



NO.  
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Newsletter

# THE FRENCH DISPATCH

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# SETTING THE SCENE

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## AN OUTSTANDING ELECTION FOR AN OUTSTANDING POWER

Among western democracies, no other head of State has as much power concentrated in their hands as the French President.

The French President defines the country's main policies, appoints the entire ministerial cabinet who answer to him, as well as most of the country's highest civil servants. What's more, unlike the US, the checks and balances that hold his power accountable are less important and effective.

The Presidential election is therefore the acme of the French political system. It is the battleground where political equilibriums are forged and where the agenda is set for the next five years.

Adding even more importance to the presidential election is the fact that its result directly influences the legislative elections which are held only two months after the presidential. The winning candidate will almost automatically benefit from a broad supporting majority in Parliament, potentially ensuring him or her a smooth five-year term. One could even say that the winner takes it all.

## THE LONG PATH TO THE THRONE

The Founder of France's current fifth republic, Charles de Gaulle, depicted the presidential election as being the "encounter of a candidate and of the people". But only a chosen few will be able to participate in the race. Today, 25 candidates are willing to contest the ballots.

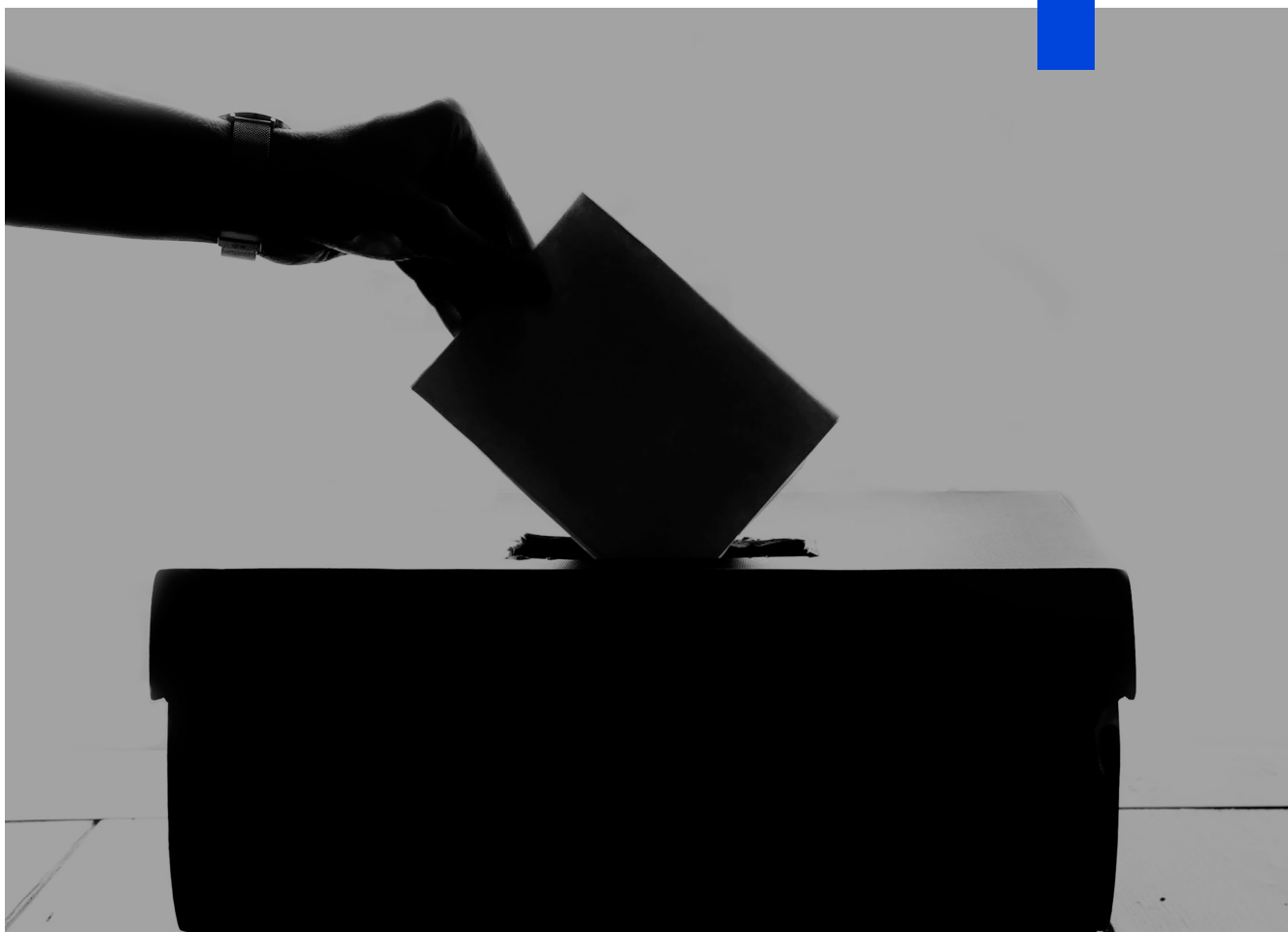
For years, candidates were picked by political parties following long-internal and obscure designation processes. The reign of such hierarchical and deep-rooted political parties is now over.

Primaries and the emergence of new types of political movements are profoundly shaking up the French political landscape. Far-right candidate Eric Zemmour and left-wing populist Jean-Luc Mélenchon created their own movement to compete with the established parties, just as Emmanuel Macron did five years ago, thereby avoiding the "party" label. Others, such as Green candidate Yannick Jadot and the Conservative nominee Valerie Pécresse had to face party primaries. This constitutes an unprecedented movement backed by grass-root activists, as the "People's Primary", which is setting a new mechanism of designation. A primary, yes, but lacking the support and backing of political parties and of some of the nominees themselves... Christian Taubira, a former Minister for Justice of the Holland Cabinet, was finally designated last Sunday. To what extent this will foster the unity of the left is far from clear. To date, it is quite the contrary.

As a result, only the far-right candidate, Marine Le Pen, the Socialist Anne Hidalgo, and the Communist Fabien Roussel were designated by their own political party.

After making clear their ambition to become President of France, potential candidates must face an administrative hurdle as they need to gather at least 500 sponsorships from elected officials to get the final approval stamp. The endorsements will be overseen by the Constitutional Council which will establish the final and official list of candidates by the 11th of March.

Subsequently, candidates will face two electoral rounds with the first vote happening on the 10th of April and the second one two weeks later, on the 24th. Candidates ranking first and second on the first round will be able to compete in the second leg.



# WHERE IS FRANCE STANDING?

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## ECONOMIC SUCCESS DOESN'T RULE OUT WARINESS AMONG THE POPULATION

Five years ago, ahead of the 2017 elections, France was still recovering from the global economic downturn of 2008–2009. Stagnating growth rates, an unemployment rate at 10.1%, and rising inequality painted a pessimistic outlook for Europe's second largest economy. This outlook fostered Emmanuel Macron's ambitious agenda and at the same time provided a fertile ground for popular backlashes, as highlighted by the Yellow Vests' protests from 2018.

During the five years of Macron's presidency, France's overall economic situation has improved. Until the pandemic, GDP growth saw a slight upward trend. In fact, France stands out as one of the few countries worldwide whose unemployment rate has fallen below the pre-pandemic level in 2021 – from 8.1% in March 2020 to 7.5% in December 2021, mainly due to the government's furlough scheme. For the first time in a decade, net employment creation has been recorded in the manufacturing sector. Employment growth and re-industrialisation are partially driven by France's attractiveness for FDI, reflected in France having overtaken the UK and Germany as Europe's most attractive destination for FDIs. However, with energy prices and costs of living rising sharply, the risk of another protest movement erupting cannot be ruled out and is followed with great attention by the Government.

## ECONOMIC POLICY: DEBATES AMONG A WIDE CONSENSUS

Despite reasons for optimism, France is plagued by an obsession with economic decline. Just as they did five years ago, discussions regarding reshoring, industrialization, protectionism, and national competitiveness are agitating the opinion. Candidates across the spectrum follow an agenda of industrial renewal and strategic autonomy. But the space for competing economic policies is tight. Emmanuel Macron is waging, at the same time, interventionist, and more market friendly economic policies.

Traditional Conservative candidates thus have a hard time to differentiate themselves through their traditional economic policy angles. On the left side, a common economic reform plan is unlikely to emerge and demands for greater State involvement have been already preceded. Against this background, the debate will much likely evolve around the extent to which tax cuts, state interventionism, FDI control or reductions in public spending are necessary.

## RELIGIOUS DIVISIONS ON THE RISE

The fight against terrorism and curbing Islamic radicalism are among the most debated issues. The reactions to the recent trials of the terrorist attacks from 2015 and the recent beheading of a French teacher revealed once more how deep of a scar terrorism has left on

France's society. Rising anti-immigrant sentiment, fears of "separatism", and a perception that French values such as secularism are under threat fuel the popularity of far-right candidates who are outbidding each other in identarian discourses. Progressive stances to better integrate religious and ethnic minorities struggle to resonate in this heated debate.

## THE EUROPEAN QUESTION PICKING-UP

For long, Europe was left out of France's main political debates. With France now presiding over the Presidency of the Council of the EU and following the Brexit negotiations, the attention will be higher, and the approach will differ. While in 2017, France's exit from the eurozone and the EU were among the key demands by the far right and the far left, such calls have now disappeared from electoral manifestos. Instead, the EU-debate shifted towards more concrete policy issues.

On the right side, these issues evolve around immigration (suspension and renegotiation of the Schengen Treaty), limiting the ECJ's jurisdiction, and hampering further competency transfers to the Commission. A reformation of the stability and growth pact towards more flexibility is a goal shared by all candidates on the left side of the political spectrum.

## GREEN TRANSITION INCREASINGLY GAINING TRACTION

France's path towards emission reduction has been dominating the news over the last years. Despite the salience of the issue, it has not yet mobilised French voters on a large scale. With a green party remaining lower than in other countries such as Germany, notwithstanding a slow progression, Emmanuel Macron assumed leadership on the issue, stifling competition from the right by championing future investments in nuclear energy and capping surging gas prices to avoid the emergence of another Yellow Vest movement.



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