FRANÇOIS HOLLANDE –
A HOPE FOR CHANGE THE FIRST YEAR'S BALANCE
OF THE GOVERNMENT AT THE ELYSEE PALACE

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A WAITING-ROOM FOR CHANGES

In the very first years of his presidency, François Mitterrand thought that he will really be successful on a day that another socialist was elected as a president of the Republic. This statement seemed to be prophetic with the victory of François Hollande¹, which took place 24 years after the victory of François Mitterrand and – after the sequential defeats of the Socialist Party’s candidates Lionel Jospin (in 1995 and 2002²) and Ségolène Royal (in 2007) – allowed them finally to take the helm of the French government.

The election of François Hollande was not a surprise. The very first opinion polls³ designated him as a winner showing the small popularity of Nicolas Sarkozy. Then one should estimate that the final electoral result

¹ The first round of elections was held the 22 April 2012 and second the 6 May 2012.
² When the Socialist Party candidate was eliminated by Jean-Marie Le Pen in the first round of presidential elections.
³ In January 2012 up to 64% of Frenchmen did not want of the election of Sarkozy. M. Ostrowski, Wybór Marianny, “Polityka”, 18–24.04.2012, No. 16/2855, p. 44.
obtained by François Hollande (i.e. 51.7% of the votes), from the point of view of the pre-election predictions of research institutes for the public opinion was a rather weak performance.⁴

Table 1. Results of the first round of presidential elections

- Eva Joly 828 345 votes – 2,31%
- Marine Le Pen 6 421 426 – 17,90%
- Nicolas Sarkozy 9 753 629 – 27,18%
- Jean-Luc Melenchon 3 984 822 – 11,10%
- Philippe Poutou 411 160 – 1,15%
- Nathalie Arthaud 202 548 – 0,56%
- Jacques Cheminade 89 545 – 0,25%
- François Bayrou 3 275 122 – 9,13%
- Nicolas Dupont-Aignan 643 907 – 1,79%
- François Hollande 10 272 705 – 28,63%⁵

Since his victory, President François Hollande was heavily criticized by Nicolas Sarkozy, who pretended that he didn’t sustain a defeat in the elections. He is of the opinion that adding empty votes, invalid votes and votes for him, François Hollande had obtained a weaker result⁶. The existing situation is quite unusual, because Nicolas Sarkozy, even if he does not appear officially, is not self-restrained in public debates and presented his opinions. Immediately he denied his defeat, and what’s more, he even managed to unite around him many followers who, like Brice Hortefeux⁷

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⁷ Minister of some governments, member of the European Parliament, the nearest collaborator to Nicolas Sarkozy (from 23 June 2009 to 27 February 2011 minister of Interior), member of the Union for People’s Movement (UMP).
François Hollande

or Henri Guaino⁸ are often present in the media and defend the legacy of the five-year presidency of Nicholas Sarkozy.

It is also worth mentioning that the disorder which appeared after the presidential elections in November 2012 reinforced the image of Sarkozy as a potential hope for the right in the elections of 2017.

Paradoxically, a major part of the campaign of the socialist candidate was based on the rejection of the Sarkozy’s presidency, both as to the form of his office (hyperpresidency, showy presidency)⁹ and to its foundations (ultraliberalism). According to commentators, the defeat of Sarkozy was the balance of his entire term of office. Voters stopped to believe in the accuracy of his political decisions, or even started to reject them¹⁰.

At this point it is worth to remind that Hollande’s success turned out to be even greater because since the 6th of May 2012, and since the parliamentary elections in June 2012 for the first time in history of the Fifth Republic, the left holds an important number of decision-making strings such as the Presidency of the Republic, the National Assembly, the Senate and 21 of 22 regions in France. Moreover, they are in authority in the considerable majority of departments and communes.

It should also be noted that the economic growth in France is weaker, the “kind-heartedness” of François Hollande¹¹, which was more awaited

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⁸ Politician, member of the Union for People’s Movement (UMP), counsellor of Nicolas Sarkozy in the years 2007–2012.


¹¹ Frenchmen perceive Hollande as composed, quiet politician. His partisans call him a even-tempered gentleman, and his opponents “flanby” (from french « flan » – pudding). The competition of Hollande and Sarkozy in the french media was described as
by the voters as a counter-reaction to the bonapartism of Nicolas Sarkozy, seems now to be out of place. Actually, face with the global economic crisis, French experts switched on a red light in view of supremely high unemployment, increasing poverty and a strong fear of citizens of the deterioration of their living conditions.

Expectations of supporters of the “People of the Left” are huge, maybe even greater than during the Sarkozy’s presidency. The first year of presence of François Hollande in the presidential palace attempts to make a balance of the actions already made by the socialists. For this purpose, it is worth to review the reforms which François Hollande decided to undertake during this first period of his five-year term. It should also be considered how the French Left has reacted to the election of a socialist president and how the ruling socialist majority is facing an economic crisis.

Evidently it is not possible to establish a comprehensive balance of this first year on some pages, this article is rather intended to provide encounters that took place in this period between the Left and the Right, as well as between the socialists and the rest of the Left (ecologists, communists and the Left Front) and finally between socialists themselves.

This situation is mainly visible during party meetings, which have been organized since the F. Hollande’s election by the main left parties – except for Europe-Ecologie-Les-Verts (EELV).

It is worth to consider how the French left side, remaining in opposition at the national level since 2002, and with a majority in the local communities since 2004, changed its position in order to exit from the systematic opposition. Finally, there is the question: could the Socialist Party fully emerge as the governing party?

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During the presidential campaign Arnaud Montebourg\textsuperscript{12}, a well-known politician coming from the Socialist Party’s left wing, stated, that even if Nicolas Sarkozy cleverly intercepted the tune of Jaures or Confédération Générale du Travail (CGT), it didn’t change the situation: Sarko has left the factories and the workers. It should be mentioned here that since A. Montebourg took the portfolio of the Minister for the revival of production he often remained in conflict with a part of the government, especially with the Prime Minister, Jean-Marc Ayrault\textsuperscript{13}. He consequently repeated many times that the state can’t shirk its obligations, and he will use all possible means to save the Arcelor Mittal steel plant in Florange – the last metallurgical factory in Lorraine – and Petroplus refinery in Petit-Couronne. This example clearly shows how important was the gap among the PS.

This failed – as the future showed – the operation to save from bankruptcy both factories was an opportunity for a serious government crisis between: from one side the socialdemocratic and opposed to direct state intervention wing of the Socialist Party and from another side even more directed to the left wing of PS, with Arnaud Montebourg as a leader, who is supported by the trade unions (CGT i CFDT), and which tended toward a nationalization of factories and a forceful discussion with Arcelor Mittal,

\textsuperscript{*} This expression refers to the term “wall of money”, which meant in the 20\textsuperscript{st} of XX century an opposition of the banking and financial circle to the economic and social reform in France. It was firstly used in 1924 by Édouard Herriot, who was then the head of the government of Left Cartel. This was an expression of hostility to serve the banking and financial, which reinforced the distrust of the financial difficulties of the government (capital escape, devaluation of the franc, practically empty treasury, etc.). The Left Cartel was an electoral coalition in the parliamentary elections concluded in 1924 between the Radical Party, Radical-Socialist Party, the French Section of the Worker’s International (SFIO) and the Republican-Socialist Party, which joined the radical and independent socialists.

\textsuperscript{12} French politician, lawyer, member of the Socialist Party, spokesman of Ségolène Royal during her unsuccessful presidential campaign, from 15\textsuperscript{th} May 2012 Minister for the Revival of Production.

\textsuperscript{13} On May 15\textsuperscript{th}, 2012, Jean-Marc Ayrault was appointed prime minister by the French government of President François Hollande.
the largest steel producer in the world. Strong leftist declarations made by the Minister of the revival of the production had given rise to great hope among factory workers, as well as in the region of Lorraine. This faith was strengthened incidentally by the visits to Florange and Petit-Couronne during the election campaign. And just as in 1981, the staff expected that the socialist government will do anything to prevent the closure of factories or at least delay this process. The possibility of partial or total nationalization of the factory has been clearly presented by Arnaud Montebourg, before he received a categorical denial from the government. Now the factory in Florange is on the way to be closed.

Once again, the French government was not able to save the steel works. It has fortified even more of a bitterness among supporters of the Left and their belief that political power takes care of economic interests of the business world to a greater degree than that of the workers.

For the Presidential Palace, now so important – and necessary at the same time – is that the case of Florange and the lost long trade union battle were not the beginning of a divorce between the two wings of the Socialist Party and in the broader context of the French political landscape. Hollande must do all for the left-wing voters so they do not turn to the National Front or to Jean-Luc Mélenchon (Parti Communiste et Front de Gauche).

Another symbolic value of the left wing of the PS, namely the 75% tax on incomes exceeding one million euros per year\(^\text{14}\), which Hollande announced during the presidential campaign, on 27\(^{th}\) February 2012, and which originally was undoubtedly a brilliant shot of propaganda, it is now a ticking “bomb”, widely discussed in public debate. But President Hollande consequently returns to his idea of the solidarity tax – as he calls it – as he announced again on Thursday, March 27\(^{th}\) 2013 in France\(^\text{2}\)\(^\text{15}\). In a view of the foregoing observations it should be recalled that tax for the


richest people was the first proposal of François Hollande, presented in the television debate on February 27th 2012. It perfectly fulfilled its role acting as a shocking argument to the voters and which revived the Socialist candidate campaign. It struck directly at a fairly high quoted candidate for the office of President of the Republic Jean-Luc Mélenchon and caused further that Nicolas Sarkozy took the role of defender of the rich.

By the opinion of many experts, the full realization of the idea of F. Hollande is very complex. Asking these questions: what to do with artists or with people who have very irregular income? Moreover, this project concerns the taxation of the sum of a million euros tax received by the community of taxation or by one person? It was not also clearly specified: How to avoid the fact that the accumulation of this tax with other financial burdens leads to the so-called „taxes of confiscation”? It seems that there are so many essential questions and obscure passages to which the government had to give a precise answer. Finally, one must recognize that the actually discussed proposal is more symbolic than real. Finally, on the 29th December 2012, the Constitutional Council rejected the project of this tax, considering it as unconstitutional. Justifying this decision the Council has used to a greater extent the arguments associated with the defective mechanism adopted for calculating the tax\textsuperscript{16} than negatively estimated its amount alone.\textsuperscript{17}

The decision of the Constitutional Council was undoubtedly a serious blow to François Hollande, because he lost an important symbol of his presidency. However, the President did not lay down his arms. Consequently, on March 27\textsuperscript{th} 2013 he declared in a TV appearance that, after consultations among experts the project of 75% tax on the most rich will be modified. In this way Hollande announced to re-submit the draft implementing exceptional tax on high incomes. With the one important difference, however: 75% of the tax will not be paid on the margin of the income tax, but by the establishments. Therefore, a new project of

\textsuperscript{16} The project involved the liability to income of each individual, where income tax is calculated for the entire community.

the President of the Republic assumes that: “The general assembly of shareholders will be consulted as to the remunerations and if they exceed one million euros, the firm will have to pay the tribute, which taking into account the total of all taxes shall reach 75%.”

One can estimate that this change is more than a cosmetic one: in fact it pushes companies to avoid excessive salaries for executive cadres under a penalty in the form of having to pay huge taxes. The 75% tax is here, but it lost its strong symbolism. As the economists say, it will not be any more a tablet to target the fiscal of Nicolas Sarkozy, that would be the guarantor of solidarity and redistribution of wealth, but it becomes more a barrier for entrepreneurs.

A majority of people being in a good financial situation (INSEE uses the phrase “more affluent” for those that represent 0.01% of the population, and which annually earn more than 687 000 euros for the unit of consumption) is not full-time employed. These are not the people who obtain a major part of their income from one salary, but they also earn from exceptional sources or from inheritance. Accordingly to the new version of the tax, this part of their income will not be subject to the 75% tax.

Meanwhile – as you can see – we don’t know the details concerning the application of the new tax, so one can’t know which types of income will be concerned. Only income from wages or from stock-options or from other bonus shares too? Maybe it can also affect the exceptional premium (prizes), which represent frequently a significant part of the income of people in high places? After one year of his term there are still many unknowns, which are relevant to this key proposal, proposed during the presidential campaign by F. Hollande.

MANAGEMENT OF TIME: TO TURN A DISCUSSION ON SOCIO-ECONOMIC AFFAIRS INTO SOCIAL QUESTIONS?

In the political landscape of to-day in France one can see a frustration, which can be observed even among supporters of the Socialist Party. You only need to be reminded of a letter of the group of fifteen parliamentarians from the PS, directed to the President of the Repub-
lic. They remind that the first priority after the elections was to be the economy, and they demand an undertaking of indispensable reforms, including tax, changes in the policy of stagnation. They require some actions to improve the quality of life of the French, among others, by an adjustment of salaries.\footnote{Ibidem.}

Now, most of the criticism among the observers of political life in France evokes the idea of leaving the presidency to the course of time. Presidential officials seem to be convinced that a quiet style of the office of the actual President of the Republic is sufficient to gain a high level of support in the polls. From the point of view of political marketing this is a missed manoeuvre, especially considering that a large part of the electorate has the impression that the government does nothing and the Elysee Palace is sleeping. Moreover, even so criticized recently and hated by many people because of his arrogance, Nicolas Sarkozy, a few months after the election regained confidence of a large part of the French. A study made in May 2013 by the BVA institute shows that 35% of respondents express their hope for the return of the former president to politics\footnote{Francuzi chcą powrotu Sarkozy'ego?, http://swiat.newsweek.pl/francuzi-chca-powrotu-sarkozy-ego-,103307,1,1.html (15.06.2013).}

In the first weeks the French appreciated the tranquillity introduced by the new president to the political life and they found optimism in the media, but today after several months this duration and his eternal self-control is seen now as a principal weakness by the authorities. The president is accused, among others, of helplessness in the face of a deepening economic crisis, a lack of ideas to solve the serious problem of unemployment, a weakening of the role of France in Europe and drastic cuts in finance. These public feelings grow stronger, what seems to be not remarked by Hollande. Consequently, some specialists of the political market gave him glasses to start finally to see the real situation in the country\footnote{M. Gladysz, Fatalne notowania Francois Hollande’a po roku prezydentury, http://www.rmf24.pl/fakty/swiat/news-fatalne-notowania-francoisa-hollandea-po-roku-prezydentury,nId,963878 (17.08.2013).}.
As a side-note it is worth to mention that the actual President of France does not have a good name around the world. Evaluating the work he has been doing up to the present, the Financial Times wrote: “Quite different ideas on anti-crisis economic policies lead to tensions between Paris and Berlin, and France under the rule of Hollande is sometimes referred to as the weakened European giant that has become the strongest among the poor countries of the European Union, and now runs the poorer south against richer north.”

As sociologists observe, the results of public opinion’s polls show that a year after the electoral triumph François Hollande is the least popular President of the Republic for more than fifty years. After twelve months of his presence at the Elysee Palace he is trusted by only 15%.

Comparing the graphs of popularity for couples “President – Prime Minister”, we see that the situation is diametrically opposed. Indeed, the curves François Hollande and Jean-Marc Ayrault fall since the summer of 2012. It should be noted that this movement began much later for Nicolas Sarkozy (early 2008) and François Fillon has always enjoyed popularity among the people.

An explanation of this occurrence is based on the strong contrasts between the style of Nicolas Sarkozy with his omnipresence on all fronts – he has accumulated in practice the functions of the President and the Prime Minister – and the style of F. Hollande, who is conspicuous by his light “absence” on the front pages of the media.

This situation provokes a reaction which is completely opposite to the wishes of the French at the end of 2011. Now they call the executive to re-take the helm of the State and to become more involved. More alarming is the appreciation of Jean-Marc Ayrault by many observers, as well as by members of parliament from the UMP: he is judged as a faithful copy of Edith Cresson, who was heavily attacked during the exercise of her

21 Ibidem.
23 Prime Minister François Mitterrand from 15 May 1991 until 2 April 1992, politician, which to date is the only woman in France, which she held that office, and it’s in-
function, in particular, by a part of the socialists in the National Assembly. It seems that a group of socialists in the National Assembly is a copy of the PS in the first decade of twenty-first century. It is a political party split between the social-liberal dogma inspired by the Labour Party or the Social Democratic Party of Germany (SPD) and the tradition of a strong anchorage on the left along with the camp of “no” to the Constitutional Treaty for Europe (TCE).

Europe has been the object of Socialist’s attacks for many years. A definition of vectors of European policy still create divisions in the bosom of the Socialist Party. The left wing of the party remains permanently opposed to TCE. As a result, only 28 present voting members of the PS (for 60 forming usually the national office of PS) voted in September 2012 for an agreement to the ratification of the treaty. Many socialist parliamentarians proclaimed in the national press that they will vote against TCE. Certainly, it must be recognized that this type of attitude is mainly directed against the line designated by the management of PS.

“With the regard to such an important decision we ask the team of socialist parliamentarians to be closed, unanimous and assembled around the President of the Republic” – called until recently Harlem Désir, the first secretary of PS24.

This split and growing disputes within the PS, which concern the European questions, they are apparent also in the sphere of economic affairs. Many of the socialist parliamentarians are afraid of, the so called “Zapaterization”, that means liberal social changes. Many parliamentarians coming from the left wing of PS are opposed to the agreement ANI negotiated with the MEDEF. There are raised appeals for the nationalization of Florange and for making deep economic reforms. This lack of unity among the present parliamentary majority is also reflected in the adoption of different visions associated with the creation of the government social policy, such as the so-called marriage for all. The public debate on this matter is going on for many months and many observers of political life in

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France evaluate it as a tactic of the government, which is aimed at reversing the attention of citizens of the difficult economic situation in the country.

Regardless of the real intentions of various actors in the French political arena finally the real problem of the legalization of homosexual marriage has become a major topic of public debate and has occupied front pages of newspapers from January to May 2013. The result of the adoption of new solutions permitting the marriage for all, including the adoption of children by homosexual couples on equal principles has led to a more serious split between the right-wing, opposed to the project, and the left one favourable to it in its totality. However, it does not seem possible today, that François Hollande shall regain popularity thanks to carrying this reform. It does not allow him to unite the socialist parliamentary majority in the socio-economical plane.25

IN CONCLUSION: IS SP ON THE BORDER OF COLLAPSE?

On Saturday, April 13th 2013 fifty striking workers of PSA Peugeot Citroën factory in Aulnay-sous-Bois, menaced by closure in 2014, made an intrusion into the room where the National Council of PS were debating, i.e. the PS parliament. Trade-union workers climbed on the tribune and spread their banner just a few meters from the many sitting ministers.

In response to existing events Harlem Désir allowed the leader of the CGT PSA factory to speak, who demanded an immediate organization of “mediation” between the trade-unions and the management of Peugeot Citroën. He also accused the government of treason, as François Hollande in one of his speeches declared and estimated at the same time that the closure of the factory in Aulnay-sous-Bois an July 14th 2012 is “unacceptable”.

The attack of PSA, applauded by many party colleagues presented at the meeting, clearly shows that today’s debate running on the socialist left, which concerns the determination of vectors of French economic policy, is really an attempt to find a solution to the difficult dilemma in the field to provide a “serious, balanced budget,” and so determine a plan that will allow the government to develop new projects, also allowing him to make the necessary cuts in the public expenses.

“A social rage is a logical consequence of the crisis and the austerity policies in Europe” – explains Benoît Hamon\textsuperscript{26}, The Minister delegated to social economy and solidarity in the government, which has recently sharply attacked the austerity policy, which – in his opinion – would create a “low-cost France”. He urges socialists to “stop the social damage”\textsuperscript{27}. “Apart from a few strong words it strikes me that the workers of the PSA did not come to call for a general strike, but for mediation. They want dialogue and negotiation” estimates, in turn, Stéphane Le Foll\textsuperscript{28}, a close associate of François Hollande, who wants to see in these events the confirmation of the “social dialogue, which is the heart of our policy.”

The tension between these two, yet different visions for the future of the state is so large that, according to some politicians of PS, the PSA action was not accidental. “The demonstrators had badges for admission. How could they come into their possession?” – asked national secretary, member of the PS and close associate of Interior Minister Manuel Valls\textsuperscript{29}, who represents the more right-wing line in the PS.

To end with, it should be noted that the answer to the difficult question of the direction of changes in the PS 12 – more to the left or toward the centre – will be possible in the autumn of 2012, when it will be resolved in a public debate a sensitive question of future pensions of the French.

\textsuperscript{26} PS left wing representative.
\textsuperscript{28} Since 16 May 2012, the French Minister of Agriculture.
\textsuperscript{29} The representative of the so-called right PS. From 16 May 2012 the Minister for Home Affairs.
SUMMARY

In the very first years of his presidency, François Mitterrand noticed that he will really be successful on that day when another socialist will be elected as a president of the Republic. This statement seemed to be prophetic with the victory of François Hollande, which took place 24 years after the victory of François Mitterrand and – after the sequential defeats of the Socialist Party’s candidates Lionel Jospin (in 1995 and 2002) and Ségolène Royal (in 2007) – allowed them finally to take the helm of the French government.

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Keywords: François Hollande, French government, France, Elysee Palace, French Left