

“McKinseyGate” scandal hits Macron ahead of French presidential election

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On March 25, the French Senate announced that it was pursuing legal action against management consultancy firm McKinsey. The investigation was led by Senator Eliane Assassi, a member of the Stalinist French Communist Party (PCF). McKinsey is accused of evading hundreds of millions of euros of tax as it advised the Macron government on COVID-19 policy, and of perjury, for lying about this to a Senate committee.

The report detailed massive financial corruption inside the Macron government. It has awarded McKinsey €2.4 billion in consultancy fees since 2018, including over €1 billion in 2021. The real total is probably higher, as the investigation only probed the most prominent sections of the administration. Despite a turnover of €329 million, McKinsey did not pay a cent of corporation tax in 2020.

The report stated that the government’s use of consultancy firms “had become a reflex” and that McKinsey and other firms were involved in “most of the major reforms” of the Macron government, including attacks on pensions, housing, and unemployment benefits. While private consultancy firms including McKinsey have been utilized by previous French governments, Macron massively expanded their use.

Perhaps most explosively, McKinsey advisers were reportedly at the heart of Macron’s vaccine-only policy on the pandemic, and its refusal to implement basic social distancing measures to eliminate circulation of the virus—even as over 142,000 people died in France.

US-based McKinsey has an annual revenue of \$10 billion and offices in 65 countries. It charges governments and private companies exorbitant fees for “strategic management” advice, which typically leads to savage assaults on the working class. A Macron

spokesperson inadvertently underlined McKinsey’s parasitism by citing the fact that the UK government has paid the firm 40 times more than the French government in recent years. McKinsey gained particular notoriety for its role in the ongoing privatization of the British National Health Service.

On Sunday, Macron’s initial response was to deny any wrongdoing, insisting “no contract is awarded in the Republic without respecting the rules of public procurement.” Speaking in Dijon on Monday, however, he distanced himself from the McKinsey affair, stating: “I am not the one that signs the contracts.” On Wednesday, his spokesperson vowed to reduce spending on outside consultancy by 15 percent.

There are extensive ties between McKinsey and Macron’s Le Republique En Marche (LREM) party. Paul Midy, deputy director of LREM, was a partner at McKinsey from 2007 to 2014. Mathieu Maucourt was a project leader at McKinsey for three years before becoming a political director for LREM and is now part of the state secretariat. Etienne Lacourt was on LREM’s direction committee until 2018 before being hired as a partner by McKinsey.

There can be little doubt that McKinsey’s evasion of taxation and their role in advising the Macron administration have a criminal character. Clearly, moreover, it has been an open secret in French government, judicial and media circles for some time. The Senate report, itself in preparation for over four months, is being brought to the fore on the eve of the upcoming presidential election.

In the run-up to the first round of the presidential election, scheduled for April 10, rival candidates are criticizing Macron over the scandal, pointing to close ties between the US-based multinational and Macron’s LREM.

Far-right candidate Marine Le Pen tweeted, “With Emmanuel Macron, McKinsey, which cost you €1 billion last year for very vague missions, will continue to gorge itself on public money, not pay taxes and lie to the Senate!” Unsubmissive France candidate Jean-Luc Mélenchon responded by claiming that “with me, consulting groups will be gone.”

Les Republicains (LR) candidate Valérie Pécresse stated on Wednesday that “it seems the government has something to hide.” Pécresse supporter Xavier Bertrand described the report’s findings as a “state scandal,” calling for an enquiry into the state’s use of consultancy firms.

The rival candidates’ condemnations of Macron’s corrupt deals with McKinsey are utterly hypocritical. LR candidate Pécresse worked alongside McKinsey consultants during her tenures as Minister of Higher Education and Minister of the Budget under former French President and convicted criminal Nicolas Sarkozy. Xavier Bertrand also worked alongside McKinsey consultants.

LR’s eagerness to discredit Macron over a consultancy firm to which they are also tied reflects their eagerness to shed their own popular association with rampant corruption. The corruption cases brought against Sarkozy, who was convicted of illegal wiretapping last year, and against 2017 LR presidential candidate François Fillon are still fresh in public memory.

Candidates Jean-Luc Mélenchon of Unsubmissive France and Fabien Roussel, of the Stalinist PCF, have supported the pandemic policy advised by McKinsey and pursued by the French financial aristocracy from the beginning of the pandemic. This support was crucial in imposing policies of mass infection and death on the working class, alongside a continuous stream of bailouts to line the pockets of the corporations and the super-rich.

The focus on McKinsey, which is just one of an entire thieves’ nest of consultancy firms around the French government, underlines the cynical nature of this campaign. In reality, McKinsey accounts for only a small part of the French government’s outlay on private consultancy firms. According to the Senate report, from 2018 to 2020, 1 percent of the state’s consultancy expenditure went to McKinsey, 5 percent to Capgemini, and 10 percent to Eurogroup.

Amidst the scandal, reactionary anti-vaccine activists have jumped on McKinsey’s relationship to Pfizer to denounce any measures taken to stem the spread of the virus.

Pfizer CEO Albert Bourla and Chief Business Innovation Officer Aamir Malik are both former employees of McKinsey, which advised governments to buy Pfizer vaccines. McKinsey’s advice to buy vaccines was no doubt associated with criminal profiteering, which netted Pfizer alone some €30 billion in profits. Their principal crime, however, was not that they advocated the use of life-saving vaccines, but that they collaborated with the French government to refuse to scientifically implement life-saving social distancing measures.

The whole sordid affair simultaneously exposes both Macron, popularly dubbed “the president of the rich,” and his electoral rivals. All of them are complicit in the funnelling of trillions of euros of public money into private hands that occurred throughout Macron’s presidency—whether it be from stock market speculation, corporate bailouts, or large government contracts. Under the cover of the pandemic, moreover, this wealth accumulation was dramatically accelerated.

In the final analysis, what the McKinsey scandal has revealed is not the personal corruption of a single man, party, or consultancy firm, but the corruption and parasitism of the entire social order dominated by the capitalist class.



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