

# What Does the Macron Brand Stand For?

Bernard Barthalay

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Bernard Barthalay is an economist, former Jean Monnet Chairholder at the University of Lyon. In the eighties, he was an influential activist for the single currency. He currently leads a transnational continental network building on the legacy of Monnet and Spinelli. Lately, he published *The Continental Manifesto* (online : <http://manifeste-continental.eu>).

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Looking at the current controversy about the ideological labels to be stucked on the new French President, the answer cannot be but a mixed one. Is he a Neoliberal<sup>1</sup> ? Is he a Nordic Social Democrat<sup>2</sup> ? Or both ? « *En même temps* » (all of that together), according to his now famous discourse marker. Which does not mean the question is irrelevant, but that the answer depends on « something completely different », as Monty Pythons used to say. And, to many eyes, that « something » is his cosmopolitanism<sup>3</sup>.

Judging him from his short record, we are led to consider the composition of the just appointed government. Here again the most outstanding feature is not that this government is meant to balance out men and women or the Left and the Right components – a difficult exercise. It is that the most « sovereign » ministries rest in the hands of fluent polyglots, who did not study Germany or other neighbouring countries from lectures at the *ENA (Ecole Nationale d'Administration)*, but from living out there.

A dream of the French *aristocratie d'Etat* in the fifties was a French Europe, a continent governed in the French way, as an antidote to a German Europe, the one that had been defeated. Macron allows for a European France. What is at stake now is the Europeanization of France, with a European Germany in return. It is the cosmopolitization of both countries, and their partners, to get out of the tragedy that has been going on in the Eurozone since 2000.

In Berlin that year, the German Foreign Minister, Joschka Fischer, addressed a select audience at the Humboldt University, and declared Germany available for a federation<sup>4</sup>. Fischer thought it was overdue. Monnet and Schuman had made a similar invitation, that of a Defence (and Political) Community, which was accepted by Adenauer but turned down by the French themselves in 1954. Once again in 2000, the French ignored, and the Chirac-Jospin-Védrine troïka declined, the German proposal. That rebuff caused resentment among Europhile Germans, which was concealed from the French public but soon backfired. At the Nice European Council, Schröder demanded a departure from the Monnet-cherished unwritten rule of formal equality between Germany's and France's voting rights in the Council, but that was dismissed. However, the Chancellor made it clear that Germany, from then on, would pursue its own national interest . A new German Germany was born, which resulted in a new Europe of (so-called sovereign) nation states.

## Tax is key

From an economic point of view, Fischer's address was amply justified. A single currency cannot hold without a common budget, common own resources, a common representation, a common Treasury. It is not an issue to be dealt with through a positivist approach of whether the currency area is optimal or not, but a matter of sovereignty. A single currency area is unsustainable without automatic stabilizers, through a tax-and-spend power.

To reach such an institutional configuration, governments have to look for the long-term interests of their countries through the common good of all, according to Monnet's method. This is not their usual behavior, bent as they are on their own short-term petty interests, with only their re-election in mind.

Sadly enough, Schröder, the German Social Democrat turned neoliberal in the wake of the Clinton-Blair Third Way, unilaterally decided an internal devaluation, by cutting wages through a corporatist industrial agreement (Hartz IV), aimed at saving German jobs, thereby pitting European peoples against each other in a fierce wages and social competition. This broke the philosophy of the Rome Treaty : the ban of state aids was meant to prevent governments from granting domestic firms a privilege over foreign ones. Hartz IV was the start signal of a race-to-the-bottom that led to a rise in precariousness, poverty and inequality. The unfair competitive advantage triggered a huge permanent trade surplus, labeled Neomercantilism by critical German economists. Schröder lost the next elections, but did not stop the dismantling of the common competition policy : he established with Russian oligarchs an illegal German monopoly on the distribution of Russian gas in Central and Western Europe, which the European Commission long tolerated, and is now trying to fight back.

By then Berlin had another priority : manage the growing heap of cash on which Germany is sitting to the benefit of pensioners in an ageing and low-fertility population. This was Schäuble's job : switch Europe from the original social market economy to a market society where fiscal interventions are limited by arbitrary intangible rules, the only ones a medley of 19 states, with different macroeconomic profiles, could ever agree on. The Chief Accountant Schäuble, obsessed by the pursuit of a zero-deficit (*Schwarz-Null*), is leading Europe to competitive deflation. The European monetary union was launched in an age of rising wages and prices to preserve the unity of the common, then single, market and anchored the fight against inflation on an exchange rate stabilization mechanism, the so-called EMS, first around a basket of currencies, then around the DM itself, the most stable and strongest of all. At a time of capital controls, exchange rates realignments occurred occasionally, hardly ever since disinflation prevailed. At the price of growing unemployment.

With hindsight, competitive disinflation between EEC member states can be seen as a civilized substitute to the fateful interwar competitive devaluations. In the Schröder-Schäuble era, under competitive deflation, Europeans have to pay a higher price : the loss of jobs *and* the drop of purchasing power. Competitive deflation is even gradually depriving the euro of its very *raison d'être* : the unity of the single market. This is, frankly, disintegration.

Macron, when he speaks of a lost generation of permanent job-seekers, of almost twenty years lost since the inception of the incomplete single currency, and soon ten years since the financial crisis<sup>5</sup>, is also aware of the additional price debtors had to pay to creditors in the Eurozone for the sake of the overpowerful recovery of Germany. He is intent on moving towards a fiscal union. But he already bumped into Schäuble's stubbornness. The German Minister is no more open now to a Treaty revision than ever before and, above all, he remains hostile to any idea of a common tax-and-spend power under the oversight of a common authority and representation.

Macron will either be helped by German internal political developments and succeed in convincing both his own government and the next German government to follow him<sup>6</sup>, back to the founders' initial design, or he will have, whatever the success or failure of his planned so-called « reforms », to respond to Berlin by reproducing their one-sided approach, but on his own ground, to their great surprise and embarrassment.

Berlin is known to wait for French « reforms » of the labor market and cuts in taxes and social expenses, which Macron cannot deliver to the desired extent, without losing in popular support and governmental cohesion. Macron should catch them off-guard, albeit unexpectedly, by two things : decentralizing the French Republic massively, with far greater autonomy to local and regional governing bodies ; reforming the French tax system radically, switching taxation from income to idle assets, bringing it closer to the Swiss or Dutch systems, which would give France two huge competitive advantages.

Macron doesn't back away from the word « *Révolution* », which was the title of his campaign book<sup>7</sup>. Will he back away from the only two deep reforms all presidential candidates under the Fifth Republic promised in their electoral platforms but never delivered – the two reforms that are deemed impossible in a Jacobine and elitist republic ? The key to success might be there.

### **It can take twice as much democracy to complete the euro**

From a political point of view, the Europeanization of France requires a very special political strategy which Macron seems to perceive almost instinctively, even if he did not elaborate much on it<sup>8</sup>. At least not yet. On the contrary, one of his leftist contenders, the Socialist Hamon, introduced the idea of « un arc progressiste ». If Europe is getting closer to a founding moment of democratization<sup>9</sup>, it should not federate states only, but citizens in the first place, at least what is usually referred to as a « constitutional » majority.

Over time, 60-70 % of the French people used to answer « yes » when asked whether sovereign matters, such as the currency, foreign policy, defence and security, should be relinquished to a European system of government. Macron's majority fell, after the first winning pro-European campaign ever in French politics, within that range.

It is to be recalled that the so-called Constitutional Treaty, rejected by a 55 % majority in the 2005 French referendum, combined two major flaws, which were highlighted by recent crises : it left the euro without a common tax-and-spend power, and foreign affairs, the military and intelligence in the hands of member states. Governments and parties, fearing the populist backfire, agreed to think the Dutch and French « no » was a rejection of any Europe, not a demand for « a more perfect Union ».

Macron is betting the other way round : Europeans want a European democracy, no less democratic than member states – a Europe that is a power among world powers, not only a market, however wealthy.

Macron's *En Marche* movement could be seen itself as a potential « arc constitutionnel » (constitutional bow<sup>10</sup>, or even rainbow, by reference to Mandela), including former Socialists (PS) as well as former *Républicains* (LR), and open to all shades of democratic free thinking, from left to right. Parliamentary elections, whether they result in an *En Marche* absolute majority or a German-style « Grand Coalition », will encompass such a large spectrum which is required all over Europe by any future truly cosmopolitical constitutional moment.

Are there any historical precedents in France ?

The last two French constitutional moments are instances of such broad transpartisan foundational alliances. The Fourth Republic (1946) resulted from an alliance between Christian Democrats (MRP), Communists and Socialists. The Constitution of the Fifth Republic (1958), in the context of the Cold War and a post-colonial war in Algeria, was supported by Socialists, Radical democrats, Christian Democrats (MRP), Gaullists and conservative Independents (CNIP).

To the contrary, the two European quasi-constitutional moments in France divided both the Right and the Left : in 1954, the Defence Community fell victim to a now obsolete debate between Atlanticists and a ragtag cast of Soviet-aligned and non-aligned MPs ; in 2005, opponents to the so-called Constitutional Treaty included people from both the Left and the Right who confused the single currency with neoliberalism but rightly anticipated the detrimental effects of an incomplete euro on growth and employment on one side, and people who, « en même temps » or not, criticized the EU's secret, remote, unbalanced and unaccountable institutional framework.

While the 1954 line-up is to be forgotten, 2005 is the matrix of the 2017 new widely transpartisan (or even no-party) configuration of French politics : the Frexit stance on the extreme right, the « B plan » strategy of the « *Insoumis* » movement, and the demand by the more or less radical Left wing (Hamon's Socialists, the « *Insoumis* » and the Communists), for a democratization of the Eurozone are all representative of real European issues to be tackled without delay. This is needed to form a larger alliance able to reconcile more segments of the French population with a re-foundational approach of Europe.

The old Right-Left divide of French politics is inadequate to address the European dilemma of Unity vs. Division. The ideological (and methodological, according to the late Ulrich Beck<sup>11</sup>) gap between the national and the cosmopolitical states of mind are resulting in anachronistic conflicts ; they can be solved through a deeper and fairer democratic debate about the market, the currency and democracy, along the line consistently exemplified by the French economist Michel Aglietta in his most recent works. « The Double Democracy », both national and European, is the title of his last book. It fits in with Macron's emphasis on both a budget and a representation of the Eurozone, if ever the new President is to keep his campaign promise.

### **Liberty *and* equality**

From an ethical point of view, Macron lays claim to the legacy of the French philosopher Paul Ricœur. A cursory review of Macron's statements or his book *Révolution* could leave the reader with the false idea, largely spread by the media, that his political thinking can be summed up easily by a simple formula, just bringing him close to Obama's shade of the Rawlsian liberal egalitarianism<sup>12</sup>. But it would be wrong to stop here. Macron's majority is unusual : De Gaulle 1958, 78,5 %; De Gaulle 1965, 55,2 %; Pompidou 1969, 58,2 %; Giscard 1974, 50,8 %; Mitterrand 1981, 51,8 %; Mitterrand 1988, 54,02 %; Chirac 1995, 52,6 %; Chirac 2002, 82,21 %; Sarkozy 2007, 53,6 %; Hollande 2012, 51,63 %; Macron 2017, 66,1%. The French people gave more than 60 % of their votes in only three circumstances, when they rejected the past (the Fourth Republic and its partitocracy), or a return to the past, be it the abominable description of gas chambers by Le Pen, the father, as a « *détail de l'histoire* » (a detail of history) or the Maurrasian tradition of « integral nationalism » still embodied by Le Pen, the daughter, and her clique.

Notwithstanding quite legitimate explanations of Le Pen's record (33,9%) based on the depleted state of some French « forgotten » regions and cities, Macron's victory does not result from a full and unreserved support of his still blurry European project, but from a firm attachment to both the

euro and the freedom of movement within the EU. And a strong « *plus jamais ça* », never ever again both revisionism and a withdrawal into isolation.

Cosmopolitanism, and by the way any Europeanization of our old nations, begins where the acknowledgment of the Other prevails over the essentialist identitarian perversion of history and law. Macron's cosmopolitanism is no exception, and prevailed over hate mongering. But there is more to Ricœur's legacy than an integration of identity and otherness<sup>13</sup>, a premise, if any, of Europe, in the depths of it. There is the imperative requirement to think opposites together, which Beck defined as a founding principle of any « cosmopolitan vision »<sup>14</sup> (« cosmopolitan » according to the English translation) and of cosmopolitanism, as I mean it, as well : the principle of additive inclusion. Macron's recurrent « *en même temps* » sounds as an echo of the complexity school and Edgar Morin's dialogic, the thinking of the necessary and complementary presence of antagonistic processes or demands, which in its turn is, to Morin's eyes, the very meaning of Europe<sup>15</sup>.

Thinking « *en même temps* » of liberalism and socialism in a pre-constitutional moment is not new : it happens where and when democrats and progressists are facing forces of tradition and reaction, when the Enlightenment is confronted to the Anti-Enlightenment<sup>16</sup>, whether the latter is religious or national. It happened in the French Conseil National de la Résistance. It happened long before among Italian antifascists who even coined *liberalsocialismo*<sup>17</sup> in one single word. This political dialogic came back more recently with Etienne Balibar's concept of *égaliberté*<sup>18</sup>. « *Et la nation et l'Europe* », since cosmopolitanism requires both, a Europeanized France and a denationalized Europe. « *Et la liberté et l'égalité* », since wealth doesn't trickle down by virtue of the market only.

At a time when franco-scepticism is growing in this country – and natio-scepticism in Europe at large<sup>19</sup> – and the self-regulation of markets is legitimately questioned<sup>20</sup>, will Macron be up to the task ? It depends on his sticking to **additive inclusion**.

## NOTES

<sup>1</sup> <https://www.socialeurope.eu/2017/05/varieties-populist-experience/>

<sup>2</sup> <https://www.socialeurope.eu/2017/05/macron-nordic-model/>

<sup>3</sup> My assumption is that Macron's European vision is traceable to « cosmopolitanism » as distinct from cosmopolitanism. Cosmopolitanism refers to the cosmopolitan, who is the citizen of the world. The ethical expression of a world citizenship is the reciprocal right to hospitality and dates back from the Stoicians. But this cosmopolitanism does not speak of world politics, conflicts, inequality, modern interdependence and post-modern interconnectedness, and the need to govern this city-planet of ours, our common home, the only one we can but share. On the contrary, cosmopolitanism points to legal expressions of such a citizenship, transcending nation states . Up to now the only effective one, since the Nurnberg trials, is the concept of crime against humanity, which Macron referred to in Algeria in a speech about colonial wars. To envision human history, Kant adopted a « cosmopolitical point of view », not just a cosmopolitan one. Indebted to Ricoeur, whose work invites us to look at oneself as a foreigner, an Other, Macron should have some idea of Europeans as candidates to a common citizenship beyond their many differences, and of a cosmopolitical Europe as a city-continent, a *res publica*.

<sup>4</sup> [http://www.cvce.eu/content/publication/2005/1/14/4cd02fa7-d9d0-4cd2-91c9-2746a3297773/publishable\\_en.pdf](http://www.cvce.eu/content/publication/2005/1/14/4cd02fa7-d9d0-4cd2-91c9-2746a3297773/publishable_en.pdf)

<sup>5</sup> <https://en-marche.fr/article/meeting-macron-berlin-discours>

<sup>6</sup> <https://www.socialeurope.eu/2017/05/can-macron-move-europe-forward/>

<sup>7</sup> Emmanuel Macron, *Révolution*, 2016.

<sup>8</sup> <http://www.esprit.presse.fr/article/macron-emmanuel/les-labyrinthes-du-politique-que-peut-on-attendre-pour-2012-et-apres-35981>

<sup>9</sup> As highlighted for some time already by our Puissance Europe/*WeltmachtEuropa's Continental Manifesto*, <http://manifeste-continental.eu>. Or by Varoufakis's Diem25 movement (<https://diem25.org/>). Piketty's draft Treaty <https://www.socialeurope.eu/2017/04/treaty-democratizing-euro-area-governance-t-dem/>, supported by Hamon, is pointing in the same direction.

<sup>10</sup> « *Arco costituzionale* » is the usual Italian formula when it comes to naming the spectrum of all antifascist parties.

<sup>11</sup> Michel Aglietta, Nicolas Leron, *La double démocratie*, 2017.

<sup>12</sup> To get an idea of liberal egalitarianism and Rawls's contribution to it, against a broader background of egalitarian thinking, see <https://plato.stanford.edu/entries/egalitarianism/>.

<sup>13</sup> Paul Ricœur, *Oneself as Another* (Soi-même comme un autre), trans. Kathleen Blamey. Chicago: University of Chicago Press, 1992.

<sup>14</sup> Ulrich Beck, *Cosmopolitan Vision*, 2006. Not surprisingly, Beck addresses Germany a severe criticism of its European policy, in *German Europe*, 2013 .

<sup>15</sup> Edgar Morin, *Penser l'Europe*, 1988.

<sup>16</sup> Zeev Sternhell, *The Anti-Enlightenment Tradition*, Yale University Press, 2009. An outstanding insight into the intellectual origins of European (and, notably, French) extreme right ideologies.

<sup>17</sup> The great Norberto Bobbio wrote : « *Liberalsocialismo* was born from the womb of the liberal tradition as a heresy of liberalism, originated in intellectual circles, while liberal socialism, through its many historical appearances from the anarchists to Rosselli [one of the founders of *Giustizia e libertà*, an antifascist movement], was born within leftist movements for whom the subject in history was the working class. If the right-left dichotomy is to be used once more, since it is still mainstream, in spite of a vocal ostracism that condemns it, liberal socialism could be defined as a right-wing socialism and *liberalsocialismo*, on the contrary, as a left-wing liberalism » [the translation is mine]. (Norberto Bobbio, *Attualità del socialismo liberale*, preface to Carlo Rosselli, *Socialismo liberale*, Einaudi, 1997, pp. VIII-IX).

<sup>18</sup> Etienne Balibar, *Equaliberty: Political Essays* (Durham, NC: Duke University Press). Trans. James Ingram, 2014.

<sup>19</sup> Demos, « *Mapping and responding to the rising culture and politics of fear in the European Union...* », London, 2017.

<sup>20</sup> Steve Keen, *Debunking Economics*, 2011.