

# FINANCIAL TIMES

Last updated: May 6, 2012 10:01 pm

## Hollande takes French presidency

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By Hugh Carnegie, Ben Hall and Scheherazade Daneshkhu in Paris and James Boxell in Tulle



Socialist Party's François Hollande gives a speech after the results of the second round of the 2012 French presidential election

François Hollande grabbed victory in the French presidential election on Sunday, defeating Nicolas Sarkozy, who became the latest victim of an anti-incumbent backlash that has felled leaders across the eurozone.

The 57-year-old Socialist leader, whose cheering supporters flooded on to the streets around the Bastille monument in Paris to celebrate the first presidential win for the left since 1988, said his election signalled a hope for Europe that "austerity does not have to be inevitable".

Speaking in his rural base in Tulle in southern France before flying back to join the Bastille crowd, Mr Hollande said his mission was to give Europe a dimension of growth and prosperity. "That is what I will say as soon as possible

to our European partners and above all to Germany, in the name of friendship and responsibility.”

Mr Hollande has vowed not to ratify the EU's new fiscal discipline treaty unless new growth-promoting measures are added, putting him on a potential collision course with Angela Merkel, Germany's chancellor. The two spoke on Sunday night when Ms Merkel called to congratulate him, a senior aide said.

Mr Hollande, who has never held ministerial office, had won 51.62 per cent of the vote, versus 48.38 per cent for Mr Sarkozy - a closer margin than had been predicted over the past month and a shade less than the 51.8 per cent achieved in 1981 by François Mitterrand, when he beat Valéry Giscard d'Estaing in 1981, the last time a Socialist challenger

Mr Sarkozy, the eighth leader of a eurozone country to be replaced or swept from office in little over a year, quickly conceded defeat. “France has a new president of the republic. It is a democratic, republican choice,” he said.

He said he had called Mr Hollande to wish him good luck. “It will be difficult [for him] but I wish with all my heart that France will succeed in overcoming its challenges.”

European politicians face the voters



**Britain** David Cameron will this week try to relaunch the UK coalition with a commitment to focus on the economy, but risks being drowned out by a clamour from his own party to tack to the right after a poor performance in regional elections

**Italy** Two days of local elections that began on Sunday are seen as the first gauge of the national mood since Mario Monti's technocrat government took office in November, with the main parties fearing a backlash against their support of the prime minister's austerity measures and their own corruption scandals.

Mr Sarkozy led France for a turbulent five years, energetically pushing through some overdue economic reforms but alienating many of his compatriots with what they saw as an impetuous and divisive approach to government. He is only the second French president of modern times to fail to win re-election.

Mr Hollande campaigned on promises of higher taxes on business and top earners, subsidies for companies taking on younger and older workers, a partial reversal of the rise in the retirement age to 62, and a balanced budget by 2017.

Striking a deal with Berlin over the new fiscal treaty will be one of many challenges in a tough first six weeks for the president-elect.

He must also name a prime minister, form his presidential staff, smooth down France's allies at a Nato summit in Chicago over plans to withdraw French combat troops from Afghanistan by the end of 2012, and secure a majority in parliamentary elections on June 10 and 17.

Mr Hollande's win ends a long and painful wait for the Socialist party which last saw a presidential victory in 1988 when François Mitterrand won a second term in office. It will also help to erase the bitter memories of 2002 when the centre-left was eliminated in first round by a resurgent far-right National Front.

**Germany** Angela Merkel's centre-right CDU may be forced into a "grand coalition" with the centre-left SPD in the north German state of Schleswig-Holstein, with the two parties running neck-and-neck after Sunday's local election.

**Serbia** President Boris Tadic and his challenger Tomislav Nikolic were heading for a run-off with internal party polling late on Sunday suggesting both parliamentary and presidential elections were extremely tight

Mr Sarkozy's defeat, meanwhile, is likely to trigger bitter recriminations within the centre-right UMP party over his campaign strategy of courting far-right voters with an increasingly tough line on immigration and Europe.

Mr Hollande and Mr Sarkozy fought a long and occasionally bad-tempered campaign, which was marked by a resurgence of the far-left and far-right, which both espoused strongly eurosceptic, anti-market and anti-globalisation views. A first round score of 17.9 per cent by Marine Le Pen, the National Front candidate, stunned the political class.

Turnout in Sunday's run-off was 80.34 per cent - slightly higher than the 79.5 per cent during the first round vote on April 22,

when Mr Hollande came top.

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