



561

DECEMBER  
2018EMMANUEL MACRON EATS  
HUMBLE PIE**Francis Ghiles**, Associate Senior Researcher, CIDOB

European Union leaders will hope that the tax concessions announced by Emmanuel Macron will prove sufficient to quell more than a month of violent anti-government protests but the truth is that we are witnessing the same dynamic across the Western world, from Trump's America and Brexit to the Five Star Movement in Italy and the AfD in Germany. Populist movements are on the rise and Europe is increasingly difficult to govern.

The *gilets jaunes* rage was triggered by a rise in fuel taxes which are hard to bear for neglected rural areas and small towns that are more vulnerable to the higher cost of driving, yet with fewer alternatives to affluent cities. Wearing the *gilet jaune* is meant to ensure its wearer is visible on the road. Whatever the outcome of this conflict, the *gilets jaunes* have won the war of cultural representation. Working-class and lower middle-class people are visible again. The new social geography has concentrated employment and wealth in the big cities, leaving a "peripheral France" of rural areas and small towns which is "invisible" in Paris.

Five years ago, the young author Edouard Louis described the reaction of disbelief his manuscript *En finir avec Eddy Bellegueule* (Le Seuil 2014) met after he sent it to Parisian publishers. They could not believe such characters actually existed. The book was eventually published to great acclaim and the author explained that the characters he described suffered from "more than a form of invisibility, a very violent form of exclusion". Set in Picardie, the region north of Paris where Emmanuel Macron grew up, the novel came as a shock to French elites because it reminded them of the existence of people they had gradually forgotten and no longer wanted to see.

Those who protest have good reason to believe the decision-making process is biased against them because they have been at the sharp end of many changes in recent decades. In France and in the UK, many have not forgotten how mishandled deindustrialisation undermined whole ways of life, as did the decline in mining. **Martin Sandbu explains** why "the changes required to tackle climate change threaten to do the same all over again to the same communities, while satisfying the concerns of the urban middle classes. If, on top of this, unfair burden-sharing is justified by what science says we must do, it is hard to resist the temptation to tell science where it must go."

One man of course does not attempt to hide his delight and that is Italy's Eurosceptic deputy prime minister Matteo Salvini. Already angered by Macron's arrogant lecturing to his country on illegal immigrants and attempts to pull the diplomatic rug from under Rome where Libya is concerned, Mr Salvini can now point to Italy's breach in EU limits on budget deficits (2.4% of GDP) being minor when compared to the 3.5% France will witness once the money Mr Macron has thrown at the *gilets jaunes* is toted up. But the two countries situation is quite different: Brussels took action against Rome because of its failure to meet debt reduction targets, not the deficit breach. France's debt stands at 97% of GDP, more manageable than Italy's 132%. Mr Macron's extra spending looks like a one off.

There are two facets to the protests which have engulfed France, one domestic, one international. France has now joined the ranks of most other Western countries where populist parties and protest movements are upending the political game of yesteryear and making the task of government even more difficult. The economic and social flux generated by globalisation over the past generation had no mandate from the people and throughout the West, many saw themselves becoming worst off, incomprehensively walking away from the economic security they had come to expect. The paradoxes thrown up by the unequal distribution of the benefits of globalisation, masterfully analysed by the Harvard economist Dani Rodrik (*The Globalization Paradox: Democracy and the future of the world economy* W.W. Norton 2011), were not recognised until it was too late. Adding insult to injury, the reaction of EU leaders to the financial crisis of 2008 aggravated income disparities and left a deep sense of resentment. No bankers ended up in prison but millions of ordinary people saw their wages cut, lost their jobs or were forced to emigrate. The prism of pain which has seized millions of European voters has made politics more volatile and unpredictable.

There is of course a very French twist to the *gilets jaunes* protests. First of all, violent groups of right and left are more active in France than in the UK or Germany and, in fitting with the romantic revolutionary ideas still popular among many in France, smashing property, burning cars and fighting the riot police is acceptable to many. Second, Mr Macron made the mistake of taking his win in the second round of the presidential elections last year as a mandate for total change, forgetting that it was in big part a rebuke to the right win Ms Le Pen. The French people did not hand him a mandate for the all-out experiment he started. As a political novice, he lacked strong political skills and side-lined more seasoned politicians who might have supplied them.

That said, Mr Macron's goal remains right – stop the debilitating policies that have inhibited wealth creation in France. Such a purpose however faces very stiff opposition from a large entrenched public service (since decentralisation kicked in the 1980s one million new jobs were created in the civil service outside Paris which have not really benefited the economy as a whole), from the trade unions and the bulk of the media. It is also worth remembering that the top 1% pay 25% of income tax. The list of the richest 20 families is basically the same as 30 years ago. France is a *status quo* economy that redistributes wealth rather than creates it and massively favours the incumbents. It taxes away any opportunity in forcing the Procrustean bed definition of equality. Reconciling the French with wealth creation remains as hard as it ever was and, here even more than elsewhere in Europe, the essential contradiction persists – the demand for lower taxes and better public services remains unresolved.

The weeks of protests and Mr Macron's inevitable concessions to protesters could turn him into a lame-duck president. They have already slowed if not destroyed the momentum for reforms on pensions and the health system. They have weakened his hand in the forthcoming European elections. The current wave of protests are different from past ones in that they began and swelled through social media

without organisation or a definable agenda. Opposition politicians scrambled to ride the tiger of public anger but failed as the demands of different groups are very disparate. The violence is part of an ugly mood which is gripping the country as witnessed in the capital of Picardie, Amiens where Brigitte Macron's family are well established manufacturers of fine chocolates. In recent weeks, passers have taken to spitting at the family shop windows. This lack of civility, this violence, has characterised the behaviour of many *gilets jaunes* across France and does not bode well for the future.