

30 September 2024

France: Analysis of New Michel Barnier Government

KEY TAKEAWAYS

- The new government is a coalition of right-wing Les Républicains, President Macron's centrist Renaissance party and smaller allies like Horizons, Modem, UDI (Union of Independent Democrats) and Parti Radical (Radical Party). It includes **41 members, with 16 full-fledged ministers**.
- It reflects a strategic reorganization, with a total of six ministries reporting directly to Matignon, including key areas like Europe, Budget & Public Accounts and Overseas Territories, highlighting the Prime Minister's increased oversight.
- The new government prioritizes regional engagement, appointing senators to key roles (the Senate historically represents the territories) and creating a "super ministry" of Partnership with the Territories and Decentralization.
- Prime Minister Barnier will deliver his General Policy Statement at the opening of the ordinary session of Parliament on 1 October, which will be followed by a vote on the motion of no-confidence from the Socialist group with support from the left-wing coalition. Budget discussions for 2025 will follow and are likely to be stormy.

BACKGROUND

- After a significant loss in the 9 June European elections, President Emmanuel Macron dissolved the National Assembly, leading to new legislative elections. The result is a fragmented National assembly with three dominant blocs:
 - **Left-wing coalition (193 MPs):** Nouveau Front Populaire, Socialist Party, France Unbowed, Communist Party and The Greens.
 - **Macron's former majority (166 MPs):** Ensemble and allies.
 - **Far-right (142 MPs):** Rassemblement National.
- President Macron chose Michel Barnier as Prime Minister after lengthy consultations, choosing a leader less likely to face immediate censure by the National Assembly. He is a seasoned right-wing politician, having served in multiple French and European roles, including as the EU's chief Brexit negotiator.

GOVERNMENT CHANGES

Composition

The [composition of the new government was announced on Saturday](#), 21 September, two weeks after Michel Barnier's arrival at Matignon. Key elements include:

A fragile political balance in fragmented parliament. The new government includes representatives from President Macron's party and his traditional allies Modem and Horizons alongside the right-wing Les Républicains, giving Prime Minister Barnier the support of

around 220 MPs. It is the biggest group of the National Assembly (ahead of the left-wing NFP coalition of 193 MPs) but far from the absolute majority of 289 MPs, making it a fragile coalition to govern that will need allies from other parties to pass bills. Barnier insists this is not a typical cohabitation between opposing parties. The government includes ministers who have worked with President Macron since 2022, reflecting a delicate balance.

The government includes 12 representatives from Macron's party, 10 from Les Républicains, three Mouvement Démocrate (MoDem), two Horizons, two Libertés, Independents, Overseas and Territories (LIOT), center-left to center-right, and one minister from the left wing. This balance ensures Macron's continued influence with key ministers like Catherine Vautrin (Territories & Decentralisation), Anne Genetet (Education), Sébastien Lecornu (Armies), Agnès Pannier-Runacher (Ecological transition), Astrid Panosyan-Bouvet (Labor), Guillaume Kasbarian (Civil Service) and Antoine Armand (Economy), as well as the highly important ministry of the Budget and Public Accounts, held by Laurent Saint-Martin. However, heavyweights from Macron's previous government, like Gérald Darmanin (Interior) and Bruno Le Maire (Economy), have stepped down.

Return of conservative line. The cabinet features prominent conservatives like Bruno Retailleau (former head of the party in the Senate), Laurence Garnier (Consumer Affairs), Patrick Hetzel (Higher Education and Research, former Member of the National Assembly for Bas-Rhin) and Annie Genevard (Agriculture, former Member of the National Assembly for Doubs). All have opposed policies such as same-sex marriage and constitutionalizing abortion, with some of them speaking out against the ban on conversion therapies.

Didier Migaud, the only left-wing member of the government, is a former Socialist Party MP for Isère and was President of the Cour des Comptes (the supreme body for auditing public funds in France). He also served as President of the Haute Autorité pour la Transparence de la Vie Publique (High Authority for Transparency in Public Life) before being appointed Minister of Justice. He now holds the second-highest rank in the government.

This government is emphasizing regional engagement. The government has appointed many senators and local representatives, marking a shift from previous technocratic governments. Nine senators joined the government, and that number rises to 10 if Valérie Létard—who recently transitioned from the Senate to the National Assembly—is included. The appointment of Catherine Vautrin as head of a "super ministry" of Partnership with the Territories and of Decentralization further reflects this commitment to re-engaging with local officials. Vautrin is third in the government's protocol order and is supported by three Minister Delegates: Françoise Gatel (Rurality, Trade and Crafts), François Durovray (Transport) and Fabrice Loher (Sea and Fisheries).

Gender parity in absolute numbers, less in practice. While the government has equal representation in total, women hold few influential roles as full-fledged ministers, with only eight out of 18 being female. Women mostly do not hold any key government positions but are in the majority among minister delegates and secretaries of state.

Reorganization

Prime Minister Barnier has made key changes to the ministerial structure, with six ministries reporting directly to him, giving him control over significant areas:

- **Budget.** Laurent Saint-Martin (Renaissance) is the Minister for the Budget and Public Accounts, reporting to Barnier rather than the Minister for the Economy and Finance. This gives the prime minister more oversight of the 2025 budget amid financial challenges.
- **Europe.** Benjamin Haddad (Renaissance), the new Minister Delegate for Europe, reports to the Foreign Affairs Ministry and the prime minister, allowing Barnier to maintain close involvement in European affairs alongside President Macron, especially as the government is due this fall to present its plan to reduce the public deficit to the European Commission.
- **Overseas Territories.** François-Noël Buffet (Les Républicains) heads the Ministry of Overseas Territories, a key post following recent crises in France's Overseas Territories of New Caledonia, Martinique, Guadeloupe and Mayotte.
- **Economy.** The Ministry of Economy and Finance has been weakened under new leadership by Antoine Armand, a relatively young MP. Key responsibilities, such as the Budget, have shifted to the Prime Minister's office, while the Energy Ministry is now part of the Ecology Ministry. Control over Digital Affairs has also been transferred to a different ministry.
- **Ecology and Energy.** The relative importance of ecological and energy issues remains unclear. While ecological and energy planning remains within the Prime Minister's remit, Michel Barnier recently disconnected the General Secretariat for Ecological Planning (SGPE) from his offices to appoint in his staff a new head of environmental affairs, Vincent Le Biez, a specialist in energy and nuclear issues. In addition, while the Ministry of Ecological Transition, headed by Agnès Pannier-Runacher, regains the Energy portfolio on its agenda with Olga Givernet as Minister Delegate for Energy, it has lost key responsibilities such as Housing, Transport and Territorial Cohesion, which have been transferred to other ministries.
- **New Coordination Ministry.** A newly created Ministry of Government Coordination, an innovation specific to this government, reports to the Prime Minister and is entrusted to Marie-Claire Carrère-Gée, a former Les Républicains Senator from Paris, to ensure cohesion within the government. The role is unusual but reflects the diverse makeup of the administration **and the need for a dedicated function for strong coordination.**

UPCOMING MILESTONES

- In the coming days and weeks, the government will officially publish details about each minister's portfolio, priorities and the teams supporting them in the *Journal Officiel*. This will clarify which officials handle specific issues and how to approach them for engagement.
- Michel Barnier outlined his agenda in a France 2 TV interview, pledging to protect social reforms, revisit pension changes (thus addressing left-wing priorities) and take a firm stance on immigration (addressing a far-right priority). His goals include reducing fiscal and ecological debt to maintain international credibility, with an emphasis on tax fairness (especially for the wealthy and largest corporations) and improving public spending efficiency. Mental health is also set to be a major national cause for 2025.

- On 1 October, the prime minister will present a more detailed **government program** in his **Déclaration de Politique Générale (General Policy Statement)**. However, the **government faces a potential vote of no-confidence from the left-wing opposition**, which criticizes it for leaning too far right. While the left alone can't bring down the government, the far-right National Rally party aims to use its newly found influence to push its ideology in upcoming legislative debates.
- On 9 October, the delayed **Finance Bill (PLF)** and **Social Security Financing Bill (PLFSS)** for 2025 will be presented. This budgetary sequence is expected to be contentious due to France's financial challenges and the lack of a clear majority in parliament.
- Several ministerial appointments have **freed up key positions in the French National Assembly and Senate**: a vice presidency of the National Assembly, held by Annie Genevard (now Minister of Agriculture); the presidency of the Economic Affairs Committee (held by Antoine Armand, new Minister of the Economy), Social Affairs (Paul Christophe, Minister of Solidarity, Autonomy and Equality between Women and Men) and Foreign Affairs (Jean-Noël Barrot, Minister of Europe and Foreign Affairs). These positions will be filled through new elections, likely under tense conditions due to the tense climate in the absence of a majority.

RECOMMENDATIONS IN THE CURRENT POLITICAL CONTEXT

- **Understand the new dynamics:** The new distribution of seats between three major blocs makes the formation of coalitions essential to adopt reforms. Prime Minister Barnier will emphasize a culture of compromise in Paris drawn from his experience in Brussels. Entities seeking to advance their proposals must carefully consider the priorities and influence of each political faction within these coalitions.
- **Strengthen engagement with the Senate:** The finalization of bills may be organized in priority between the government and the Senate because the Barnier government is made up of a significant number of senators and subject to the unstable tripartition of the Assembly. It is essential to build or maintain strong relationships with these senators.
- **Expand beyond parliament and the government.** Catherine Vautrin's appointment as Minister for Partnership with the Territories and Decentralization highlights the growing importance of local governments. Regions that hold decision-making power on many business-related issues will become particularly relevant levers for influencing public decision-making. Also, the government's administrative bodies continue implementing laws and making more technical decisions, providing continuity in a moment of uncertainty, while the EU remains a guide for multinational companies.
- **Stay neutral and objective.** Maintain a nonpartisan approach in proposals to maintain the ability to interact with all decision-makers, now and in the longer term, as the situation changes.
- **Adopt a collective approach.** Reassess participation in professional associations to ensure alignment with goals and consider forming new coalitions to advance shared interests.
- **Think long term.** Start preparing for the next political milestones. Build relationships with an eye toward future shifts, including potential government changes, new snap elections, upcoming municipal elections in 2026 and the presidential election in 2027.