



France 2017 elections in perspective

The first round of the Presidential election,
towards social democracy “*à la française*”

April 2017

BRUNSWICK



Emmanuel Macron is most likely to win the French Presidential election in the second round (May 7th)

His position as number 1 after the first round shows support for a progressive pro-business and pro-Europe approach to policy

It marks the failure of traditional parties on both right and left that have been ruling France for the past 60 years

But this election also shows an unprecedented rise of all forms of populism from both right and left extremes

Never has a French presidential election been so unpredictable and so rich in surprises. Faced with the rising populism that propelled Marine Le Pen (Front National, extreme right) and Jean-Luc Mélenchon (La France insoumise, extreme left) to historical heights, the Emmanuel Macron phenomenon (En Marche!, centre left) managed to convince c. 23.5%* of the French voters to push him into the second round against Marine Le Pen. Le Pen received c.22%* of the votes, a historic result for the Front National. It is the second time that the far right party makes it to the run-off round of the presidential election (the first time was in 2002). It will however be very difficult for Le Pen to gather a majority of the votes in two weeks, and Macron is now standing on the doorstep of the Elysée Palace. The potential election of Emmanuel Macron would be historic, not just because of his atypical profile and journey to power, but also because he would be the first President of the Republic in France with a social-democratic approach. His challenge will be to turn this into a viable government plan.

Macron most likely to become the next President of France

For the second round, the expected scenario is the formation of a democratic coalition behind Emmanuel Macron to

counter the extreme-right candidate and secure the election of the young social democrat candidate. The most recent polls before the first round predicted a clear victory with c. 60% of the vote, in case of a final round against Le Pen. Aged 39, Macron would become the youngest President of France, but also the most unexpected. Driven by the desire to reinvent French political life, this former Minister for Economy and Finance under François Hollande (2014-2016) created his own political “movement” En Marche! only a year ago. From several hundred members in April 2016, En Marche! has surfed the anti-establishment wave to its current position with hundreds of thousands of members all over France, supporting a centre-left reform programme with a clear pro-European and pro-business stance

Traditional parties shattered and defeated

The second round opposing Macron and Le Pen appears to be a democratic rejection of the two main traditional parties, Les Républicains (LR) and the Parti Socialiste (PS). While the LR candidate François Fillon (c. 19.5%* of the votes) was embroiled in personal and financial scandals, the PS candidate, Benoit Hamon (c. 7%*), was unable to unite the left-leaning electorate, with his voters siphoned off to the right by Emmanuel Macron, and to the extreme left by Jean-Luc Mélenchon (c.19%*). A profound reconstruction will need to be carried out within these two parties, though it is not yet clear who will be able to lead the process.

** Estimates as of Sunday April 23, 9pm CET*



Le Pen, a strong showing but an improbable victory

Despite her very high score in this first round, all polls are converging to indicate that Marine Le Pen will likely fail in the second round. Unless there is an extremely low turnout, left and right voters should unite their votes against her to prevent her from reaching a majority. On May 7th, the Front National is expected to post a better score than in 2002, but this should not be sufficient to win. However, the fact that Le Pen made it to the second round with such a high score is a very strong signal sent by the French voters. More and more people are supporting the Front National's strong, assertive and populist rhetoric, disillusioned by the lack of concrete results from previous policies, worried about terrorism and immigration, and attracted to an anti-establishment approach.

With the rise of both extreme parties, the next President will have the historic responsibility of reconciling and pacifying France's political landscape. A challenge that will have to be met or risk giving Marine Le Pen a blank cheque for the next term, in 2022.

Emmanuel Macron's reformist agenda

At the core of Emmanuel Macron's manifesto is the pledge to unblock the labour market through a pragmatic approach designed to foster innovation, entrepreneurship and reinforce sovereignty at a European level. It is based on five pillars addressing the topics of education, national security, modernizing the economy, the European Union and democratic renewal: :

- **Reaffirming the "labour value" and modernizing the economy:** a €50 billion public investment plan over 5 years will be implemented to find a new growth model able to consolidate ecological transition, digital revolution, and modernization of public services. Macron also intends to simplify labour laws by ensuring at the same time more flexibility and more security, by giving companies more leeway for instance to negotiate individual agreements with employees.
- **Rebuilding Europe around five policy pillars:** more sovereignty for Europe in the fields of security, currency/Eurozone, foreign trade, environment and digital. Macron particularly insists on reinforcing Europe's security shield to protect Europe's borders.
- **Democratic renewal and ethical politics:** as part of his core beliefs, Macron wishes to launch several measures both to democratize political service and improve its ethical standing, including: limiting plurality of offices, reducing the number of MPs by a third and promoting expertise from civil society at the expense of career politicians.
- **Reshaping the French Education system:** inspired by the Scandinavian models, Macron intends to reform the educational system by granting more autonomy to schools and universities. The bulk of the efforts will be focused on elementary schools, which are key to ensure equal opportunity for children.
- **Strengthening national security:** among key measures to reinforce national security and strengthen the fight against terrorism, Macron intends to restore compulsory conscription, create 10 000 more police officer jobs and increase defence spending up to 2% of GDP.

Next steps

The upcoming two weeks will focus on the May 7th second round, during which Le Pen will make a final push, using current momentum and her tough rhetoric to fight the odds. Tensions will remain high in the context of terrorist threats. Macron will try to stick to his line, to unify right and left behind him, in view of building new political alliances and drawing up a campaign plan for the parliamentary elections in mid-June, in which he will need to win a majority to implement his reforms and achieve his ambitions for the country.

Upcoming political milestones

May 7

Second round of the Presidential election

May 14 (est)

Official inauguration of the newly elected President followed by the appointment of Prime minister and the first government – beginning of the campaign for the general elections (members of the Lower House of Parliament)

June 11 and 18,

First and second round of the general elections

Second fortnight of June

Government reshuffle or appointment of a new Prime minister and a new government to take into account the outcome of the parliamentary elections

For more information contact

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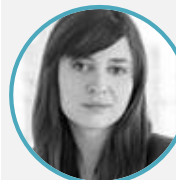
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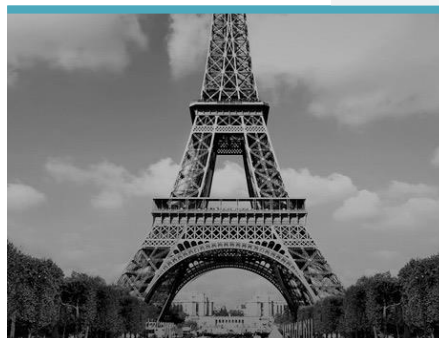
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