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From Bayrou to Lecornu:

Navigating France's Political

Deadlock

By

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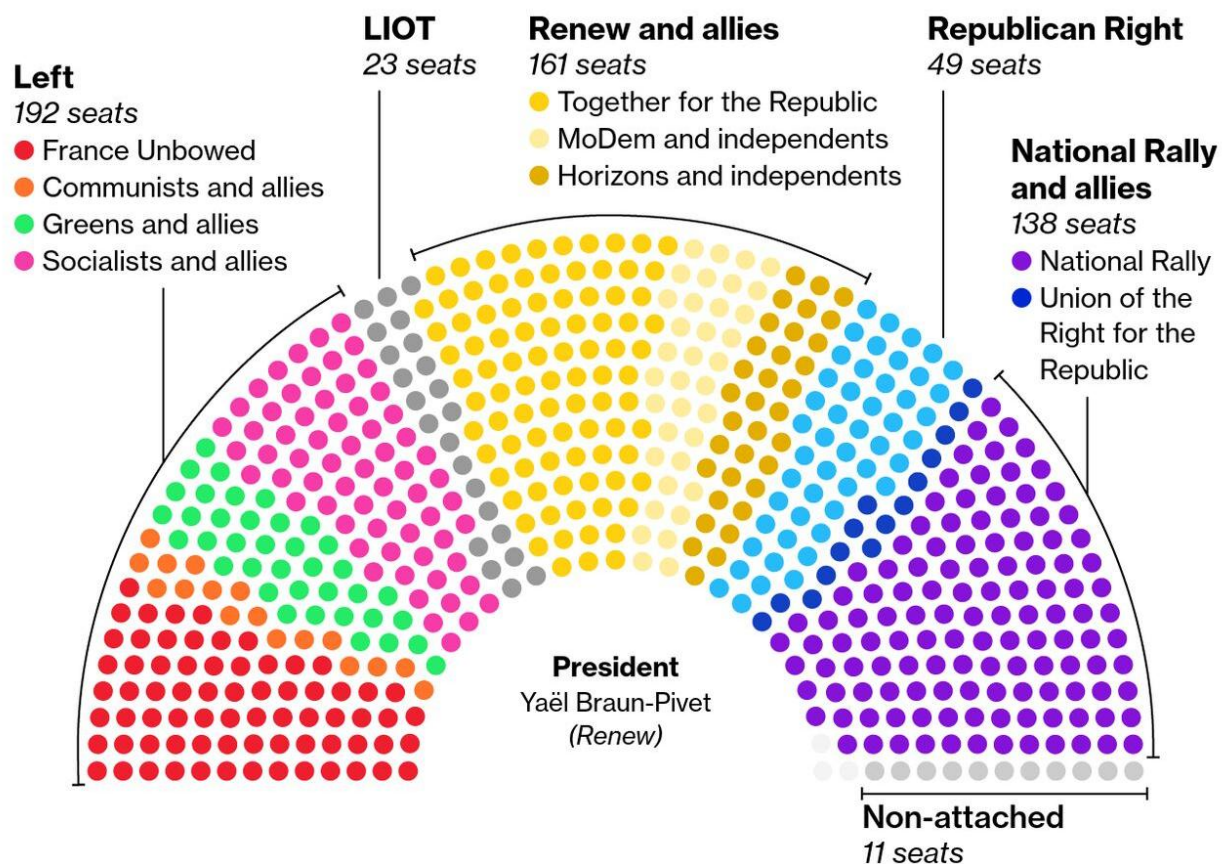
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Executive Summary

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- ✦ François Bayrou was ousted as Prime Minister after losing a confidence vote tied to his austerity budget plan.
- ✦ Emmanuel Macron appointed Sébastien Lecornu, his close ally and former defence minister, as the new prime minister.
- ✦ Lecornu's main challenge is to secure parliamentary support for the 2026 budget in a highly fragmented National Assembly.
- ✦ The appointment triggered sharp political reactions across the spectrum.
- ✦ Budget negotiations hinge on possible compromises, including a proposed wealth tax backed by Socialists and resisted by conservatives.
- ✦ Failure to pass the budget could lead to the dissolution of parliament and potentially force early elections, deepening France's political crisis.

Key Picture: France's National Assembly - Party Distribution



Source: [French National Assembly on Bloomberg](#) (28 August 2025)

1. Bayrou's Ousting: The Background

On September 8, François Bayrou lost a confidence vote after just nine months as prime minister, bringing down his minority government and throwing France into political turmoil. The no-confidence motion passed with 364 deputies opposed to his leadership, while only 194 backed him. Bayrou had initiated the vote himself in a final attempt to secure parliamentary approval for his austerity program aimed at cutting public debt.¹ The outcome deepens France's political turmoil, with Bayrou becoming the fourth prime minister in a little over a year to fall.²

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Right before the confidence vote, Bayrou appealed for unity in a bid to secure backing both for his premiership and for his program to cut public expenditure. He warned that France's mounting deficits endangered its stability, stressing that the nation's debts would burden future generations and expose the country to the power of foreign creditors.³

Bayrou tied his political future to winning parliamentary backing for a budget designed to cut a deficit nearly twice the EU's three-percent limit and tackle a debt burden equal to 114 percent of GDP.⁴ His proposals aimed to reduce France's deficit from 5.4 percent of GDP at the end of 2025 to 4.6 percent the following year.⁵

In a final plea ahead of the vote, Bayrou cautioned that France's borrowings had climbed to €3.415 trillion.⁶ However, any expectation that his warnings of financial catastrophe might persuade his opponents was swiftly dispelled. Without a majority in the National Assembly, Bayrou faced a united front of the left and the far right, leaving his downfall inevitable.⁷

2. Lecornu Appointed Prime Minister

On September 9, President Emmanuel Macron appointed his close ally Sébastien Lecornu as France's new prime minister, just a day after Bayrou was ousted in a confidence vote. Lecornu was widely seen as a leading contender for the role, having served the past three years as defence minister with a focus on France's response to Russia's war in Ukraine.⁸

Lecornu has signalled his intention to pursue a markedly different course from Bayrou. His central challenge will be formulating a budget acceptable to both Les Républicains and the Socialists, the very parties that united to bring down Bayrou. The two sides remain deeply divided over how best to reassure markets and investors regarding the sustainability of France's public finances.⁹

Lecornu faces the challenge of forging a consensus with opposition parties if his minority government is to secure passage of the 2026 budget. According to the Elysée Palace, he has been assigned the responsibility of engaging with parliamentary groups to establish the agreements necessary for adopting the budget and for future policy decisions. It was further noted that the formation of his government would follow only after these consultations were completed.¹⁰

Lecornu's appointment as prime minister does not alter the balance of power in France's fractured parliament, where Macron's centrist coalition remains exposed to challenges from both the far left and Marine Le Pen's unpredictable far right. To gain parliamentary approval, the new premier is likely to be compelled to scale back Bayrou's €44 billion fiscal plan.¹¹

Indeed, reactions to Lecornu's appointment revealed sharp political divides. Marine Le Pen condemned Macron for retreating into a circle of loyalists and predicted early elections with Jordan Bardella as prime minister. The Socialist Party warned of the risk of social unrest and institutional paralysis but left the door open to negotiations. Les Républicains leader and outgoing interior minister Bruno Retailleau struck a more conciliatory tone, expressing willingness to cooperate with Lecornu to build a national majority. By contrast, Greens leader Marine Tondelier dismissed the move as a provocation, while Jean-Luc Mélenchon of LFI argued that only Macron's departure could end the political impasse.¹²

In addition, when Lecornu was appointed prime minister, widespread protests broke out across France under the banner of the "Block Everything" (Bloquons tout) movement.¹³ Protesters, drawing support from unions, students, and left-wing groups, demonstrated against planned budget cuts, perceived austerity, and political instability.¹⁴

3. What Happens Next?

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Lecornu has pledged a decisive break from previous politics. He has emphasised a more measured and pragmatic approach, but now faces the formidable challenge of securing sufficient support in a fractured parliament to pass the budget. However, Lecornu is widely viewed as embodying continuity rather than change. He has been a fixture in government since Macron's first election in 2017 and is regarded as one of the president's most trusted allies. His close relationship with Macron has even earned him the reputation of being the president's political protégé.¹⁵

Thus, opposition parties, which had hoped for a sharp change in direction, cautioned that they remain deeply critical and that a misstep could quickly expose Lecornu to a no-confidence vote. With parliament split between the left, the far right, and the centrist bloc, negotiations over next year's budget must be resolved in the coming weeks despite deep partisan divisions.¹⁶

Lecornu's challenge is to expand support beyond Macron's centrist bloc to secure the votes needed to pass legislation, beginning with the budget. Although speculation arose after he hosted Marine Le Pen for a private dinner last year, no alliance is expected, as her focus remains on forcing new parliamentary elections to position the National Rally for power and ultimately the presidency in 2027. Thus, Lecornu is instead seeking to engage the Socialists and the moderate left, who are pressing for the adoption of the so-called Zucman tax, a two percent levy on the wealth of households with assets exceeding €100 million.¹⁷

Economist Gabriel Zucman, after whom the proposed wealth tax is named, argues it could generate up to €20 billion annually, though critics warn it might trigger capital flight, particularly to Italy, and raise as little as €5 billion. Despite such concerns, some of Macron's allies are warming to the measure as a way of targeting the ultra-wealthy, while the National Rally has outlined alternative conditions for supporting Lecornu's budget, including sweeping cuts tied to immigration, EU contributions, public spending, renewable subsidies, and fraud. Lecornu, however, may be able to advance the budget without far-right backing if he secures Socialist support.¹⁸

4. Establishing A New Government: The Challenges

Tasked with forming a government and securing approval for the 2026 budget in a fragmented parliament, Lecornu must win at backing from either the left or the far right, a prospect that will almost certainly require substantial revisions to existing fiscal plans. Lengthy negotiations are therefore expected, with any eventual compromise likely to soften the pace of budget consolidation. Should Lecornu fail to assemble a workable coalition, the likelihood of new parliamentary elections would rise, though Macron's own resignation remains highly improbable.¹⁹

4.1 New election?

However, if Lecornu fails to pass the budget in December, Macron may be forced to dissolve the Assembly, and another electoral setback would intensify calls for his resignation. Such an outcome would represent an unprecedented development in France. Macron's loss of authority in areas such as European and foreign policy would mark a sharp departure from past precedents of cohabitation. Combined with the polarisation since the 2022 elections and the failed 2024 dissolution, the current crisis risks driving France toward a fundamental institutional transformation.²⁰

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⁵ Leila Abboud, Sarah White, and Ian Johnston, "French government collapses as PM François Bayrou loses confidence vote", *The Financial Times*, accessed 14 September 2025, <https://www.ft.com/content/7122b003-71c8-41e1-a968-1cc81f736939>.

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⁸ Paul Kirby, "Macron names ally Sébastien Lecornu as new French PM", BBC, accessed 14 September 2025, <https://www.bbc.co.uk/news/articles/crmenp1k0mjo>.

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¹¹ Ibid.

¹² Aurélie Pugnet, "Macron appoints defence minister to head French government", Euractiv, accessed 14 September 2025, <https://www.euractiv.com/news/macron-appoints-defence-minister-to-head-french-government/>.

¹³ Stephane Mahe and Juliette Jabkhiro, "'Block Everything' protests sweep across France, scores arrested", Reuters, accessed 14 September 2025, <https://www.reuters.com/world/europe/block-everything-protests-sweep-across-france-scores-arrested-2025-09-10/>.

¹⁴ Angelique Chrisafis, "'My first barricade': French protests unite teachers, gilets jaunes and students", *The Guardian*, accessed 14 September 2025, <https://www.theguardian.com/world/2025/sep/10/my-first-barricade-latest-french-protests-unite-people-from-variety-of-backgrounds>.

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¹⁷ Peter Conradi, "Can France's 'gherkin' PM get Macron out of his pickle?", *The Sunday Times*, accessed 14 September 2025, <https://www.thetimes.com/world/europe/article/new-french-prime-minister-sebastien-lecornu-le-pen-hxbjfrkzj>.

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