

Is there a French model of big business?

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Introduction

The three hundred and fifty years of the creation of the Company of Saint-Gobain are an opportunity to reflect on the exceptional nature of this company, but it is also logical to ask if it is not also a good example of this that has been and is still today the great company in the French.¹ As suggested by Jean-Pierre Daviet, Saint-Gobain was an early French multinational.² In a country where Jean-Baptiste Say, the great French economist has analyzed, the first, the role of the entrepreneur, it is interesting to mobilize the achievements of the history of the companies to try to answer the question: exist-t there a French model of big business?

The history of business as it is practiced today is indeed one of the most vigorous areas in economic history.³ Appeared at Harvard, since the 1920s, then carried by the management revolution in the 1950s and 1960s, she owes much to Alfred Chandler Jr. Through the latter, but also directly, it has been influenced by authors such as Peter Drucker, Joseph Schumpeter, Thorstein Veblen and Max Weber. More broadly, the history of business as it is practiced today was largely fueled by the meeting of American business history and European economic history, the latter influenced in depth by Fernand Braudel, Ernest Labrousse, George Postan, Amintore Fanfani and Werner Kellenbenz. In order to try to answer the initial question, a tripartite approach was adopted: the history of businesses today appears as the most dynamic sector of economic history (I); the distant origins of the great French enterprise are both "the modernizing propulsive state" (Pierre Rosanvallon) and the tertiary dynamics (II); finally, the model of big business has undergone a profound change in the twentieth century "(III).

¹ Texte d'une conférence présentée à Blois, le samedi 10 octobre 2015, dans le cadre de « L'économie aux rendez-vous de l'histoire », Campus de la CCI. Sur l'histoire de la Compagnie de Saint-Gobain, voir l'ouvrage de : Maurice Hamon, *Du Soleil à la Terre. Une histoire de Saint-Gobain*, Paris, Jean-Claude Lattès, 1988, 1998 et 2012.

² Jean-Pierre Daviet, *Une multinationale à la française, Saint-Gobain 1665-1989*, Paris, Fayard, 1989.

³ Dominique Barjot (dir.), « Où va l'histoire des entreprises ? », *Revue économique*, vol. 58, n°1, janvier 2007, 294 p. Le lecteur voudra bien se reporter à cet ouvrage pour une bibliographie plus complète.

BUSINESS HISTORY: THE MOST DYNAMIC SECTOR OF ECONOMIC HISTORY

The history of companies appears as one of the driving and dominant sectors of economic history, both at the French and world levels.⁴ It identifies with what Anglo-Saxons call business history.⁵

An appreciable historiographical record

This allowed us to renew our vision of French capitalism, thanks in particular to taking into account a wide variety of approaches and issues.

A renewed vision of French capitalism

This renewal of the vision of French capitalism is largely due to an interest in productive structures by economists (such as the famous works of Jean-Jacques Carré, Paul Dubois and Edmond Malinvaud⁶ and historians such as François Caron.⁷ in particular, to highlight the importance of business demography: research on corporate actions (F. Caron, Charles S. Freeman) or bankruptcies (Luc Marco, Philippe Jobert and Jean-Claude Chevalier). Monographs devoted to large companies, such as those by Pierre Léon on the forges d'Allevard by Jean Bouvier on Crédit Lyonnais by Maurice Lévy-Leboyer, by François Caron on Compagnie des Chemins de Fer du Nord or Jean-Pierre Daviet on the Compagnie de Saint-Gobain from 1830. More recently, small and medium-sized companies have been the subject of monographs (Claude-Isabelle Brelot and Jean-Luc Mayaud, Jean-Charles Guillaume), but also more global studies conducted, especially for the inter-war period from banking records, like the work of Michel Lescure. Nevertheless, it is probably the branch-based approaches that have most advanced our knowledge (such as Manuela Martini's recent habilitation to direct research that has highlighted the specific itinerary of the Canava and Ponticelli houses, for example).⁸

The assessment of French employers has thus changed. Recent research has led to a questioning of the traditional vision, that of Jean Monnet, in the expectations of the First Plan of Modernization and Equipment or Alfred Sauvy, about French Malthusianism. It has been defended by American historians such as David S. Landes. According to him, the French economy would have suffered from the Malthusian behavior of its entrepreneurs. Indeed, the French bosses would have been preoccupied above all by their only personal enrichment, politically conservative

⁴ Pour une présentation plus large de l'histoire économique et un état de l'historiographie, voir : Dominique Barjot, « Histoire économique et historiographie française : crise ou renouveau ? », *HES*, juin 2012, p. 5-28 ; « L'histoire économique en France », dans Jean-François Sirinelli, Pascal Cauchy, Claude Gauvard et Bernard Legras (dir.), *Les historiens français en mouvement*, Paris, PUF, 2015, p. 103-135.

⁵ Dominique Barjot, « Introduction », dans Dominique Barjot (dir.), « Où va l'histoire des entreprises ? », *Revue économique*, vol. 58, n°1, janvier 2007, *op. cit.*, p. 5-29.

⁶ Jean-Jacques Carré, Paul Dubois, Edmond Malinvaud, *La Croissance française. Essai d'analyse causale de l'après-guerre*, Paris, Le Seuil, 1977.

⁷ François Caron, *Histoire économique de la France (XIXe-XXe siècles)*, Paris, Colin, 1997.

⁸ Manuela Martini, mémoire inédit d'HDR, *Du travail et des hommes. Migrations et petite entreprise du bâtiment dans la banlieue parisienne au XXe siècle*, Université de Versailles-Saint-Quentin, Paris 2013.

and hostile to novelty and export. This vision has been called into question by numerous and often, but not always, recent works. Critics have come from a number of American authors, such as Rondo Cameron, particularly from the example of bankers and engineers. But the French authors have also contributed a lot, through a number of monographs, but also surveys, such as that coordinated by Maurice Levy-Leboyer on the Patronage of the Second Industrialization. In this rehabilitation of the French patronage prosopography contributed a lot: thus the series of volumes dedicated to Patrons of the Second Empire, under our direction and that of Nicolas Stoskopf or, more recently, the dictionary of French patrons of the twentieth century, made around of Jean-Claude Daumas.

The historiographical renewal: four decisive factors

This dynamism of recent research stems from four decisive factors. In the first place, a number of scientific journals, some specialized in the history of companies, and others largely open to such approaches, have contributed to this. From the first type spring Companies and History, founded in 1992 at the initiative of François Caron, Emmanuel Chadeau and Patrick Fridenson. In the second can be attached a number of history journals such as The Social Movement or the recent French Journal of Economic History⁹, but also of sociology and political science, such as Flux or Politics, but also of economics (Revue Economic or management (French Management Review).

A second factor is the existence of history committees or associations with a historical research vocation. In the first category are the Committee for the Economic and Financial History of France (CHEFF), but also those of the Banque de France, the Electricity Foundation of France (EDF), or even the Caisse des Dépôts (CDC) for example. The second are Rail and History (Association for the History of Railways) and the Institute of Aluminum History (IHA) among others. These committees or associations have to their credit many publications, like the works published by the CHEFF or periodicals such as the French Journal of History of Railways or Cahiers d'Histoire de l'Aluminium.

Thirdly, the boom in the applied business history played a decisive role. Indeed, companies have often called on historians: in the automobile (Jean-Louis Loubet), oil and electricity (Alain Beltran) or the building and public works (Dominique Barjot). Offices of public historians were formed, like Public History (founded by Felix Torres)¹⁰, while independent historians worked as independents. This applied business history is that a company contracts with a historian to write about the company at the request of the latter. It is only a particularly developed form of public history, an approach that is becoming more and more common today. It posed a number of problems, by reference to the ethics of the historian. This is the case when dealing with sensitive issues such as collaboration or aryanization during the Second World War, but also, more broadly,

⁹ Voir notamment : Dominique Barjot, "The originality of the French model of economic development" – « L'originalité du modèle français de développement économique », *Revue Française d'histoire économique – The French Economic History Review*, n°2, novembre 2014.

¹⁰ Félix Torrès, *L'intelligence de l'entreprise. 0 ans de réflexion patronale en France*, Paris, Manitoba /Les Belles Lettres, 2016.

the relationship between business and politics. Nevertheless, when these problems can be solved, the applied business history also has many advantages it allows the financing on contracts, not only research projects, but also student work, which it facilitates the insertion on the market work. At the same time, it promotes the opening of archives, which would have remained closed without such an opportunity.¹¹

A fourth favorable factor is the politics of public and private archives. On the public side, there is a specific service at the National Archives, with the creation of the World Labor Archives Center in Roubaix or CAMT. But the companies themselves have contributed to these advances. If the Compagnie de Saint-Gobain has long been the reference with its center in Blois, the major banks are also well endowed with important archives centers: thus Crédit Agricole (with the archives of Crédit Lyonnais, gigantic, and those of the Banque d'Indochine), BNP Paribas and Société Générale. Public and parapublic companies also have remarkable archives, such as Électricité de France, Caisse des Dépôts et Consignations and Banque de France. A specific case is that of Total, which groups together those of the Petroleum Company, private but with public capital participation and those of Elf-Aquitaine, which are in the public sector. However, the history of companies often stumbles on inevitable realities: numerous destructions (the removals of head offices or the legal restructurings are more formidable than the wars), but also restrictions of opening.

A wide variety of approaches

Business history involves a wide variety of approaches, although it is clear that microeconomic (or micro-social) studies outweigh macroeconomic (or macrosocial) ones. Three major entries dominate today.¹²

Preponderance of micro-economic approaches

In reality, each of these approaches has specific advantages: the macro clearly shows these overall tendencies, without always being able to explain it; the micro-manages better to enlighten the search for the causes, but stumbles often on the crucial problem of the exemplarity or the exceptionality.¹³ The second is particularly suited to the study of the large multi-divisional and managerial firm (Alfred D. Chandler)¹⁴, but it must be combined with the first to study networks of small and medium-sized enterprises or clusters (Michael Porter).¹⁵

¹¹ Voir, par exemple : Dominique Barjot, *La trace des bâtisseurs : histoire du Groupe Vinci*, Vinci, 2003.

¹² Jean-Claude Dumas, « La Business History à la française : deux ou trois choses que je sais d'elle », dans Jean-Claude Dumas, (dir.), *L'Histoire économique en mouvement entre héritages et renouvellements*, Lille, Septentrion, p. 189-218.

¹³ Jean-Charles Asselain, « Histoire des entreprises et approches globales. Quelles convergences ? », dans Dominique Barjot (dir.), « Où va l'histoire des entreprises ? », *Revue économique*, *op. cit.*, p. 153-172.

¹⁴ Alfred D. Chandler, *La main invisible des managers*, Economica, 1988 ; *Organisation et performance des entreprises*, T I, *Les USA*, 1992, T II, *La Grande-Bretagne*, 1993 ; T III, *L'Allemagne*, 1993, Paris, Les Éditions d'organisation.

¹⁵ Michael Porter, *L'Avantage concurrentiel des nations*, Paris, Dunod, 1993 ; *Choix stratégiques et concurrence. Techniques d'analyse des secteurs et de la concurrence dans l'industrie* Paris, Économica, 1999 ; *L'avantage concurrentiel. Comment devancer ses concurrents et maintenir son avance*, Paris, Dunod, 2003.

In this perspective, the main studies sometimes hold the framework of the branch (product optics) or the sector (that of the companies), sometimes that of the company monograph. Regarding the first, were particularly studied the bank (Jean Bouvier, Hubert Bonin, Bussière Eric, Michel Lescure), the railway (François Caron, Georges Ribeill), coal (Marcel Gillet, Rolande Trempe, Pierre Guillaume) , textiles (Gérard Gayot, Serge Chassagne, Jean-Pierre Chaline, Pierre Cayez, Jean-Claude Daumas and the iron and steel industry (Philippe Mioche, Eric Godelier, Jean-Marie Moine).) More recently, university research has focused on electricity, building and public works (Dominique Barjot), luxury goods, building materials and materials (aluminum, cement, glass), stationery and publishing, maritime transport, but business monographs have There have also been many banks, but also large industrial companies (agri-food, automotive, chemicals, electricity, oil and gas) or services (insurance, department stores for example).

Three main entrances

Three entries mostly are represented today. The first concerns the industrial economy. It draws very broadly its roots in the classical economy (Adam Smith, David Ricardo, Jean-Baptiste Say) and, moreover, neoclassical, as defined by the Cambridge schools (Alfred Marshall), Lausanne (Léon Walras and Vilfredo Pareto) and Vienna (Karl Menger, Böhm-Bawerk, Von Mises and Friedrich Von Hayek). This vision is today very much disputed by the heterodox, often institutionalist (Douglas North) and, in France, the proponents of the school of the regulation (Robert Boyer, Michel Aglietta or Anicet Le Pors).

In recent years, the industrial economy has emerged as a sub-discipline in its own right, around the tryptic performances-strategies-structures (Frantz Machlup, Yves Morvan).¹⁶ It develops around three major issues. The first concerns the entrepreneur, especially his role in the process of innovation and implementation of technologies. The debates revolve around the relevance of three explanatory theories. The first, that of apprenticeship, was formulated by Kenneth Arrow. It is based on the importance of learning by doing and the acquisition of routines leading to skills and know-how. The second theory is called evolutionist. Highlighted by Nelson and Winter, it is based on the idea of a "path dependency": each company thus builds its own path through learning and accumulation of experiences.¹⁷ That is quite opposed to the theory of the agency, for which the company is only the product of the action of a certain number of actors, such as the principal agent (or holder of the capital) and the delegated agent (the manager) in charge of ensuring a The result is a debate on the company's borders which may even call into question the actual existence of the same company. A second major question concerns the organization of the firm. is here the

¹⁶ Yves Morvan, *Fondements d'économie industrielle*, Paris, Economica, 1985.

¹⁷ Richard Nelson, Sidney G. Winter, *An Evolutionary Theory of Economic Change*, Cambridge (Mas.), Harvard University Press, 1982.

theory of transaction costs, as developed by Richard Coase¹⁸ and Olivier Williamson.¹⁹ It broadly meets the question about the firm as an institution. One of the most promising approaches in this area is the theory of property rights, which makes extensive use of sociology and economic law.

The economics of innovation also brings a lot to the history of business.²⁰ There is indeed a debate between, on the one hand, the supporters of the scientific push (scientific push), such as Joseph Schumpeter (after David Ricardo) and, on the other, advocates of the leading role of demand (Schmookler, François Caron, Bertrand Gille). These debates have highlighted the importance of technical systems (as defined by Bertrand Gille). A technical system implies within it a continuous chain of derivative innovations. Because there is interdependence of processes, any technical practice is integrated within a system. The evolution of techniques thus leads to a process of change without rupture, as expounded by Paul David.²¹ This innovation economy closely associates two complementary dimensions: one macro-economic, the other micro-. She has notably performed in the Neo-Schumpeterian School, notably at the University of Sussex, around Keith Pavitt. By opening a debate around the role of major innovations (Mensch) and the role of crises (Kleinknecht), she has renewed in depth the evolutionist theory (Dosi). Moreover, by demonstrating that there is no necessary superiority of big business, it revealed the importance of clusters (Michael Porter).

If the economy of innovation constitutes the second approach, the third corresponds to economic sociology, very much in progress today. It has influenced many management sciences, including the work of Trompenaars²², Granovetter (to which we owe the concept of "embedding"²³) and Minzberg.²⁴ It has penetrated much the research of historians, like those of Jonathan Zeitlin and Herrigel, Mira Wilkins or Philipp Scranton. In France, authors like Eric Godelier, Nicolas Berland or Ludovic Cailluet owe him a lot. This type of approach also paves the way for a return to the space economy, particularly in work on industrial districts (Alfred Marshall, Becattini, Jean-Claude Dumas and Michel Lescure), but also local productive systems (Jean -Marc Olivier, Jean-Claude Minovez) or the clusters (Michael Porter again).

¹⁸ Ronald Coase, "The nature of the firm", *Economica N.S.*, n° 4, 1937, pp. 386-405, reproduit notamment dans Oliver E. Williamson et Sidney G. Winter (eds), *The Nature of the Firm. Origins, Evolution and Development*, Oxford University Press, 1993.

¹⁹ Oliver E. Williamson, *Les institutions de l'économie*, Paris, Interéditions, 1994.

²⁰ Dominique Barjot, « L'innovation technique : une trame pour l'étude des fluctuations économiques ? », in Claude Diebolt, Jean-Louis Escudier (dir.), *La croissance économique dans le long terme. Formes historiques et prospective*, L'Harmattan, 2002, p. 145-161. Voir aussi : François Caron, *Le résistible déclin des sociétés industrielles*, Paris, Perrin, 1985 ; *Les deux révolutions industrielles du XXe siècle*, Paris, Albin Michel, 1997.

²¹ Paul A. David, Dominique Foray (dir.), « La Société du savoir », *Revue internationale d'Histoire des Sciences*, 2202 (1), n° 171.

²² Fons Trompenaars, *Au-delà du choc des cultures*, éditions d'Organisation, 2003 ; *L'entreprise multi-culturelle*, 3^e édition augmentée, Maxima, 2008.

²³ Par exemple Marc Granovetter, *Le marché autrement. Les réseaux dans l'économie*, Paris, Desclée de Brouwer, 2000

²⁴ En sociologie économique, la notion d'encastrement (*embeddedness*) postule que les transactions économiques ne sont qu'un élément des relations sociales. Chez Granovetter, les « marchés » sont donc inclus dans le champ de l'analyse des relations sociales. La notion d'encastrement permet d'avancer une explication non culturaliste des facteurs qui font qu'une société d'acteurs individualistes n'aboutit pas à la lutte de tous contre chacun au sens de Hobbes.

WITH THE FAR FROM THE FRENCH-LARGEST FIRM: "THE MODERNIZING PROPELLING STATE" AND THE TERTIARY DYNAMICS

The birth of the great modern enterprise in France cannot be separated from two fundamental realities: the weight of the State in the construction of a national economy; the transition from a large agricultural power to an early tertiary. This is a very different model from that of the United Kingdom, but it is not unique. Indeed, the example of the Netherlands shows that economic development can rely primarily on agriculture and services and, nevertheless, engender industrialization.

France: a specialization, international in services rather than in industry

Since the 1880s, France and the United Kingdom have developed a comparative advantage in services. It can be read through the evolution of the balance of payments: the persistence of a trade deficit, but a structural surplus in the balance of services, firstly financial for the United Kingdom, more oriented towards technological services for France. This French competitiveness in terms of technological services owes much to the state, to the system of large bodies and, more broadly, to the model of the engineer from the grandes écoles: in France, we have gone from State engineer to the civil engineer.²⁵ The bank and public services have dominated in a large way, in terms of market capitalization, since the 1860s. This is what David Le Bris's thesis, of the forty leading values of the French Stock Exchange since Second Empire: the industry really played a driving role for the stock market only in the years 1910 and 1920, then during the decade 1960.²⁶

Fundamental role of the state in the creation of large enterprises

Testifying to this fundamental role of the state, a number of rulers have strongly encouraged private enterprise.²⁷ Such was the case of Henry IV. He is responsible for the construction of canals (Olivier Aubier), the Letter Post, the desiccation of marshes (Bradley), the paving of Paris (1605) and the development of Ile-Saint-Louis. Fundamental was the action of Sully, continued by Richelieu and Colbert. In the eighteenth and nineteenth centuries, in the same vein, is set up "the propulsive liberal state" (Pierre Rosanvallon).²⁸ During the eighteenth century, the concessions developed, and this, in the extension of the vision of Louis XIV, Colbert and Vauban. The constitutional monarchy prolongs and amplifies the movement. Under Louis XVIII, while a number of ports were developed under the concession, the administration of Bridges and Roads launches, in 1820, the Plan Becquey canal construction. Finally, between 1823 and 1828, the Seguin

²⁵ Bruno Belhoste, Amy Dahan Dalmedico, Dominique Pestre, Antoine Picon, *La France des X : deux siècles d'histoire*, Paris, Economica, 1995 ; Jean-Louis Bordes, Annie Champion et Pascal Desabres (dir.), *L'ingénieur entrepreneur. Les centraliens et l'industrie*, PUPS, 2011.

²⁶ David Le Bris, Pierre-Cyril Hautcoeur, "A challenge to the Triumphant Optimists, A Blue Chips Index for the Paris Stock Exchange (1854-2007)", *Financial History Review*, Vol. 27, No. 2, décembre 2010, p. 141-183 ; « La volatilité des actions françaises sur le long terme », *Revue Economique*, Vol. 63, No. 3, septembre 2012, p. 569-580.

²⁷ Xavier Bezançon, *2000 ans d'histoire du partenariat public-privé pour la réalisation des équipements et services collectifs*, Paris, Presses de l'École Nationale des Ponts et Chaussées, 2004.

²⁸ Pierre Rosanvallon, *L'État en France de 1789 à nos jours*, Le Seuil, 1998.

brothers made the first railroads around Saint-Etienne and Lyon. This rise in power of the "propulsive liberal state" is affirmed and reinforced under the July Monarchy: nothing symbolizes this evolution better than the famous Railway Charter of 1842. It continues under Napoleon III (Paris, France). gas, water, railways) and the Third Republic, especially in the 1870s: from Louis-Philippe to the conservative majorities of the 1870s, continuity appears obvious, as Bruno Marnot has clearly demonstrated.²⁹

In two areas, this state action is particularly sensitive. In the seventeenth and eighteenth centuries the manufactures developed. There are two distinct types of state manufactures (Les Gobelins, then Sèvres) and the royal manufactories. Private, but enjoying a state privilege, like Saint-Gobain, they engage the fight against corporations, with the major goal of exporting luxury goods to allow accumulation, in favor of the state, precious metals, according to a mercantilist vision. State orders, in particular the Navy and the Artillery, are added to this: in particular, the Creusot Foundation was founded in 1786 by the Wendels with the support of the King. Finally, public funding is not negligible. They develop especially under the First (Chaptal and the sugar industry, Jean-Baptiste Say, Richard Lenoir) and Second Empire. The latter uses it in particular during the great Universal Expositions (1855 and 1867).

Relative weakness of industrial capitalism

France has been characterized by the precocity and persistence of commercial capitalism. On the other hand, she opposed a certain resistance to industrial capitalism. In the textile industry, the preponderance of the system of the merchant manufacturer was maintained until the 1860s at least: thus in the Sarthe, studied by François Dornic, or in the Eure. Indeed, for a long time, French industry remained predominantly rural, as part of a proto-industry organized around urban trade. Similarly, the preponderance of small and medium-sized enterprises has remained overwhelming for a long time, as shown by the industrial censuses of 1906, 1911 and 1936. Up to the years 1970-1980, there has been no radical change, despite development of outsourcing and the persistence of co-contracting (groups, officially recognized, replacing associations in secret participations to third parties).

The large size is not necessarily an indicator of modernity. Admittedly, there have been quite large companies for a long time: thus among the master glassmakers or forge masters. Some were even emblematic, like Oberkampf in Jouy-en-Josas in the textile industry, or Indian industrialists in Alsace and Haute-Normandie. But these big companies were often fragile constructions. This was the case in textiles (Compagnie des Toiles de l'Ouest, Cholet, or metallurgy, as shown by the examples of Fourchambault-Commentry and Chatillon-Commentry, in the latter two cases companies formed primarily to defend outdated technologies (iron and steel then iron puddled) in the face of dominant innovations (coal, steel) Corresponding to mainly financial concentrations they often collapsed in the 1880s, as the attests the example of Terrenoire.

²⁹ Bruno Marnot, *Les ingénieurs au Parlement sous la IIIe République*, Paris, CNRS Editions, 2000.

There have always been internationally competitive sectors. This was the case in the industry, particularly because of the importance of the industrial arts and luxury activities. Lyon silk is a good example, thanks to technically and commercially inventive firms (Bianchini-Ferrier). This branch of activity was able to pass, with difficulty, from natural silk to artificial silk, like the families Gillet and Poulenc, who gave birth to Rhône-Poulenc in the end. But service activities have not been less competitive. The great champagne trade provides an excellent illustration. In 1914, Moët and Chandon exported to the United Kingdom and the United States and realized profits superior to those of Schneider. Likewise, Veuve Clicquot had imposed herself in Russia and Argentina. Department stores are another great example of economic success. They knew, under the Second Empire, a remarkable rise that had already prepared the trade of novelty (At La Belle Jardinière) a series of creations punctuated this rise in power of the department store. Le Bon Marché (1852), founded by Aristide Boucicaut, Grands Magasins du Louvre (1855) by Alfred Chauchard, then Les Grands Magasins du Printemps (1865), by Jules Jaluzot, and finally, Galeries Lafayette (1896). It was a modernity directly from the big trade.

Traders have long remained very powerful indeed, like Louis Dreyfus, who built a huge fortune on the trade guano. Their action has been exercised in the ports, notably in Marseilles, Rouen-Le Havre, Nantes, Bordeaux, Dunkirk. Generally favorable to free trade, they played a decisive role in the birth of the great modern enterprise, like the Greeks of Marseille (Rodocanachi, Zarifi and Zafiropoulos). They are widely involved in the formation of the Universal Suez Canal Company and the PLM. Even today, through the CGMA, they remain the actors of one of the world's largest charterers.

The beginning of the 20th century marks an obvious renewal. Engineers have contributed decisively: those from schools of Arts and Crafts, within SMEs, or, in large industry, Centraliens. The latter have engaged in growth sectors. It was primarily mechanical and metal constructions, especially in firms such as Schneider, Cail, Parent and Schaken (then Fives-Lille) or Batignolles (Gouin). Then they turned to the automobile (Panhard and Levassor, Renault, Peugeot-Citroën) and aviation (Latécoère). Their role was important also in special steels and in aluminum.

The French building materials industry is one of these strong sectors. Powerful in the glass, with Compagnie de Saint-Gobain, French companies are also in lime and cement. Having taken a technological advantage, thanks in particular to the discoveries of Louis Vicat), they were constituted in a powerful oligopoly associating Compagnie des Chaux and Ciments de Lafarge and Teil, Poliet and Chausson, Ciments Français, Ciments Vicat and Ciments d'Origny. This strength of the cement industry was decisive in the success of reinforced cement (and concrete), driven by innovators outside the communes (François Hennebique, François, Edmond Coignet, Simon Boussiron, Albert Caquot and Eugène Freyssinet).

Two major assets: banks and public services

Bank and public services have long been areas of excellence for the French company.

Power of the French banking system

This power of the French banking system still persists today, with well-established banks at the international level (BNP Paribas, Société Générale, Crédit Agricole). It draws on distant historical origins. Indeed, at the origin are the needs of the monarchy (the Lombards or Jacques Heart in the Middle Ages), with an early distinction between bankers, busy trading money, and financiers, money providers in response to the solicitations of the sovereign. Their role was strongly strengthened in the eighteenth century, around two particularly remarkable personalities: Law, founder of the General Bank and the Mississippi Company, with, ultimately, a memorable bankruptcy, Necker, Minister of Louis XVI. From Louis XV and Louis XVI in fact, began the establishment of the High Bank, which is strengthened under the Empire, then under the Monarchy of July. Even the troubled period of the Directory has greatly favored its rise to power.

A major turning point occurs in the middle of the Second Empire.³⁰ Before that date, the banking system was organized around two poles, the regional banks on the one hand, whose importance (Alain Plessis), the High Bank on the other, should not be neglected, with famous names, the ones of Eichthal, Lafitte, Thurneysen and, especially, Rothschild. This High Bank was constituted in three waves: the 18th century, with Delessert, Mallet and Perrégaux; the Empire (Pillet-Will); the Restoration with, again, the ones of Eichthal, Fould and Thurneysen. Around 1860, committed what the American historian Rondo Cameron called the "financial revolution of the Second Empire". Adopted by Jean Bouvier, the formula was questioned by Maurice Lévy-Leboyer, Alain Plessis and Nicolas Stoskopf. Whatever the position taken in such a debate, the period sees the establishment of large deposit banks: Comptoir d'Escompte de Paris (1848), Credit Industrial and Commercial (1859), Credit Lyonnais (1863) and Societe Generale (1864). With a lag of at least ten years, it is the turn of the merchant banks: Bank of Paris and the Netherlands (1872), Union Générale (1878), then Bank of the Parisian Union (1904). Nevertheless, this dual banking system does not take place immediately. It was not until the 1880s (Jean Bouvier), after a phase of mixed banking (Credit Mobilier, Donon and Morny).

Early on, the French banking system relied on the coexistence of private and semi-public sector cooperation. In fact, at the heart of the system were two fundamental institutions: the Banque de France (1803) and the Caisse des Dépôts et Consignations (1816). This mixed system developed especially after the First World War. At that time, the Caisse Nationale de Caisse Agricole (1920) came into being, superimposed on Local Banks and Regional Mutuals (1899). From this same time dates the articulation Caisse des Depots and Consignations - Caisses d'Epargne - Banque Postale. Finally, the 1920s were those of the founding of Crédit Mutuel, Credit Hotelier and Credit National. In 1914, France already had a particularly strong banking and monetary system. At that time, Crédit Lyonnais was unquestionably the first private bank in the world. On the other hand, this banking system was severely tested later by the First World War and the crisis of the 1930s.

³⁰ Nicolas Stoskopf, *Les patrons du Second Empire. Banquiers et financiers parisiens*, Paris, Picard et Cénomane, 2002.

Conversely, the glorious Thirties provided the occasion, especially in the 1960s, for a revival of the French banking system.

Importance of corporate sponsors of public services and public works

In addition to banks and financial institutions, concession companies for public works and public services played a decisive role in boosting the French economy. This is to put in place, directly, with the prestige and the quality of the big schools and the great corps of engineers. In fact two groups competed for the reins of power, economic: the Inspectors of Finance, weakly competing by the Council of State and the Court of Accounts; the X (-Mines or -Ponts), whose role was strengthened by the creation of other schools of application (Maritime Engineering, Supélec for electricity, ENSAE for INSEE). This structuring in large bodies has oriented much French industry provided to add the specific role and still important Centraliens (Paris more than Lyon). Mines and energy are a privileged space for engineers of large bodies, as the bank is for the Inspectors of Finance. There is indeed a specificity of mining law. Originally, the allocation of mining concessions falls within the competence of the monarchy (as today of the state). In addition, until the law of 1890, in mining, there is no application of common commercial law. On the other hand, the Ecole des Mines was created in Paris in 1783, paving the way for the setting up of a specific administration. This specific right is also at the origin of the early creation of large modern enterprises. The most significant is undoubtedly the Anzin Mining Company, founded in 1756 by the Duke of Croÿ and the Marquis de Cernay. In 1840, it is probably the largest company in Europe (Patrick Verley). In 1806, however, the Empire created a competitor, the Aniche Mines Company. One reason is that the Anzin Company was created by the business aristocracy (Duke of Orleans, Duke of La Rochefoucauld-Liancourt). Such companies can easily become a monopoly, as happens with the Compagnie des Mines de la Loire. This is why a decree of 1862 decreed the bursting of the concessions of the new basin of Pas-de-Calais. This victory of the liberal approach does not however exclude the contribution of powerful competing companies: in the Pas-de-Calais the biggest is probably the Compagnie des Mines de Lens.

Older than the Corps des Mines, the Ponts et Chaussées is, in the 19th century, the most prestigious. The École Nationale des Ponts et Chaussées was founded in 1747 by Daniel-Charles Trudaine, at about the same time as the School of Engineers-Builders of Royal Vessels (1741), which later became a training ground for Engineering Engineers maritime, and that of the Génie de Mézières. The engineers of the Ponts et Chaussées are present in particular in the railway companies, like those of the North and Paris-Lyon-Marseille (PLM). At first only their interlocutors, they can, and more and more, benefit from making available. In this respect, they derive much benefit from Franqueville's action at the Direction des Cheminins de Fer as well as from Rouher, himself an X-Ponts, during the Second Empire. The engineers of the Bridges and Roads are also very present in the companies of gas and electricity, they defended the hydraulics vis-a-vis the X-Mines which, they, advocate the use of the thermal electricity. Gabriel Cordier, who presided over the PLM and the Electric Power of the Mediterranean Coast, expresses better than anyone the role of the engineers of Ponts. In contrast, after the Second World War, the X-Mines take the advantage. In these activities (railroad, gas, electricity), the engineers of the Bridges often cooperate with the

Centraliens, who occupied the immediately lower management positions. In fact, the École Centrale de Paris was born in 1829, at the time when the railway and the gas began to develop.

The engineers of the Bridges and Roads, as well as the Centraliens, play, especially from the years 1890, a major role in the promotion of the French industry of the public works.³¹ This sector is a privileged space where great individual entrepreneurs such as Léon Ballot, André Borie, Leon Chagnaud, Léon-Joseph Dubois, the brothers Philippe and Jean Fougerolle, their nephew Jacques, Hildevert Hersent, François Mercier, are revealed and imposed. etc. ... Many become civil engineers, like H. Hersent. But they also rub shoulders with brilliant engineers from the grandes écoles: Polytechnicians (Ernest Goüin, Alexandre Giros, Louis Loucheur), X-Ponts (Amédée Alby, Charles Rebuffel, then Roger Gonon), Centraliens (Jules and Gaston Goüin, Jean and Georges Hersent, Jean Sillard). These engineers from the grandes écoles developed the largest companies in the sector: Dredging Public Works, Major Works Marseille, General Board of Railways and Public Works, Construction Company Batignolles, Societe Generale d'Entreprises. Thanks to them in particular, from 1900 to the 2000s, the French public works industry ranked second in the world, after the United Kingdom, then the United States.

A MUTATION OF THE MODEL OF LARGE ENTERPRISE IN THE 20TH CENTURY

The twentieth century saw a change in the model of the big French company. Four major changes were then able to play: the transition to joint stock companies, Americanization, the development of the mixed economy, globalization (or "globalization").

The transition to public limited company

Anonymous companies have long been held in suspicion.³² Indeed, they are at the origin of unfortunate experiences. If the model of the large modern limited company was borrowed from the Netherlands (the creation of the VOC or Dutch West India Company in 1602), a number of subsequent experiences incite to be wary of this legal form of organization of the company: the bankruptcy of Law at the time of the regency, then the failure of the Caisse d'Escompte. At a time when England is already referencing, it also offers some unfortunate examples: thus with the scandal of the Compagnie des Mers du sud from 1711-1720. This results in a very restrictive attitude of the Council of State vis-à-vis the constitution of public limited companies (SA). The latter, who advises the government in this area and must approve the status of these companies, thus becomes "an unaffordable court" (Georges Ripert). In fact, between 1807 and 1867, only 651 SA are accepted, which are added to those already existing, in particular the Companies of Saint-Gobain, Anzin and Aniche. This is most often the transformation into SA of existing companies. These, which must have proved their worth, belong essentially to the fields of insurance, canals,

³¹ Dominique Barjot, *La Grande Entreprise Française de Travaux Publics (1883-1974)*, Paris, Economica, 2006.

³² Patrick Verley, *Entreprise et entrepreneurs du XVIIIe siècle au début du XXe siècle*, Paris, Hachette, 1994.

railways, mechanical engineering and iron and steel. Of all, the most successful is the Banque de France (1803), now called to play an exceptional role at the heart of the French banking and financial system.

From the mid-nineteenth century, a radical evolution took place.³³ Under the Second Empire, the law of 1863 allows a first liberalization, with the creation of the limited liability company (SARL): it can be founded freely, but its capital remains limited to 20 million francs. More ambitious is the 1867 Act on Joint Stock Companies, which establishes full freedom of incorporation, including for insurance companies. Its implementation is slow, because of the resistance of the joint-stock partnership. Numerous are the creations of societies of this type, during two major waves corresponding, the first, to the Monarchy of July, the second, to the 1850s of the Second Empire. The limited partnership has a number of specific advantages, including the possibility for the manager to exercise his mandate for life by virtue of the statutory provisions. This explains why a number of important companies have long maintained this status: Schneider et Cie, until 1949, Laguionie et Cie (Le Printemps) or Michelin.

Subsequently, a number of improvements are made to this legal regime. They derive directly from the acceleration of growth during the second industrialization: thus, from 1905 to 1914, then in the 1920s (mainly in the form of fiscal incentives). In 1925, in addition, is introduced the LLC (again limited company), directly deducted from the German GmbH. The reforms are undergoing new developments in the 1960s: the 1966 law, for example, introduces the SA to the executive board and the supervisory board designed on the German model. In total, the public limited company provides increased opportunities to appeal to the financial market. Nevertheless, they were (and are) not always open. Moreover, they have long suffered from the weakness of this financial market in France (Teneul, Hautcoeur, Riva, Le Bris).

The Americanization

Americanization was another determining factor in the evolution of large-scale French business. Like other nations, France has experienced a succession of waves of Americanization.³⁴

Modest beginnings

Americanization begins in a modest way, as early as the nineteenth century. Indeed, in the first half of this century, leading personalities travel to the United States of America, like Chateaubriand, Tocqueville or Michel Chevalier. Saint-Simonian and engineer, the latter is closely interested in technology or, according to the name of the time, the "American technical system." By the end of the same century, there was a keen interest in the American system of production, especially in state arsenals. It should be added to the role played by French branches in the United States, like

³³ Barjot (Dominique), *L'Économie française au XIXe siècle*, Paris, Nathan, 1995, p. 143-162.

³⁴ Dominique Barjot, "Americanization as cultural transfers in the economic sphere", dans Dominique Barjot (dir.), "Globalization-La Mondialisation", *Entreprises et Histoire*, n° 32, 2003, p. 41-58.

Siegfried du Havre or de Havilland de Limoges. In addition, Americans come to settle in France, on the model of the industrialist Hiram Hutchinson (1808-1869), one of the pioneers produced rubber.

Rationalization and scientific organization of work

In the early twentieth, France is affected, like the rest of Western Europe, by a wave of rationalization in the US. A number of promoters of the scientific organization of work then play an essential role: this is the case of the Michelin brothers (correspondence André Michelin-Taylor), Louis Le Châtelier (creator of large laboratories on the American model in Châtillon-Commentry and at Pavin de Lafarge), or Louis Renault (Patrick Fridenson). The movement grew during the First World War, in particular to catch up the price of weapons (cannons and tanks, France retaining its lead in terms of aircraft). At that time, men like Louis Loucheur or Lazare Levy (Compagnie Française Thomson-Houston or CFTH) give the impetus. The 1920s saw new advances in the movement. This is the case in the automobile, with the introduction of Fordism, especially at Citroën, and the spread of Taylorism, developed by the Michelin Committee and introduced at Peugeot. During the 1930s, there was a more general interest in the adoption, still on the American model, of new management methods (Ernest Mercier, Auguste Detoeuf), they apply in particular at Citroën, taken over by Michelin.

During the glorious Thirties, a productivist "gospel"

In the aftermath of the Second World War, the American advance on the rest of the world is such that there is a massive interest in American technology and management methods. It is concretized in the episode of productivity missions.³⁵ These are organized first by the companies themselves, then by the US government (Marshall Plan) and national professional organizations. It involves three types of protagonists (engineers, bosses and trade unionists). They come in a variety of forms: corporate missions, professional organizations and high school students. In particular, they favor a management revolution. More broadly, this is reflected in the growth of management education (FNEGE, French-language business schools) and the adoption of the American model, both in the industry with the intervention of consultants (Mc Kinsey for example at Pechiney, Lafarge, Merlin-Gerin) and in services (adoption of the Bechtel model at Spie Batignolles).

1980-2000: a "re-Americanization"

The 1970s saw a temporary waning of American influence: with the catching up of US productivity levels by the advanced industrial nations of Western Europe and the rise of Japan, references were increasingly more German and Japanese (Toyotism). However, as early as the following decade, a revival of Americanization took place. It takes new forms to the point that we can speak of "re-Americanization". It results in the generalization of the Reagan model of the

³⁵ Dominique Barjot (dir.), *Catching up with America. Productivity missions and the diffusion of American Economic and Technological Influence after the Second World War*, Presses de l'Université de Paris-Sorbonne, 2002.

deregulation of the transport and telecommunications networks, the revolution of the microcomputer (Apple against PC) and the Internet, the banking deregulation and the pension funds. Symbolic of this development is the merger of the New York Stock Exchange (NYSE), Paris and Amsterdam.

The development of the mixed economy

Just as decisive was the development of the mixed economy, especially from the First World War, but also and especially from the Second.

The turning point of the First World War

Until the First World War, the public sector remained, in France, a relatively low level of weight in the economy, even if one thinks of the monopoly of Tobacco and Matches or the constitution, in 1908, of the West-State Railroad Company. The First World War led to a change of scale of the level of commitment of the public power in the economy. To the consortia set up during the war itself, are added, after this, the offices, the mixed economy companies (like the Compagnie Nationale du Rhône or that of Haute-Dordogne) . Above all, the French state then embarked on the path of an ambitious oil policy, marked by the constitution of the Compagnie Française des Pétroles (CFP) in 1924. This, which the State has, from 1929 , 30% of the share capital, soon completed by the Compagnie Française de Raffinage (1928 law), paving the way for a national energy independence policy.

Two major waves of nationalization

Nevertheless, the most significant event is the great wave of nationalization of the post-war period, repeated again in 1981-1982.³⁶ Nationalization had long been a left-wing demand. As early as 1948, many socialists demanded that of the railway companies, a claim renewed under the Commune, in 1871, still with the same motive: the fear of the monopoly. However, more than ideological imperatives, the first of them are aimed rather at responding to emergency situations: this is the case for those of the Western Railways in 1908, and Air France, in 1935, following the bankruptcy of Aéropostale in 1930. Similarly the Popular Front did in 1936, the nationalization of arms factories only because it is obvious that France has lost, in this matter, much field on Germany. In reality the left appears divided: if the CGT is very favorable, the radicals oppose it, the PCF prefers socialization, as well as a part of the SFIO. On the other hand, the creation of the SNCF has a symbolic dimension, the nationalization of companies appearing as a means of achieving consensus within the Front.

A radical change, on the other hand, occurs in 1944-46. Indeed, the majority of Tripartism (PCF, SFIO, MRP) adheres to the application of a coherent program, that of the National Council of

³⁶ Dominique Barjot « Nationalisation et dénationalisation : une mise en perspective historique », Quand la crise transcende : les axes idéologiques, *Revue Economique et Sociale*, volume 67, décembre 2009, p. 13-28.

Resistance (CNR). This program is applied between 1944 and 1946. If the Communist Party plays a leading role, it meets the interest of General De Gaulle and the MRP, the SFIO then following the movement. These are massive nationalizations. They concern the deposit bank (Crédit Lyonnais, Société Générale, National Bank of Commerce and Industry and Comptoir National d'Escompte de Paris) and insurance, basic industries (coal, electricity and gas, but neither the water, iron and steel), transport (Renault since 1945, Air France incorporated in 1948). This is reflected in one of the largest nationalization moves in Western Europe.

A second wave of massive nationalization occurs in 1981-82. They also respond to the application of a program, called a joint program of government, in fact developed in 1976-77. Supported by the new Socialist Party, unified around François Mitterrand, by the Communist Party and the Left Radicals. It covers numerous sectors: 39 banks and two financial companies (Paribas and Suez), 6 major industrial groups (Compagnie Générale d'Electricité, Saint-Gobain Pont-à-Mousson, Pechiney-Ugine-Kuhlmann, Thomson-Brandt and Rhône -Poulenc) and, through takeover, the leading holding companies of Matra, Avions Dassault, Usinor-Sacilor (or the State had been present since the late 1970s), IIT-France, CIT-Honeywell- Bull and Roussel-Uclaf. But these nationalizations are accompanied by disagreements within leftist governments. The beginnings revolve around the autonomy of public enterprises (Nora report of 1967), but also of the "ni, ni" (neither nationalizations nor privatizations), advocated in 1988 by F. Mitterrand, then re-elected President of the Republic. These debates are motivated, to a large extent, by taking into account the effects of globalization.

Globalization

Indeed, globalization (or globalisation in the United States, globalization in British English) is pushing for a transition to the global firm.³⁷ It began in the 1960s with a triple effect, before taking, in the 1990s, a generalized character, both global and global.³⁸

The turn of the 1960s

This globalization - or globalisation - results from the conjunction of three factors: decolonization, the establishment of the Common Market and the liberalization of international trade. Confronted with decolonization, the French economy had to readjust. Although it retained and even strengthened its presence in sub-Saharan Africa, where certain groups remained prosperous, like banks, energy industries (Cogema, Elf-Aquitaine, EDF), and service companies (BTP, but also CFAO, SCOA and Bolloré Group). On the other hand, the French had to withdraw from Algeria between 1967 and 1971, while they lost positions in Algeria. If they were better preserved in

³⁷ Dominique Barjot (dir.), "Globalization-La Mondialisation", *Entreprises et Histoire*, n° 32, 2003.

³⁸ Dominique Barjot (ed.), "Globalization, national patterns of development and strategies of firms (19th-21st centuries) – Mondialisation, modèles nationaux de développement et stratégies d'entreprises (XIXe-XXIe siècles)", *Revue Française d'histoire économique – The French Economic History Review*, n°1, mai 2015 ; Dominique Barjo), Marie-Claude Esposito et Lu Yimin (dir.), *Mondialisation, modèles nationaux de développement et stratégies d'entreprises XIXe-XXIe siècles. Globalization, national patterns of development and strategies of firms (19th-21st centuries)*, Paris, SPM, 2016.

Morocco, it was however at the cost of the development of mixed societies where the profits were to be shared with indigenous interests. In addition, this maintenance of strong positions largely depended on the cooperation policy put in place by General DE Gaulle. However, with the two oil shocks, then the loss of competitiveness induced in particular by counter-cyclical policies and reduction of working time, such cooperation should prove to be more and more expensive.

In fact, with the establishment of the Common Market, France must now and increasingly take into account the imperatives of communism. On January 1, 1958, the implementation of the Treaty of Rome led to the establishment of the European Economic Community. A second decisive step lay in the definitive establishment of the Common Market on 1 January 1969. From now on, French firms had to develop specifically European strategies. Although there were few Franco-German alliances, the major French companies made a significant breakthrough in Italy and Benelux, while developing their business in Germany (like Saint-Gobain or Shell-France , through its subsidiary Colas). In a context marked by the strengthening of coordination, ("snake" in the "tunnel", European monetary system or EMS), then the monetary unification, the rise of these large French firms grew in the 1980s and 1990, due in particular to successive enlargements to Belgium, Spain, Greece, Poland and Portugal.

This internationalization of French companies is to a large extent also a response to the liberalization of international trade. This is done in particular in the framework of the GATT (General Agreement on Tariffs and Trade) negotiations, and then of the WTO, which replaced it in 1995. From the first of January 1958, at the same time as the entry in force of the Treaty of Rome, there is a return to the Free convertibility of currencies between Western countries. French companies, especially the larger ones, must play the game of international openness, like those of civil engineering, then carried by the major works markets financed by the World Bank: From this time dates the success of companies like Dumez, Grands Travaux de Marseille or Spie Batignolles. They are thus able to respond victoriously to the explosion of the demand of the OPEC member countries from the end of 1973.

New opportunities are opening up for French investments. They go first to Europe, especially the Mediterranean countries (Italy, Spain, Portugal), but also the Benelux, then to the countries of the socialist bloc, notably Romania (Renault, public works) and, moreover, the USSR. In this country, the great political offensive of General De Gaulle, prolonged under G. Pompidou and V. Giscard d'Estaing, bears fruit: between 1974 and 1977, France is the first Western exporter of capital even before Germany and United States. It thus opens the way of Russian gas. Without giving up its investments in the Franc zone and while developing large operations in the Persian Gulf countries (Iran until 1976, Saudi Arabia, even Iraq) and other major oil producers (Nigeria), French investors are interested in also more and more to America. They turn early to Canada (especially Quebec) and Latin America (Brazil and Argentina more than Chile, Colombia, Mexico, Peru or Venezuela), then, later, in the 1970s, to the United States. United. But in the latter country, they know little success (Michelin is a counter-example), except when they enter from Canada (Lafarge and Colas). In the years 1980-1990, they even suffered some resounding failures, like the Credit Lyonnais or

Vivendi (Ex General of Waters). But at this time, the entry into globalization has already become a massive reality.

Towards the global firm

From the 1990s, the big French companies have to change scale.³⁹ It is for them to meet the challenge of the global and global firm. Under the effect of the need to open their capital to Anglo-Saxon, European or Asian investors (Gulf countries, but also Japan, Korea and, increasingly, China), financialisation is becoming more and more widespread. The growing importance of pension funds and hedge funds in particular makes today the management and organization of the capital market becomes a strategic priority for firms and, in a singular way, for those, French, the sector of industry.

Under these conditions, large French companies generally adopt three major paths, which, moreover, can be combined: to specialize in its strengths; develop an ambitious external growth strategy; enter into strategic alliances. The first path is clearly that chosen by Saint-Gobain (disengagement of chemistry, then building and public works in favor of the glass of the distribution of building materials), Lafarge (abandonment of the food industry, then materials specialty and roofing, finally plaster for the benefit of the cementing leadership) or Michelin (remaining the leader in R & D and innovation in the tire industry while balancing Goodyear and, above all, Bridgestone in market share) .

Many of the big French companies opt for external growth. This is again the case for Saint-Gobain (acquisition of Norton in 1990, Poliet in 1996, Maxit in 2007 and, above all, the British Plaster Board, world leader in plaster in 2005). Such a model is also found at Lafarge (Canada Cement in 1970, General Portland in 1981, Redland in 1998, Blue Circle in 2001, Eurascom in 2008), Michelin (BK Goodrich since 1990) or Vinci. Resulting from the merger, in 2000, between SGE (Société Générale d'Entreprises) and GTM Group (Grands Travaux de Marseille), the new group also bought Solétanche Bachy (2007), Entrepouse Contracting (2007), Taylor Woodrow Construction (2008) and Cegelec (2010).

The last way out is to form strategic alliances with other firms or groups. Although they sometimes lead to mergers (Alcatel-Lucent in 2006, Sanofi-Aventis in 2004), the object is above all to become a global firm. In the case of Renault-Nissan, alliance concluded in 1999, the results were positive, especially if one makes a comparison with PSA (Peugeot + Citroen), group still too focused on Europe, despite a breakthrough in China and respectable positions in South America. As the recent example of Lafarge-Holcim (2015) shows, the game is not won, even when a world leader is formed. Indeed the merger of the number 1 and the number 2 of the cement stimulates the European competition (Heidelberg Cement-Italcementi merger, rise in power of the Irish group CRH), but also come from the emerging countries: Mexico (Cemex), Brazil (Camargo Corrêa

³⁹ Dominique Barjot (ed.), "The Construction Industry in the XXth Century: an International Interfirm Comparison", *Revue Française d'histoire économique – The French Economic History Review*, n°1, septembre 2014.

Group , Votorantim) and especially China (Anhui Conch, CNBM, Taiwan Cement Corporation). Sometimes strategic alliances come too late, as shown by the example of Alstom dismembered in favor of General Electric. If one can at first glance look forward to a more rational solution than that which would have resulted from a rapprochement with Siemens, the reality is there: the logic of the job takes more and more importance on the rationality of company herself. Indeed, the failure of Alstom results primarily from inadequate political intervention, which resulted in weakening Bouygues, the key shareholder of Alstom, who was refused the purchase of Cegetel.

Conclusion

The effect of globalization (or, in French, of globalisation) has been to homogenize, in the world, the model of big business. This was the case for France. Indeed, if we consider today the situation of French CAC 40 companies, most have become very internationalized by their turnover and profits, but also by the structure of their capital. Many of these firms have become world leaders. This is true, even if France remains a country still comprising many small and medium-sized enterprises (SMEs) or intermediate-sized enterprises (ETI). In the 2014 Fortune Global 500 ranking, France ranks fourth in the world in terms of the number of companies included in the rankings (at 6.2%), behind the United States (25.6%), China (19.6%) and Japan (10.2%), but ahead of Germany and the United Kingdom (5.6% each), South Korea (3.4%), the Netherlands (2.6%), Switzerland (2.4%) and Canada (2.2%).⁴⁰

It owes it to the strong positions conserved in its traditional sectors of excellence.⁴¹ In 2015, these include the following:

1 / Banking and insurance: Axa (33rd global company), BNP Paribas (39th), Société Générale (43rd), Crédit Agricole (77th), Groupe BPCE (155th) and CNP Assurances (182nd).

2 / Energy: Total (24th global company and No. 1 in the CAC 40), Electricité de France (80th), Engie (Ex-GDF-Suez, 89th). In this area, France appears well armed, despite the recent difficulties of the last two groups. Indeed, Total is the sixth largest oil company in the world, EDF and Engie placing third and fourth in the world of electricity, behind E. ON (Germany) and ENEL (Italy).

3 / Construction and building materials. In this area, Saint-Gobain ranks fourth in the world behind three Chinese companies, Vinci fifth, Bouygues seventh and Lafarge-Holcim eighth.

4 / Luxury, with two world leaders (LVMH, by far the world number 1, Kering, third), to which is added Hermes, sixth. French positions are all the stronger as L'Oréal appears on its side as the world leader in cosmetics.

In other sectors, the French competitiveness remains established, despite strong international competition. This is the case in aeronautics (Airbus Group, world number 2), in the automotive sector (Renault-Nissan, the world's fourth largest producer, PSA, ninth) and tires (Michelin, world's second largest producer). The same goes for the distribution sector (Carrefour, number five worldwide). However, French positions appear much more fragile in electrical and electronic equipment (Alstom and Alcatel are in serious difficulties while Schneider resists on its niche). The

⁴⁰ Source « Classement mondial des plus grande entreprises », *Fortune global 500*. Fortune.com 21 juillet 2016.

⁴¹ *Ibidem*.

same goes for chemistry, despite Sanofi Aventis' good positioning. Ultimately, while France retains large, highly internationalized and often successful companies, it does not derive the global advantage that it should have in international trade, probably because there is more resistance elsewhere to the inescapable logic of globalization