methodology is simpler and more *ad hoc*. More precisely, we have constructed an analytical grid of government priorities based on the words used in the inauguration addresses of Prime Ministers and not according to the grid defined in an a priori fashion where the ensemble of words dealing with specific public policy themes are listed and catalogued.

Indeed, the make up of such corpus cannot be exhaustive and cannot stand clear of term ambiguity problems. That is why we have decided to start our analysis based on inauguration addresses alone.

First, we measure the length of the inauguration address along two indicators: the number of words present and the number of words used. On this point (Table 8.2), we can notice important variety between Prime Ministers in terms of inauguration address length as well as variety. The longest inauguration address was that of Alain Juppe, which holds more than 4700 words. At the same time, there seems to be no trend through time of neither the increase nor decrease in the size of inauguration addresses. However, the inauguration address with the most varied vocabulary was that of Couve de Murville, since, each word was used on an average 1.9 times. This result is logical in a sense that his was also the shortest inauguration address delivered. Inversely, the usage ratio of words is the highest for the longest inauguration address. The gathered information during this first step gives us quantitative and qualitative indications on the inauguration addresses.

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[Table 8.2. around here]

Second, we have detected inside each inauguration address the words referring to a specific domain in political activity. That is the first manual and raw count before reducing the sample of terms to an acceptable number. In order to insure the consistency of our criteria, the sorting was done independently by each author before being opposed and any selected word of this inauguration address was obligatory for all other inauguration addresses. This statistical treatment allowed us to make a list of political words used in general policy inauguration addresses.

Third, based on this list of words, we have excluded all ambiguous terms, in other words, those which usage can have a different meaning than its political one. For example, the term "investment" can have economic connotations, which in that sense, means an effort in capital spending. But the subtlety of the French language has it that this term could easily have been used in a sentence without any reference to the macroeconomic issues such as "my investment in the resolution of this problem is total." The exclusion criterion often rests on the meaning of words. Thus, we were made aware that the ambiguity of terms was particularly present for the verbs and their adjectives. This third step allowed us to make up a list of 428 words dealing with public policies.

Fourth, among the 428 words used, we have sought to attach them to a public policy. The categorization of public policies was imposed in part by the available budgetary data. We have chosen twelve fiscal headings (i.e. 12 series) presented in table 8.3.

[Table 8.3. around here]

When a word can simultaneously be matched to several different categories of public policy, we have decided to eliminate it from the list. It is namely the case of general terms. The matching matrix between the words and public policies is provided in Table 8.4. The final list is then made up of 323 words.

Fifth, we apply the grid of words related to the different public policies to each of the 17 inauguration addresses in order to get the frequency of word occurrence.

[Table 8.4. around here]

Following a first look, we notice that the words associated with public policies represent a minor but significant part of the inauguration addresses since they account for between 2.4 and 4.7 per cent of the words. It also seems that the proportion is not linked to the size of the inauguration address or to the partisan affiliation of the Prime Minister, or the incumbent President of the French Republic.

We also note a big variety concerning of public policies quotes for each Prime Minister's inauguration addresses. Thus, certain issues can be totally absent from the inauguration address, as is the case for example of Prime Minister J-P Raffarin who totally ignored the agricultural issue in his 2002 speech. At the same time, we see important differences in inauguration addresses, namely when it comes to education, economy, finance or social affairs.

4.3. The prerogatives of the central government

To quantify the action of Prime Ministers, we will use the evolution of French public spending during the period between 1959 and 2004. As depicted in Figures 8.1 and 8.2 since 1958 the French budget has gradually increased. The strong breach in the trend registered in 1989

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corresponds in fact to the implementation of new rules of public accountability regarding debt management, which equally impacts the "economic and finance" series.

[Figure 8.1 & 8.2 around here]

The developments regarding public policies are more versatile. Public spending levels in education and social affairs are the only series strictly increasing during the whole period.

5. Estimation and results

The object of econometric analysis is to confront the fiscal developments with the priorities cited by French Prime Ministers in their general policy inauguration address in order to infirm or confirm the match between the two. The data used is mainly annual budget data, annual lexicographic information and qualitative data on the political structure of France for the period 1968-2004. As a consequence, we have used a time series analysis. Before presenting the results of our estimations, a reminder of the empirical strategy picked and the statistical difficulties encountered is relevant. The non-stationary nature of time series is an often-recurring phenomenon and can lead to perfectly spurious estimations, or even "fallacious" ones, if one quotes the expression of Granger et al. (1974), such as the primary differentiation of a deterministic process. We perform a rigorous analysis of stationnarity of French budgets by differentiating them following a detail process presented in appendix 1.

5.1. Selection of an estimator

Once the stationary series is first differentiated, we have performed several tests in order to define the most appropriate model to the relationship we would like to estimate. Among the

different tests, we have first verified the existence of auto-correlation for residuals (preceding section), and studied the properties of homoskedasticity for residuals. To that extent, we have run the Multiplier Lagrange test which concluded to the rejection of disturbances of type ARCH for eight out of ten budgetary series. Only the public spending of the Minister of Interior and of the Minister of Defense followed a process which allows an estimation based on a GARCH model if we only want to explain these public spending by their past. That is why we have chosen to retain two estimation strategies. The first, AR (1), allows an auto-regressive process of order 1. In other words, the disturbances in *t-1* are correlated to the disturbances in *t* to which a spherical disturbance was added. (Greene 2003). Thus the model takes the general following form: $B_t=\beta X_t+\varepsilon_t$ with $\varepsilon_t=\rho\varepsilon_{t-1}+\mu_t$.

The second estimation strategy aims at selecting a model with lagged variables (VMR). Keele and Kelly (2006) specify that this strategy allows us to eliminate the autocorrelation considering hence forth the fact that a lagged variable is introduced. The model thus takes the following form: $B_t=\alpha B_{t-1}+\beta X_{t-1}+\varepsilon_t$.

In each case, an OLS estimator can be selected whether the expected value is zero, whether residuals are homoskedastic and whether residuals are not serially correlated.

5.2. Definition of variables

5.2.1. Dependent variable

The dependent variable is the level of public spending the elected government engages in every year. This level of public spending can be distinguished in a functional manner allowing the study of the evolution of the ten spending categories: agricultural, education, military, interior

and justice, lodging, transport, industry, social affairs, economy and finance and total public spending.

We have simultaneously taken into account the level of spending in volume and the annual rate of change. If the difference between the two measures doesn't affect estimations, reasoning in terms of annual variation renders a first differentiation unnecessary. These variables were corrected by the OCDE general spending expenditure deflator.

5.2.2. Independent variables

The independent variables of our model gather three categories of variables. The first category related to the economic structure of France: we have picked the belated variable of public spending expenditures (B_{t-1}) and the rate of growth of the GDP (GDP_t) for the period 1961-2004 (3 variables are missing from this series.)

The second category of variables concerns political data. We have chosen the partisan affiliation of the government in charge of voting the annual budget, through the introduction of a dummy variable that takes the value 1 for a right-wing government, and 0 otherwise. Considering the partisan divisions in French political life and the importance accorded to elections and partisan control of government, one might expect substantial differences in spending patterns by governments of the Left and the Right. A second seemingly similar variable deals with the partisanship affiliation of the incumbent French President. Finally we have selected dummy variables to capture the temporal effect of the instauration of a new government and the presence of a divided government (France has experienced three periods of divided government; between 1986-88, 1993-95, and 1997-2002).

Finally the third category of variables concerns those linked with the general policy inauguration address of Prime Ministers. We first took into consideration both the *cumulative* number of words (*Nbwords_SB$_t$*) and the *distinctive* number of words (*NbwordsD_SB$_t$*) related to the functional category of public spending. The relevancy in relying on these two variables is due to the fact that words repetition provides precious information as the expected intensity of the Prime Minister's action. But in the same time it reduces the knowledge of his policy's multidimensional aspect. For example, repeating ten times the word "agriculture" gives an indication as to the intention of the Prime Minister without specifying the extent of his action (captured by the use of several words relevant to the agricultural fiscal heading). We have also "normalized" the distribution of the two series by citing the number of words in each functional field in relation to the total number of words pronounced by each Prime Minister. Thus, we can control the differences in speech length (table 3). Finally we have put together a discount rate of the inauguration addresses in order to capture the distance effect between the general policy inauguration address and the real fiscal policy of the government in place. More precisely, we have considered that the absence in variance of each lexicographic series for each legislature posed important statistical analysis difficulties. That is why we have built two new multiplicative independent variables. The first multiplies the number of words in functional category by the ratio $1/n$, n being the length of the legislature. A similar construction, but more conformed to the non-linear representation, takes into account the powerful function of the discount rate. In that way, we can take into consideration the amplification of the distance between the inauguration address and the nth year of government budgetary engagement.

5.3. Results

Table 8.5 presents the results of estimations conducted by each budget series between 1958 and 2004. The absence of data regarding the GDP between 1958 and 1961 has reduced our sample made up of 44 observations by budgetary series.

[Table 8.5 around here]

In a general manner, we must keep in mind that the general policy inauguration address does not exert a significant influence on the annual budgetary variations, at the exception of two public policies: that led by the Ministry of transport and public works and that conducted by the Ministry of agriculture. In the case of transport and public works policy, the more we consider the elapsing of time from the original general policy inauguration address, the more the level of the transport and public works Ministry's budget effort tends to decrease. In that sense, the action of the French government is more discursive than budgetary. We can go even further by saying that more attention is given to the inauguration address and very little to the budget agenda. This result is not really surprising because the decision to engage in infrastructure public spending (TGV network, road network, navigable waters, airport platforms) is often questioned in France as illustrated by governments alternating and the choice of land-use planning. In the case of agricultural affairs, the intensity of the inauguration address measured by the number of words defining the agricultural action of the government exerts a counter-productive effect on the budgetary variation of the Ministry of agriculture. Indeed, the negative sign of the variable $Nbwords\_SB_t$ suggests that the more the Prime Minister grants importance to his government action priorities, the less the corresponding budgetary engagement is high. In the French case, this result has to be put in perspective of the rise in power of the common agricultural politics,

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which in part took the role of state public intervention in terms of direct intervention (support of agricultural prices and surplus subsidy).

Among the regularly significant variables for each budgetary series, the partisan affiliation of the government shows us that governments from the right have a general tendency to increase the level of public spending in 4 to 9 studied ministries. We talk here of military spending, agricultural spending, and that of the Ministry of economy and finance and social public spending. As much as the first three series are faithful to French tradition of governments of the right, as much as the increase in social spending is surprising because we could have conceived it to be a domain reserved for budgetary 'leniancy' from left governments, in parts due to the succession of unemployment fighting programs (policies of massive employment). Concerning defense public spending, it important to note that the implementation of military planning law since the beginning of the 1960s reduces the room to maneuver for governments to the extent that they mutually commit to respect a military budget endeavor in the allocated time. This results is quite closed with those obtained by Baumgartner, Foucault and François (2009) who find only a small number of statistically significant differences and when we do find them, governments of the Right are the higher spenders.

Finally and contrary to the incremental theory underlying Wildasky's (1964) or Lindblom's (1959) model, our results highlighting budgetary choices taken last year, do not hold a constant explanatory power. Indeed, the incremental model does not function properly when it comes to the public spending of the Ministry of Interior, social affairs, transport, industry and research. This result leads us to distance ourselves from those of Siné (2006: 114), which enunciates an incremental relation of the French budget between 1980 and 2005. At the opposite, these results easily conform to the existence of punctuated equilibrium characterized by the sequences of incremental budgetary variations and by sudden changes. By measuring the kurtosis of

budgetary French series between 1868 and 2002 (135 years), Baumgartner, Foucault and Francois (2006) accredited the thesis of punctuated budgetary variations.

Thus, the hypothesis of the cynical behavior of French governments in regards general policy inauguration address seems to be confirmed. Only the action of the Minister of agriculture stems from an incoherent behavior because priorities are not translated by decreasing budgetary choices. Nevertheless, it is important to remember that the general structure of the models estimated lie on the construction of non contextualized lexicographic variables do not allow us to accurately distinguish a priority engagement.

6. Conclusion

This chapter has provided a first attempt of combining French Prime Minister Speeches and fiscal priorities in France since the beginning of the Fifth Republic. Our empirical results mainly show that there is no systematic relationship between the discursive voluntarism and the fiscal choices. Consequently it is consistent with our cynical hypothesis of the Prime Minister fiscal choices. We can advance three main explanations for better understanding the lack of influence of the Prime Minister's speech on policy budget.

First, measuring the fiscal prioritization may not be relevant. We measure it using the annual change, but the relative annual change could be more valuable. Indeed, the priority of a public policy, such as housing for instance, could be more fitted by its annual change regarding the average annual change or the annual change of other public policies.

Second, the cynicism of the Prime Minister could be explained by the fact that the government does not to control the activity of bureaucrats. The fiscal autonomy of the public administration can have two sources. First, the ministers ignore the directives of the Prime Minister for multiple

political or bureaucratic reasons. For instance, the President can settle a dispute between a minister and the Prime Minister in favor of the Minister. Other example in line with the Niskanen model of economic theory of bureaucracy, a Minister can not control her administration in the management of the budget process. Second, the fiscal administration which actually manages the budgetary relationship with the ministers could not advocate the Prime Minister choices. In France, the administration has a crucial and central role in the budgetary process that gives it a great power (Siné, 2006), notably in fiscal developments.

A last explanation that is not directly linked to the budgetary process rests on the rules of the democracy and notably the electoral systems. Indeed, in a majoritarian system where party coalitions have never prevent a French government to be defeated during a legislature (for the Fifth Republic), there is no immediate cost for not respecting her political pledges. In a sense, electoral systems can matter and affect the dissonance policy. A future research agenda could emerge from this relationship between electoral rules of the game and officials behavior and thus provides a sort of meta-analysis of political dissonance.

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Table 8.1: General policy speech in the Fifth French Republic

Prime Minister	President	Term	Cabinet's duration (months)	Inauguration address's date	nb of words	nb of disctinct words	Rate of use
Debré (right-wing)	De Gaulle	January 59 - March 62	15	15/01/1959	1569	652	2.41
Pompidou (right-wing)	De Gaulle	April 62 - July 68	75	26/04/1962	861	419	2.05
Couve de Murville (right-wing)	De Gaulle	August 68 - June 69	11	15/07/1968	772	399	1.93
Chaban Delmas (right-wing)	Pompidou	July 69 - June 72	36	16/09/1969	2422	970	2.50
Messmer (right-wing)	Pompidou	July 72 - May 74	23	03/10/1972	2053	839	2.45
Chirac (1) (right-wing)	Giscard	June 74 - August 76	27	05/07/1974	2358	897	2.63
Barre (right-wing)	Giscard	September 76 - May 81	57	05/10/1976	1980	791	2.50
Mauroy (left-wing)	Mitterrand	June 81 - July 84	38	08/07/1981	3885	1351	2.88
Fabius (left-wing)	Mitterrand	August 84 - March 86	20	24/07/1984	1630	669	2.44
Chirac (2) (right-wing)	Mitterrand	April 86 - April 88	25	09/04/1986	1992	801	2.49
Rocard (left-wing)	Mitterrand	May 88 - May 91	37	29/06/1988	2347	936	2.51
Cresson (left-wing)	Mitterrand	June 91 - March 92	10	22/05/1991	1732	735	2.36
Bérégovoy (left-wing)	Mitterrand	April 92 - March 93	12	08/04/1992	1717	730	2.35
Balladur (right-wing)	Mitterrand	April 93 - May 95	26	08/04/1993	2720	980	2.78
Juppé (right-wing)	Chirac	June 95 - May 97	24	23/05/1995	4750	1497	3.17
Jospin (left-wing)	Chirac	June 97 - April 02	59	19/06/1997	2301	862	2.67
Raffarin (right-wing)	Chirac	May 02 - May 05	39	03/07/2002	1475	584	2.53

Note: The rate of use corresponds to the number of words (column 6) divided by the number of distinct words (column 6).

Table 8.2: Detailed data on the words' frequencies by public policy

Prime Minister	Social Affairs	Agriculture	Defense	Economy and Finance	Education	Industry, Trade. Research and Technology	Justice and Interior Affairs	Housing	Public Works and Transportation	Total
Debré (right-wing)	5 (0.32%)	2 (0.13%)	0	21 (1.34%)	3 (0.19%)	2 (0.13%)	2 (0.13%)	0	0	63 (4.02%)
	5 (0.77%)	1 (0.15%)		13 (1.99%)	2 (0.31%)	2 (0.31%)	1 (0.15%)			35 (5.37%)
Pompidou (right-wing)	3 (0.35%)	1 (0.12%)	0	6 (0.7%)	2 (0.23%)	0	2 (0.23%)	0	0	23 (2.67%)
	2 (0.48%)	1 (0.24%)		5 (1.19%)	2 (0.48%)		2 (0.48%)			18 (4.3%)
Couve de Murville (right-wing)	6 (0.78%)	1 (0.13%)	0	9 (1.17%)	3 (0.39%)	1 (0.13%)	0	0	0	20 (2.59%)
	6 (1.5%)	1 (0.25%)		7 (1.75%)	2 (0.5%)	1 (0.25%)				17 (4.26%)
Chaban Delmas (right-wing)	16 (0.66%)	8 (0.33%)	0	32 (1.32%)	13 (0.54%)	7 (0.29%)	0	11 (0.45%)	1 (0.04%)	90 (3.72%)
	12 (1.24%)	2 (0.21%)		23 (2.37%)	8 (0.82%)	3 (0.31%)		5 (0.52%)	1 (0.1%)	56 (5.77%)
Messmer (right-wing)	14 (0.68%)	6 (0.29%)	5 (0.24%)	14 (0.68%)	6 (0.29%)	4 (0.19%)	2 (0.1%)	15 (0.73%)	3 (0.15%)	75 (3.65%)
	7 (0.83%)	5 (0.6%)	3 (0.36%)	10 (1.19%)	5 (0.6%)	4 (0.48%)	2 (0.24%)	10 (1.19%)	2 (0.24%)	53 (6.32%)
Chirac (1) (right-wing)	12 (0.51%)	9 (0.38%)	8 (0.34%)	19 (0.81%)	10 (0.42%)	3 (0.13%)	12 (0.51%)	3 (0.13%)	1 (0.04%)	93 (3.94%)
	9 (1%)	6 (0.67%)	5 (0.56%)	11 (1.23%)	8 (0.89%)	3 (0.33%)	7 (0.78%)	3 (0.33%)	1 (0.11%)	66 (7.36%)
Barre (right-wing)	5 (0.25%)	2 (0.1%)	4 (0.2%)	29 (1.46%)	10 (0.51%)	2 (0.1%)	9 (0.45%)	1 (0.05%)	0	69 (3.48%)
	3 (0.38%)	1 (0.13%)	4 (0.51%)	14 (1.77%)	6 (0.76%)	2 (0.25%)	3 (0.38%)	1 (0.13%)		39 (4.93%)
Mauroy (left-wing)	31 (0.8%)	3 (0.08%)	2 (0.05%)	49 (1.26%)	5 (0.13%)	14 (0.36%)	7 (0.18%)	9 (0.23%)	0	147 (3.78%)
	17 (1.26%)	2 (0.15%)	2 (0.15%)	20 (1.48%)	4 (0.3%)	9 (0.67%)	5 (0.37%)	8 (0.59%)		88 (6.51%)
Fabius (left-wing)	8 (0.49%)	1 (0.06%)	0	12 (0.74%)	12 (0.74%)	2 (0.12%)	3 (0.18%)	0 (0%)	1 (0.06%)	45 (2.76%)
	5 (0.75%)	1 (0.15%)		7 (1.05%)	6 (0.9%)	2 (0.3%)	3 (0.45%)	0 (0%)	1 (0.15%)	30 (4.48%)
Chirac (2) (right-wing)	12 (0.6%)	1 (0.05%)	1 (0.05%)	20 (1%)	3 (0.15%)	2 (0.1%)	5 (0.25%)	4 (0.2%)	0	57 (2.86%)
	9 (1.12%)	1 (0.12%)	1 (0.12%)	11 (1.37%)	2 (0.25%)	2 (0.25%)	1 (0.12%)	3 (0.37%)		36 (4.49%)
Rocard (left-wing)	7 (0.3%)	1 (0.04%)	2 (0.09%)	11 (0.47%)	6 (0.26%)	1 (0.04%)	3 (0.13%)	5 (0.21%)	1 (0.04%)	60 (2.56%)
	7 (0.75%)	1 (0.11%)	2 (0.21%)	9 (0.96%)	4 (0.43%)	1 (0.11%)	3 (0.32%)	4 (0.43%)	1 (0.11%)	47 (5.02%)
Cresson (left-wing)	16 (0.92%)	1 (0.06%)	5 (0.29%)	11 (0.64%)	8 (0.46%)	9 (0.52%)	8 (0.46%)	3 (0.17%)	1 (0.06%)	82 (4.73%)
	9 (1.22%)	1 (0.14%)	4 (0.54%)	6 (0.82%)	7 (0.95%)	5 (0.68%)	5 (0.68%)	2 (0.27%)	1 (0.14%)	55 (7.48%)
Bérégovoy (left-wing)	11 (0.64%)	1 (0.06%)	3 (0.17%)	4 (0.23%)	5 (0.29%)	0	8 (0.47%)	4 (0.23%)	1 (0.06%)	42 (2.45%)
	5 (0.68%)	1 (0.14%)	3 (0.41%)	2 (0.27%)	5 (0.68%)		6 (0.82%)	4 (0.55%)	1 (0.14%)	31 (4.25%)
Balladur (right-wing)	15 (0.55%)	4 (0.15%)	4 (0.15%)	20 (0.74%)	5 (0.18%)	2 (0.07%)	12 (0.44%)	11 (0.4%)	1 (0.04%)	94 (3.46%)
	9 (0.92%)	3 (0.31%)	3 (0.31%)	7 (0.71%)	4 (0.41%)	1 (0.1%)	10 (1.02%)	7 (0.71%)	1 (0.1%)	58 (5.92%)
Juppé (right-wing)	65 (1.37%)	9 (0.19%)	11 (0.23%)	35 (0.74%)	20 (0.42%)	4 (0.08%)	16 (0.34%)	15 (0.32%)	1 (0.02%)	206 (4.34%)
	30 (2%)	5 (0.33%)	7 (0.47%)	17 (1.14%)	10 (0.67%)	2 (0.13%)	8 (0.53%)	11 (0.73%)	1 (0.07%)	108 (7.21%)
Jospin (left-wing)	22 (0.96%)	4 (0.17%)	6 (0.26%)	11 (0.48%)	14 (0.61%)	6 (0.26%)	23 (1%)	7 (0.3%)	0	104 (4.52%)
	13 (1.51%)	4 (0.46%)	4 (0.46%)	7 (0.81%)	8 (0.93%)	6 (0.7%)	10 (1.16%)	5 (0.58%)		64 (7.42%)
Raffarin (right-wing)	16 (1.08%)	0	1 (0.07%)	10 (0.68%)	7 (0.47%)	1 (0.07%)	3 (0.2%)	3 (0.2%)	0	45 (3.05%)
	11 (1.88%)		1 (0.17%)	8 (1.37%)	5 (0.86%)	1 (0.17%)	3 (0.51%)	3 (0.51%)		35 (5.99%)

Villepin (right-wing)	34 (2.32%)	0	3 (0.21%)	19 (1.3%)	19 (1.3%)	3 (0.21%)	9 (0.62%)	6 (0.41%)	0	101 (6.9%)
	17 (2.48%)		2 (0.29%)	14 (2.04%)	9 (1.31%)	2 (0.29%)	6 (0.87%)	6 (0.87%)		61 (8.89%)

Note: The first line gives the number of use and the second line provides the number of distinct words.

Table 8.3: Public policies in France

Public policy	Data availability
Social Affairs	Yes
Agriculture	Yes
Culture	No
Defense	Yes
Economy and Finance	Yes
Education	Yes
Foreign Affairs	No
Industry, Research and Trade	Yes
Interior, Justice, Prime Minister	Yes
Housing, Environment, Urban Affairs and Planning	Yes
Sports	No
Transport and Public Works	Yes

Table 8.4: dictionary of counted words

Social Affairs	Agriculture	culture	Defense	Economy and Finance	Education	foreign affairs	Industry and Trade, Research and Technology	Justice and Interior Affairs	Housing	leasures	Public Works and Transportation
travail	viande	télévisions	surarmement	usine	universités	yougoslavie	télécommunication	violence	villes	vacances	urbanisme
toxicomanie	surproduction	télévision	officiers	taxer	université	varsovie	technologies	tribunaux	ville	sport	urbanisation
toxicomanes	pêche	radio	nucléaire	taxe	universitaires	traité	technologie	trafiquants	villages	loisirs	urbains
syndicats	alimentaires	presse	navale	taxation	universitaire	soviétique	sidérurgique	terroristes	territoriale		urbain
syndicales	alimentaire	culturels	militaires	smic	scolaires	sahara	innovation	terrorisme	territoires		transports
syndical	agroalimenta	culturelles	militaire	revenus	scolaire	portugal	ingénieurs	sécurités	territoire		transport
soins	agro	culturelle	gendarmes	revenu	qualifications	pologne	industries	sécurité	quartiers		train
sida	agriculture	culturel	dissuasion	rémunération	qualification	paix	industriels	sécurisation	propriétaire		autoroutes
santé	agriculteurs	culture	défense	profits	pédagogies	pacifique	industrielles	policiers	loyers		
sanitaire	agricoles	cinématographiqu	armes	profit	lycée	orient	industrielle	policier	logements		
salariés	agricole	audiovisuel	armements	production	éducation	occident	industriel	police	logement		
salarié		artistes	armement	productif	apprentissage	méditerranée	industrie	pénales	infrastructure		
salariales			armées	producteurs	jeunesses	liban	industrialisation	pénale	immobilière		
salaires			armée	prix	jeunesse	latine	électronucléaire	multirécidiviste	fonciers		
salaire				prélèvements	jeunes	japon	électricité	magistrature	équipements		
retraités				planification	jeunes	italiens	chercheurs	magistrats	équipement		
retraites				monnaie	formation	italie	charbon	magistrat	énergiques		
retraite				monétaire	étudiant	hollandaise		justice	énergies		
pauvreté				investissements	enseignements	hanovre		juridictions	énergétiques		
paupérisation				inflation	enseignement	golfe		judiciaires	énergétique		
patrons				impôts	enseignants	francophonie		judiciaire	écologistes		
patronat				impôt	enseignant	européens		insécurité	écologiques		
ouvrière				fiscaux	éducative	européennes		immigrés	écologie		
natalité				fiscalité	éducation	européenne		immigration	collectivités		
médecins				fiscales	éducatif	européen		drogue	bailleurs		
médecine				fiscale	écoles	europe		délinquance	aménagements		
médecin				fiscal	école	espagne		criminalité	aménagement		
maladie				exportations	diplôme	élargissement		crime			
malades				exportation	collège	diplomatiques		corse			
intégration				exportateur	apprentissage	diplomatique		commissariat			
insertion				épargne	adolescent	diplomatie					
inégalités				entreprises		cambodge					
inégalité				entreprise		bruxelles					
handicapés				entrepreneurs		atlantique					
handicape				entreprendre		amérique					
grève				économiques		américain					
ghettos				économique		alliés					
familles				économies		allemands					
famille				économie		allemande					
familiales				deutschemark		allemand					
familiale				délocalisation		allemagne					
employeurs				crédit		algérien					
employeur				consommation		algérie					
employés				compétitivité		afrique					
employer				commerce		africains					
emplois				banques		africain					
emploi				banque							
embauche				bancaire							
démographique				artisans							
démographie				artisanat							
crèches				artisan							
cotisations				actionnaires							
chômeur				actionnaire							
chômage											
charges											
banlieues											
associations											
association											
associatif											

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Table 8.5: Estimation results (time-series)

Estimator	Social Affairs		Economy and Finance		Agriculture		Education		Housing	
	AR(1)	MVR	AR(1)	MVR	AR(1)	MVR	AR(1)	MVR	AR(1)	MVR
Bt-1		-.0418		-.2687*		-.2748*	.	.3099*		.5240***
GDP	.0026	.0071	-.0123	-.0144	.0202**	.0253**	.0088*	.0092**	-.0236	.0048
Gvnt_Partisan	.0657**	.0705**	.0564*	.0763**	.0952**	.1123**	.0029	-.0007	.0290	.0376
Pdt_Partisan										
Cohabitation	.0356	.0404	-.0519	-.0385	.0294	.0305	-.0122	-.0116	-.101	-.0716
$Nbwords\_SB_t$					-.0118**	-.0128*	-.0021			
Oubli	-.002	.0008	-.0001	.0009				-.0006	-.010	-.0148
Const	.0119	-.0224	.046	.0258	-.0707*	-.0890*	.0349	.0074	.215	.0784
$\hat{\rho}$	-.0042		-.2494		-.2156		.2135		.5710	
N	44	44	43	44	44	44		44	44	44
DW	1.933		1.990		2.003		1.984		1.896	
F (transf.)	1.32	1.11	1.57	1.71	4.46***	2.98**	7.89***	3.86***	0.32	4.13
R²	0.12	0.127	0.142	0.184	0.313	0.281	0.509	0.336	0.031	0.352

	Interior & Justice		Defense		Transport		Research & Industry	
	AR(1)	MVR	AR(1)	MVR	AR(1)	MVR	AR(1)	MVR
Bt-1	-.215	-.2339	.4696***	.253*		-0.212		-.1019
GDP	-.0035	-.0032	-.0027	-.002	.005	.005	.0872***	.065*
Gvnt_Partisan	-.0237	-.0246	0.142*	.0153*	-.0009	-.0071	.040	.0613
Pdt_Partisan		-.0277						
Cohabitation	-.0275		-.002	-	-.049*	-.064*	-.0118	.0159
$Nbwords\_SB_t$								
Oubli	-.001	-.0011	-.0028*	-.002	-.0366*	-.0427*	.0246	.0153
Const	.093	.0938	.009	.008	.0270	.039	-.246	-.162
$\hat{\rho}$	-.024		-.281		-.180		-.274	
N	44	44	43	44	44	44	41	43
DW	1.991		1.974		1.88		2.051	
F	0.44	0.51	5.14***	2.55**	1.78	1,40	2.59**	0.85
R²	0.054	0.062	0.409	0.207	0.154	0.155	0.223	0.103

Appendix1: The stationary of data

The non-stationary nature of time series is an often-recurring phenomenon and can lead to perfectly spurious estimations, or even "fallacious" ones, if one reprises the expression of Granger & al. (1974), such as the primary differentiation of a deterministic process. Ever since the works of Nelson and Plosser (1982), the case of non-stationary most frequently analyzed were based on two types of processes: the deterministic process TS (trend stationary), also called "the non-persistent property of shocks" and the stochastic process DS (differency stationary). We have thus put into place a strategy of tests aimed at identifying for each of our variables those that have been affected by the TS and the DS process.

We will present here, in three stages, the stationary test for the entire French budgetary spending. This procedure was conducted for each of the time variable. The first stage consists in estimating the following equation:

$$B_t = \phi B_{t-1} + c + \beta T + \varepsilon_t \qquad \text{(relation A)}$$

where B_t is the budget in *t,* T the tendency, *c* a constant and ε the error term. We will carry out a test of unitary root and obtain the value of the OLS estimators of the different parameters of the relationship. The statistics $t\hat{\phi} = -3,26$ informs us of the presence of a unitary root. Compared to the threshold tabulated by Dickey-Fuller ($C_\alpha = -3,67$), the null hypothesis of unitary root is accepted since $t\hat{\phi} > C_\alpha$. This latter result must be validated by verifying that the relation A is the appropriated model. For that, we test the nullity of the coefficient associated to the trend under the condition of the existence of a unitary root, i.e. the following test:

$$H_0^A = (c, \beta, \phi) = (c, 0, 0) \qquad \text{or} \qquad B_t = c + \varepsilon_t \qquad \text{(relation B)}$$

The no constrained model (relation A) and the constrained model (relation B under H_0) are successively estimated. The Fisher statistics provides a value (F_B=1,296) inferior to the critical value (F_α=7,24), that enables us to accept the null hypothesis and then the test of non-stationary with the trend T. Consequently, we have to restart the same test by keeping only a constant term, such as:

$B_t = \phi B_{t-1} + c + \varepsilon$ (relation C)

After implementing a unitary root test, we can accept the null hypothesis of unitary root (ϕ=0). As previously, we verify the validity of such a result by testing the nullity of the constant under the condition of unitary root, i.e. the following test: $H_0^C = (c, \phi) = (0,0)$. Finally that consists in testing the null hypothesis for all coefficients of the relation C. By comparing the Fisher statistics and the critical value of Dickey-Fuller, we conclude that we can not accept the null hypothesis and then we have to maintain the constant term when we estimate the relation C.

In conclusion, we can confirm that the series of French budgets between 1968 and 2004 was issued from a non-stationary type I(1) process, and can be represented by : $\ln B_t = c + \ln B_{t-1} + \varepsilon_t$ (avec i.i.d. $(0, \sigma^2)$). To turn this series stationary, all we have to do is to differentiate it. We were able to verify that once differentiated, this series held the properties of white noise and that it wasn't auto-correlated since by definition $E(\varepsilon_t, \varepsilon_{t-k}) = 0$ if k is different from zero. To the extent where the series of French budgets is not auto-correlated, the process ε_t can be compared to a white noise and thus validates both the set of Dickey-Fuller statistical tests' asymptotic distributions and the conclusions we have advanced in regards to the non-stationary of the series. All the stationary tests (Dfueller) allowed us to put into evidence that close to 95% of our temporal variables were not stationary, but that a first differentiation was sufficient to correct the bias. Then, an autocorrelation test was systematically run for each tested relation. The Q statistics

of Ljung-Box to test the hypothesis of auto-correlation allowed us to identify certain cases of

auto-correlation, which required the transformation of the functional relation by $\sqrt{1 - \hat{\rho}^2}$ (We

present in table 8.5 the estimation of the parameter $\hat{\rho}$ for the budget series concerned by a

problem of autocorrelation).

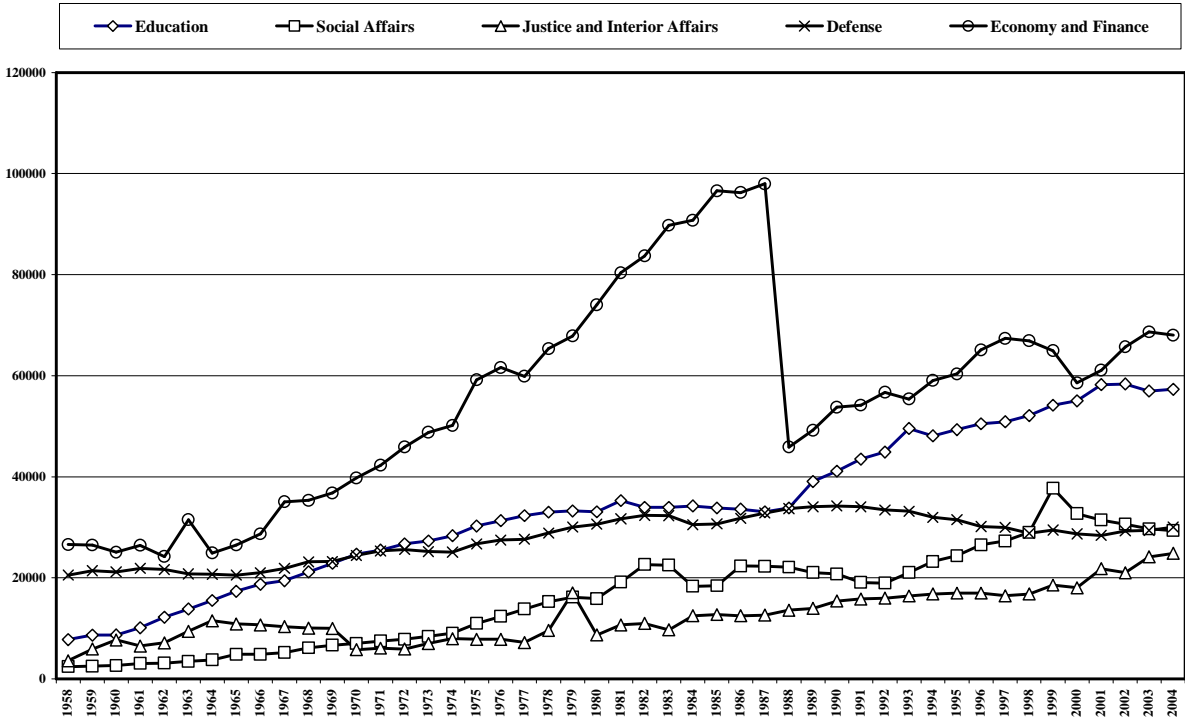*Figure 8.1: French government budget by political domain (constant millions of Euros)*

Figure 8.2: French government budget by political domain (constant millions of Euros)