

Political Reshuffling in France: a Potential Land Shift?

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French elections are often described as the defining moment of the unity or division of French society. Widely commented and followed abroad, the election of Emmanuel Macron at the Presidency of the Republic paves the way for new types of political governance – away from the traditional right-left confrontation – which could lead to an unprecedented renewal of political leadership.

If the results of legislative elections validate survey forecasts, a political force of a new type, wished by pioneers like French politician Jean Lecanuet, would emerge. This movement, which represents a potential land shift, should not prevent one from paying attention to the main provisions of the emblematic political initiatives that are taking shape:

- Making labour law more flexible,
- Reducing salary costs by increasing the General Social Contribution (*Contribution Sociale Généralisée, CSG*)¹ – from which job seekers and pensioners could be exempted,
- Reaffirming France's ambitions for Europe,
- Presenting a law to moralise the French political life,
- Building an attractive environment for innovative companies,
- Reducing the taxation of tangible assets with the partial suppression of the Solidarity Tax on Wealth (*Impôt de Solidarité sur la Fortune, ISF*)².

The extent to which the French people will support these measures will confirm or reject the hypothesis of the end of the left-right divide and the emergence of more innovative political forces, in opposition with the traditional exercise of power which has prevailed over nearly sixty years.

The results of the legislative elections of 11 and 25 June next could thereby be the marking point for a long-lasting division between conservative and progressive forces, which shape French society.

¹ The CSG is a tax, which diversifies the financing of social protection in France; the CSG is collected, at different rates, on salaries and bonuses, retirement pensions and unemployment benefits, property income, investment income, and gambling income.

² The ISF is a tax paid by physical persons with over €1,300,000 in assets. The ISF is enforceable against people established in France, on their assets located in France and abroad, as well as against people without tax residence in France whose assets located on French territory exceed the €1,300,000 threshold.

