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FYI

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Jake, Thought you might find this useful. Bob



Francois Hollande with prime ministerial contender Jean-Marc Ayrault. (REUTERS/Stephane Mahe)

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Hollande team would have experience and strong mandate

Friday, May 11 2012

Since his election victory on May 6, Francois Hollande's public focus has been on preparing for his inauguration on May 15, and upcoming international meetings and summits. However, behind the scenes he is also selecting his presidential advisors and his prime minister, whose appointment he will announce on May 15. In addition, he is considering the line-up of his first government, assuming the June legislative elections result in a Socialist Party (PS) majority.

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Impact

- Hollande's team will shift economic policy away from liberalisation towards state investment in key sectors to engineer job growth.
- Depending on their performance in the legislative elections, the Green (EELV) party and some hard left figures could be offered minor posts.
- Former President Nicolas Sarkozy's Union for a Popular Movement (UMP) party faces a leadership contest.
- The leadership tussle could affect the UMP's performance in the legislative elections, leading some voters to support the National Front.

What next

The latest opinion polls suggest that the PS will secure a substantial victory in the legislative elections, thereby allowing Hollande to appoint his government from a parliamentary majority. With PS control of the presidency, National Assembly, Senate and most of the regions, Hollande would have a strong mandate to carry out his policies.

Analysis

With less than a week to go before his inauguration (see FRANCE: Hollande win will force EU policy adjustment - May 7, 2012), Hollande is preparing to appoint the prime minister and the team of advisors that will accompany him to the Elysee.

Presidential advisors

Hollande's advisors will counter-balance his lack of experience in government

This team will seek to focus on its economic and financial competence, and counter-balance Hollande's lack of experience as a government minister (see FRANCE: Fiscal pressures limit candidates' options - February 29, 2012):

Pierre-Rene Lemas - secretary general

Lemas is a prefect and currently chief of staff of Senate President Jean-Pierre Bel. He has been close to Hollande ever since they were classmates at the Ecole Nationale d'Administration (ENA), the elite graduate school created by Charles de Gaulle in 1945 to train senior administrators.

Jean-Pierre Jouyet - special advisor

Jouyet is also a former classmate of Hollande's at ENA and a contender for the post of secretary general. Chairman of the French securities regulator since 2008, he has held various high-level positions, including secretary of state in charge of European affairs in Prime Minister Francois Fillon's government of 2007, chief of staff to European Commission President Jacques Delors, head of the general inspection of finances (the French state's interdepartmental auditing body and one of the most prestigious branches of the civil service), as well as stints in the private sector. Given his experience in the previous government, he would play a key role in ensuring continuity and would advise on economic and financial issues and European affairs.

Paul Jean-Ortiz - diplomatic advisor

Hollande has already announced the appointment of Jean-Ortiz, a diplomat who until now was in charge of the Asia department at the Ministry of Foreign Affairs. He has extensive experience in Asia and advised former Foreign Minister Hubert Vedrine from 1997 to 2000.

Emmanuel Macron - vice secretary general

Born in 1977, Macron is currently a banker in mergers and acquisitions at Rothschild in Paris. Also an ENA graduate, he previously worked at the general inspection of finances and could also become the top civil servant at the Finance Ministry.

Candidates for prime minister

Hollande will choose his prime minister from among the following three candidates (in order of probability):

Jean-Marc Ayrault

Of the candidates for prime minister, Jean-Marc Ayrault would be least likely to overshadow Hollande

Mayor of Nantes since 1989, Ayrault is a member of the defence commission at the National Assembly. Formerly a German teacher and known to be Germanophile, he is unknown to most French people. His humble origins and non-ENA background could count in his favour, and he seems to fit Hollande's description of his future prime minister during the campaign: a conciliatory figure who knows him and the parliamentarians well. Ayrault is also the least likely to overshadow Hollande. On May 9, Ayrault announced that party chief Martine Aubry would coordinate the campaign for the legislative elections -- a possible sign that he has already been chosen.

Martine Aubry

Currently Mayor of Lille and head of the PS, Aubry ran against Hollande in the PS primaries and is widely seen as the most experienced and qualified candidate for the premiership. Previously Labour Minister and Social Affairs Minister, Aubry leads opinion polls of PS voters and is joint favourite with Manuel Valls among all voters for the position. However, her lack of esteem for Hollande makes her slightly less likely to be appointed. Also, markets might be slightly spooked if the new government were headed by the politician who implemented the 35-hour working week in 2000. Alternatively, she could be appointed Minister of Culture and Communications.

Manuel Valls

As director of communications during Hollande's campaign, Valls made his mark -- often eclipsing the more senior head of the campaign, Pierre Moscovici (who is still considered to have an outside chance for the premiership or some other ministerial role). As popular as Aubry in opinion polls, Valls's nomination would signal a generational power shift in the PS (he is 49, compared to Hollande and his contemporaries, who are in their late 50s) and would signal a more centrist approach to economic reforms. However, his absence of government experience makes him a more likely choice next time around. As such, he is widely predicted to be appointed Minister of the Interior.

Other ministries

The appointments are subject to the results of the June 17 legislative election. The candidates under consideration would result in a team free of very radical elements; most key jobs would be dominated by 'enarques' (alumni of ENA) and a mix of the more liberal and socialist wings of the PS:

- Finance minister. This could go to Michel Sapin, a parliamentary deputy who has previously served as finance minister.
- Social affairs and employment minister. This has been promised to Marisol Touraine, a parliamentary deputy who is the PS social affairs national secretary, and handled this aspect of Hollande's campaign
- Foreign minister. Laurent Fabius, who served as prime minister from 1984-86, could be a candidate for this role, although Hollande might be reluctant to offer him such an important post given their past differences.

Having promised during his campaign that his cabinet would have gender parity, Hollande will likely consider the following female politicians:

- Elisabeth Guigou, who has served as minister of European Affairs, minister of Justice and minister of Social Affairs and Employment, as well as a member of the National Assembly and the European Parliament.
- Segolene Royal, Hollande's ex-partner and mother of his four children, lost to Sarkozy in the second round of the 2007 presidential election. While she will unlikely get a top ministry, her experience -- she has served as minister of Family, Children and Disabled persons, minister of Family and Children, minister of Education (1997-2000) and minister of Environment -- makes her a strong candidate.

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