

A close-up portrait of Emmanuel Macron, the new President of France, looking slightly upwards and to the right. The image is monochromatic with a blue tint. A horizontal bar with the colors of the French flag (blue, white, red) is positioned above the main title.

France 2017 elections in perspective

Emmanuel Macron,
new President of France

May 2017

BRUNSWICK



Macron, France's youngest-ever President, joins the new generation of leaders such as Trudeau and Renzi, and should bring a new political energy to the country

He won his bet by overthrowing both ruling parties (Socialist and Republican) but also by containing one of the strongest ever populist movements in France (both far-left and far-right)

His balanced social democratic approach, and pro-business and pro-Europe stance could lead to an unprecedented shift for France

But he needs to win both a majority in Parliament in the upcoming June elections and support in a country that has mainly voted against Le Pen more than for him

On Sunday, May 7th, Emmanuel Macron, 39, was elected President of France with over 65% of the vote. His election as President of the Republic represents a seismic moment in France's political history.

Unknown to the public three years ago, and having only started his own political party a year ago (*En Marche!*), he was able to haul himself up to the highest level.

He has literally electrified the campaign with a true determination to reform France and a fresh transpartisan approach, bringing together different political sensitivities.

Macron's ability to obtain a parliamentary majority following the general elections on the 11th and the 18th of June remains a significant unknown factor, as it will determine his ability to enact any kind of lasting reform in France. The absence of a clear majority would result in a significant institutional blockage.

In any case, following a campaign agitated by extreme parties, Macron now holds a historic responsibility to reconcile and pacify France's political scene. A challenge that will have to be met at the risk of paving the way for Marine Le Pen or other populist candidates in 2022.

A fragmented country and a lot of scepticism

For Emmanuel Macron, the hardest part is yet to come as he will have to overcome strong resistance to his reforms. France has probably never been so fragmented, demographically, geographically and sociologically. On the one hand, rural France, the northeast half of the country and blue collar workers have massively supported Marine Le Pen, the defeated far-right candidate. On the other hand, the cities, the west-southwest part of the country and wealthier citizens have been the launch-pad for Emmanuel Macron's meteoric rise. Moving forward, to implement his pro-business and pro-Europe approach, Macron will have to ensure the divide of the country is not growing and that French people who have been supporting populist, anti-establishment and sceptical views don't feel even more rejected.

A vision for optimism and ambition

"I want to bring back the French spirit of conquest". Macron's positive and progressive vision for France's future has profoundly refreshed French politics. After decades of pessimism and scepticism, this could create a new momentum and help to keep populism away from power. This bold and new approach has been extremely visible in the last run up of the campaign, when Macron managed to stick to a responsible and thoughtful position in the face of an extremely aggressive Marine Le Pen. He kept appealing to people's hopes and not their fears, gathering support from many different leading figures, including Barack Obama and Wolfgang Schäuble.



A reformist economic policy but still protective of citizens

Emmanuel Macron's economic policy is based on a traditional social-democratic European model. Social solidarity goes hand in hand with wealth creation, but he also claims clear ambitions to shake the French economic conservatism that has prevailed for several decades. The new President wants to quickly send out a political signal showing strong economic confidence and enacting the crucial reforms needed to rejuvenate France's economy, stimulate job growth and revive the European project.

Over the summer, Macron will address three urgent areas for reform via executive decree: simplifying the employment law, harmonising the pension system between the public and private sector, and kick-starting social security. The goal is to be able to see the first positive outcomes by 2018 and to revitalise the job market in France, with a "flexi-security" policy, Scandinavian in a number of ways.

Overall, Macron's economic policy is based on the following pillars:

- Cutting public spending by €60 billion over five years;
- Cutting 100,000 positions in the civil service;
- Reviving direct State investment in numerous sectors of up to €50 billion from 2018;
- Lowering corporate tax to 25% from 33% (equal to €10 billion in savings for companies);
- Decreasing household tax by €10 billion to boost consumer spending;
- Simplifying administrative requirements for small companies.

As a reminder, Macron also wants to fight against tax evasion, in particular that of the world's leading Internet companies, embracing political initiatives at EU and German levels. He has also pointed out the need to enhance the fight against harmful chemicals, endocrine disruptors, and pesticides in order to better protect the consumer.

It will be interesting to see whether Macron will be able to generate any concerted political impetus at European level to tackle these issues, in addition to his efforts to rejuvenate France's domestic economy.

A clear European commitment while maintaining strong links with both the UK and the USA

During this campaign, Emmanuel Macron was one of the only candidates to have waged a campaign that was clearly in favour of the European Union. He advocates a strong Europe capable of protecting its citizens, a goal he notably wishes to achieve by reviving the Franco-German relationship.

Macron wants to reinforce sovereignty for Europe in areas of security, currency/Eurozone, foreign trade, environment and digital. He is particularly insistent on reinforcing Europe's security shield to protect continental borders. The newly elected President also proposed giving the Eurozone its own finance minister, who would act under the jurisdiction of a Eurozone Parliament, bringing together members of national Parliaments of the Eurozone.

On security and defence, Emmanuel Macron made it clear that the fight against terrorism would be the absolute priority of his presidency. Among the measures announced to reinforce national security, Macron intends to restore compulsory military service, to create 10,000 more police positions and to increase defence spending to up to 2% of GDP by 2025. On a supranational level, Emmanuel Macron is in favour of France's NATO membership and wishes to strengthen security links with Germany and the UK.

Recently asked what will be his first trip to a foreign country, Macron said he will "visit the French Army troops in operations abroad", underscoring his commitment to fight terrorism, inside and outside the country.

Overall, in terms of foreign policy, Emmanuel Macron seems to be a man of continuity. Although he acknowledges that Donald Trump's election has led to a wave of uncertainty and a possible reshaping of the global equilibrium, Macron declared that he values the trans-Atlantic friendship which he hopes to maintain. In line with his predecessor, he opposes any rapprochement with Russia and backs sanctions against Moscow as long as the Russian government fails to honour the Minsk accords. The new President hopes to conduct firm talks with Vladimir Putin, with particular regard to Ukraine and Syria.

#LaFranceEnMarche



“Where is Brigitte?”



Emmanuel Macron asks repeatedly, daily: “Where is Brigitte?”. His wife, a smart former teacher and an elegant woman, 64, blonde and slender, appears to be the most influential person in his entourage. Even before his unexpected political fortune, the extraordinary story of their relationship made them seem like characters in a novel. During the 1990s, 15 year-old Emmanuel Macron fell in love with his literature and drama teacher, a woman 24 years his senior. The mother of three children – now Emmanuel’s most ardent supporters – would go on to marry her former pupil despite the scandal in Amiens, a small town in the north of France. Still in his thirties, Emmanuel Macron is a grandfather of seven children. In the same way that Nicolas Sarkozy put his private life on public display, Brigitte and Emmanuel Macron have graced the cover of more than twenty different celebrity magazines in the past year, with exceptional sales.

Emmanuel Macron, a former investment banker and a philosopher

Emmanuel Macron, 39, was born in a middle class family in the North of France. After a brilliant elite education, he graduated from Sciences Po and ENA (high civil servants school) and worked for a few years as assistant to the philosopher Paul Ricoeur. In the Ministry of Finance, he worked as a Finance inspector, the most prestigious position in the French administration. He then joined Rothschild & Cie in 2008 where he discovered the private sector. Appointed by François Hollande to his Presidential staff in 2012 as deputy general secretary, he worked two years in the Elysee palace team. Appointed Minister of Economy in Manuel Valls government, he stayed in office two years and resigned in the summer of 2016 to run for President.

The challenge of the Parliamentary elections

The President-elect’s ability to reform the country will depend directly on the results of the June 11 and 18 Parliamentary elections. Once inaugurated next week, he will have to manage a highly sensitive few weeks in order to send the right signals that will help him win a majority of seats (a minimum of 289 out of 577) in the National Assembly (Lower House of Parliament). The Prime Minister and Government need endorsement from the National Assembly. Without a majority, the President will need to either build and rely on a coalition in Parliament or to choose a Prime minister in another party than his own (so-called “cohabitation”). This is why, depending on the result of this election, the President may have to appoint a different Prime Minister by the end of June.

Whether he will be able to obtain a clear majority in Parliament with his newly created party has been questioned. The majority of *En Marche!* candidates comes from civil society and are political newcomers. According to the latest estimates, his candidates should be the frontrunners and are projected to win between 249 and 286 constituencies, close to an absolute majority of 289.

The delicate choice of his first Prime Minister

With those elections in mind, the new President has to appoint a Prime Minister who is able to both send the right symbolic message (highly competent, able to deal with a heavy reformist agenda, able to dialogue with society at large) and to manage a tense electoral period for a few weeks. The rumour mill is rife and potential nominees include Gérard Collomb (current socialist Mayor of Lyon and one of Macron’s first supporters), Jean-Yves Le Drian (current Defence minister and political heavyweight from the Socialist Party), Christine Lagarde (head of the IMF and former minister of Economy), Thierry Breton (CEO of Atos group and former minister of Economy), Pascal Lamy (former president of the WTO), Bruno Le Maire (Republican member of Parliament and unsuccessful candidate in the right-wing primaries), Nicole Notat (former head of leading labor union, CFDT).

His choice will, in any event, face intense scrutiny.

Upcoming milestones

May 14

Official inauguration of Emmanuel Macron as President, followed by the appointment of his Prime minister and 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 general elections

July

Beginning of the summer parliamentary session and discussions of the first bills to implement Macron's policy

September 24

Renewal of half the Senate (Upper House of Parliament)

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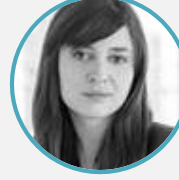
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