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The end of a love affair

Why the left's enthusiasm for Macron wasn't there to stay

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Just last year, social democrats in Germany were still going wild for French presidential candidate Emmanuel Macron. They had fallen in love with the man who had previously been part of socialist president François Hollande's government. Then-Foreign Minister Sigmar Gabriel and social-democratic chancellor candidate Martin Schulz made no secret of how delighted they were to see Macron do so well in the French parliamentary election.

But now the left has become disillusioned with its former hero. In fact, the short-lived romance was followed by a symbolic break-up: President Macron decided to run for the European Parliament elections in May 2019 with the liberal ALDE alliance, in direct competition against the social democrats and their S&D group. How could this happen? Did Macron and the social democrats drift apart? Or have they misunderstood him from the beginning? Clearly the latter. Macron's policies have little to do with social democracy and everything to do with economic liberalism.

French unions already knew what President Macron could mean for them. His labour market reforms – Macron's first prestigious project – make it easier to dismiss staff, cap severance pay and give more power to employers in shaping working conditions. When it comes to tax policy, most French people now believe Macron is a 'president for the rich', after he slashed corporate tax in late 2017 and all but scrapped wealth tax. Pensions were also cut following an increase in social security contributions, and protesting pensioners were harshly reprimanded by Macron.

The regal style of the *Président Jupitérien* is a far cry from the restraint that social-democratic political leaders are typically known for – even before Macron's bodyguard was filmed beating a protester. Macron's theatrical behaviour and indulgence in his presidential privileges has drastically reduced his popularity across broad sections of French society,

even amongst those who have yet to feel the pinch from his economic and social policies.

Macron's policies have so far failed to produce macroeconomic benefits. In fact, the French government recently had to significantly revise down its growth forecast for 2018. French industry continues to decline unabated and the trade deficit only continues to widen.

The German blindness towards Macron

Recently, Macron has faced a broad popular movement against his tax policies. During two weekends in November, thousands demonstrated across France against Macron's new fuel tax, which hit commuters and rural residents faced with public transport cuts. While nothing to with parties or unions, the protests brought traffic to a standstill, leaving one person dead and hundreds injured.

The president's opinion rating is at a record low, even compared to his unpopular predecessor, François Hollande. Polls suggest Macron's party is set to be beaten in the European elections by Marine Le Pen's Rassemblement National. The French people now know Macron's policies and, unlike Germany's dominant media, can see right through their president's flattering pictures, flowery speeches and ceremonious stagings.

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As everyone knows, love makes you blind. Maybe you can turn a blind eye to some odd transgressions against social democracy. But they do add up. And it's not as if Macron has suddenly done a U-turn. He made his position clear very early on, especially after leaving the Socialist Party in 2009 and pursuing a strictly liberal market policy as Hollande's Economy Minister. Back then, this was already very controversial within the socialists' ranks. Macron's En Marche! party's autocratic leadership style also differs greatly from what the German Social Democratic Party (SPD) is used to in party-political democracy.

Macron's meagre plans for the EU

But Macron's policy on the EU – which is social-democratic, after all – will appeal to many of his admirers who don't want to give up on him just

yet. But on closer inspection, this is where the French president shows his ugly side. So far, there have been two initiatives at the forefront of Macron's EU plans: military policy and fiscal consolidation of the eurozone.

At the core of his military policy proposals is a European Intervention Initiative (EI2), focusing on campaigns outside the EU, implicitly in French-speaking Africa in particular. The aim is to take the pressure off the French army. Even if social democrats welcomed this kind of colonial power projection, which is not traditionally seen in social-democratic foreign policy, there are still questions as to how effective such a force would be in situations such as in Mali. What is more, it's hard to imagine social democrats abandoning support for the model of a parliamentary army and being swayed by the French idea of a presidential army.

As for Macron's proposals to consolidate the eurozone, his plans involve creating a common budget and a new EU Minister of Finance to oversee national budgets. Now, social democrats in Germany have legitimate doubts whether handing this power to the EU, which is constitutionally committed to economic liberalism, will promote social-democratic aspects of economic policy.

It's also questionable whether campaigning for a European transfer union would be a smart move for a party like the SPD. It can hardly outdo The Greens when it comes to making liberal gestures of solidarity and won't win over pro-EU academic middle and upper class voters from them. And Eurosceptic voters from the lower and lower-middle classes, who have long felt ignored by the SPD, would only continue to flock to other parties in greater droves.

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Although it's not yet clear which of the competing proposals for a eurozone budget will come to fruition, it's already foreseeable that the budget – with the French Economy Minister already having mentioned €20 to €25bn – would be far from enough to make a real difference in a macroeconomic crisis. But that isn't the main purpose of these plans. Rather, the aim is to give governments such as Macron's a sense of achievement in European politics, making it easier for them to enforce their unpopular supply policy in their own countries. A symbolic consolation prize for driving further economic liberalisation.

Social democrats need to push for a social Europe

Even if social democrats welcomed a consolidated European transfer union, they should be under no illusions about the drawbacks. Looking back at every set of eurozone rescue measures, we can see that every time donor countries make financial commitments, recipient countries see themselves subjected to disciplinary measures. And the higher the financial support is, the harder these measures become. Any social democrat who believes it is possible to negotiate a substantial eurozone budget without it entailing coercive supply measures is dreaming.

The 'Northern Alliance', made up of eight EU member states, has already made clear that it's against these kind of initiatives. These countries could only be won over if additional resources are combined with strong rights of intervention. With the current political situation, implementing Macron's proposals would simply boost right-wing populist parties, which could take a stand against the financial risks to donor countries and against the EU's disciplinary requirements in recipient countries.

Close cooperation between France and Germany is without a doubt important for the future of the European Union. But there should be a more rational balance of interests, taking a social direction, not an economically liberal one. President Macron was certainly the better choice compared to Marine Le Pen. But the obsession with him as the figurehead of social democracy never really made sense. The romance is over.



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