



# France Report

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## Sustainable Governance Indicators 2018

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## Executive Summary

France enjoys solid institutions of governance – the most stable, consensual and efficient period over the past 200 years, marked only occasionally by dubious constitutional experiments. Yet, the country has struggled to effectively address the challenges associated with Europeanization and globalization. The institutional system has been weakened by the rise of populist parties: primarily the National Front but also the radical left led by Mélenchon, which advocates a strange mixture of statist economic proposals and libertarian political choices. Both populist manifestations express a deep distrust between segments of the population and the political class. In the wake of President Trump's election in the United States and of the Brexit referendum in the United Kingdom, there were fears that Marine Le Pen might be the winner of a polarized presidential election in France, which has raised serious doubts about the country's capacity for systemic reforms.

Coming to power in 2012, President Hollande initially attempted to reverse his predecessor's reforms, but further economic collapse soon led to a U-turn, and the adoption of supply-side reforms and more budgetary discipline. Deep division within the Socialist Party and the government combined with the president's confused communication style and lack of clear commitment to policies discredited the government. As a result, the potential political benefits of these limited but important reforms (i.e., labor market reforms, business tax cuts, liberalization measures and budgetary consolidation) have been marred. Overall, the policy changes were steps in the right direction, but insufficient to meet future challenges. The characteristic gap between real (if limited) change and immobile concepts, and between liberal reforms and the traditional statist interventionist discourse persisted under President Hollande. As a result, the Socialist Party was deeply divided between social-democrat reformists and leftist radicals.

The division was so deep and the popularity of President Hollande so low that Hollande renounced his candidacy for the 2017 presidential election, leaving the Socialist Party divided and directionless. The open primaries organized in January 2017 left the floor to the most radical elements of the party, contributing to the elimination of the reformist candidate (the former prime minister, Valls) and to the selection of a leftist candidate (Benoît Hamon). Hamon's leadership proved to be deprived of charisma and unable to reunify

the Socialist Party. On the right side of the political spectrum, the landslide victory of François Fillon, who presented a strongly conservative program, and the very high turnout at the open primary organized by the Républicains and the centrists in November 2016 (4.4 million voters) seemed to indicate the certainty of Fillon's victory. However, paying for a political scandal related to the hiring of his wife and children with public money, Fillon only came third in the first round of the presidential election and was eliminated, leaving the floor to two different outsiders and challengers to the traditional parties of government. On the one hand, Marine Le Pen, the anti-immigration, anti-globalization, anti-EU, populist candidate; on the other, the improbable winner of the first round, Emmanuel Macron, who was both challenging the traditional political left/right cleavage, and suggesting a new cleavage between progressive, liberal pro-Europeans and autarkic, reactionary nationalists. It was difficult to conceive of more antagonistic proposals for France's future political and policy choices.

The final choice was clear but at the same time pointed to the fragmentation of public opinion (populist votes, abstention). However, the strength of the new president lies in his reform program, which he presented to voters during the electoral campaign. Once elected and with a strong parliamentary majority, the new president has a mandate for reforming the country. Since he has taken office, the new president has shown his clear commitment to his pro-EU, liberal-reform agenda. He benefits from a strong parliamentary majority and a deeply divided, crisis-shaken opposition (the traditional socialist and conservative parties are fragmented, the National Front is in deep disarray and split, and the radical left led by Mélenchon is isolated). The division within and the weakness of the unions have undermined resistance to Macron's labor-market reforms, and his pro-European and pro-business policies proceed undisturbed for the time being.

This successful start is supported by the improvement of the European and global economic outlook as well as by the first effects of some reforms adopted during the Hollande presidency. Contrary to what could be feared at the end of 2016 when the future of the country looked rather bleak (unemployment, debt, terrorism, populist challenges), a new optimism supports the new majority. Many problems have still to be faced but there is the political will and the capacity to tackle them.

## Key Challenges

France is at a crossroads. The collapse of the traditional party system following the 2017 presidential election and the political earthquake triggered by Macron's election open radically new perspectives. The challenges now are not so much "what to do?" but rather "will the president and his majority be capable of fulfilling the promises they have made?"

Macron has insisted that the European Union should be more efficient, integrated and protective, but that France should first do its "homework." He knows that only a strong and successful French reform agenda will give him the credibility to convince his EU partners of his vision. Macron enjoys a strong majority in the National Assembly and the institutions of the Fifth Republic offer effective instruments for achieving deep reform. The problems lie elsewhere: how to convince a reluctant and volatile public that the new government will make the right policy choices? Given the absence of a strong political opposition, social protest will be the main obstacle that the new government will likely face over the coming years.

France has to tackle four major challenges.

The first one is political. The entire party system has to be reconstructed after the 2017 political earthquake. While this destructive phase has permitted Macron to sweep away the old political forces to the advantage of his new movement, it has also contributed to the weakening of the traditional mediatory institutions which will have to be rebuilt. This is also true for the president's movement, *La République en Marche*, which will have to transform itself into a party capable of fulfilling a mediatory role. The time horizon is short. The renewal of political forces has to be achieved before the next presidential election in 2022.

The second challenge is financial, budgetary and economic. The diagnosis is well-known: public deficits and debt must be drastically reduced, fiscal pressure lowered, and unemployment addressed with drastic policy changes. The task is daunting. However, two factors might help. The first one is linked to the overall economic improvement in the European Union and worldwide. This will help the government to respect EU rules on budget deficits, which in recent years France has repeatedly broken, and hopefully stabilize public debt. It will also absorb some of the unavoidable economic and social costs of reform. The other factor is Macron's commitment to an ambitious reform agenda. For the time being, the government has proceeded with speed and

energy, leaving little space for opposition. The key issue will be the government's capacity to pursue its policy choices in the years to come. The disconnection between the (short-term) political agenda and the (medium- to long-term) economic agenda is a crucial component of the equation. Indeed, there are not many more savings to be expected if structural reforms are not adopted and implemented. Education, professional training and industrial reconstruction are some of the many sectors that need to be restructured in order to achieve more substantial benefits.

The third challenge is related to the overall structure of the bureaucracy and public sector. Both are comparatively inflated and inefficient. The approach to tackling unemployment by increasing public sector employment (in particular at the local level) has failed, and has considerably lowered the effectiveness and efficiency of public service provision. Similarly, the introduction of a more competitive framework for some public sectors (such as transportation) has repeatedly been postponed. Trimming redundant or inefficient administrations, revising policies that benefit vested interests, and simplifying the complex multi-layered territorial system ("millefeuille") will be necessary reforms. However, such reforms will likely produce protest and discontent in the short-term, while only proving beneficial much later.

A fourth major challenge concerns the intertwined issues of security, immigration and integration. The traditional French model, based on an open policy toward immigrants acquiring French nationality and on the principle of equality of all citizens regardless of ethnic origins or religion, has lost its integrative power over the last 30 years. The former key instruments of the integration process (education, work, religion, political parties and trade unions) are no longer effective, while the recent terrorist attacks have further weakened integration processes. This challenge requires multifaceted policy solutions in areas including security, urban development, and education and job training, with a primary focus on employment opportunities for the most marginalized citizens. What is at stake is the country's political and social cohesion, and common national values and rules. Unfortunately, the present situation is characterized by an identity crisis, an ethnic divide, the exclusion of migrants and political frustrations which have, in part, benefited extremist political candidates and parties.

France needs courageous policies that include clear (even if unpopular) choices, frankness when explaining the challenges, more social dialog, and a more streamlined and coordinated style of governance. The good news is that the newly elected president is fully and explicitly committed to this reform agenda.

# Policy Performance

## I. Economic Policies

### Economy

Economic Policy  
Score: 6

France's economic outlook is improving. Structural problems, such as a rigid labor market, high unemployment, growing public debt, insufficient funding of social security systems, an unfriendly entrepreneurial environment and a lack of competitiveness have characterized President Hollande's term (2012 – 2017). Three major changes explain the recent improvements. First, the international environment has improved in recent years. Second, some of Hollande's policies, such as the attempt to improve companies' competitiveness by reducing their tax burden, have begun to take effect. Third, the election of Emmanuel Macron in May 2017 on a liberal and pro-EU platform has radically changed both expectations and the policy agenda.

The new president and his administration have launched an ambitious reform agenda. The first step was completed by the end of September 2017 with the publication of ordinances (executive orders) reforming substantial parts of the labor law code.

In parallel, the draft 2018 budget (currently under discussion) proposes major changes, such as lowering company tax rates, abolishing local taxes on housing for 80% of taxpayers, substantially cutting social taxes paid by employees, and transforming the wealth tax into a much more modest tax on real estate assets for more wealthy owners and a flat-rate tax (30%) on capital gains. The overall philosophy is to increase the net income of low-income employees and workers, avoid capital flight and increase incentives for investors.

These structural measures need time to take effect. In the short run, the economic situation will remain rather poor, in spite of higher economic growth (1.8% forecast in 2017), with a high unemployment rate and rising public debt.

However, a major effort has been made to respect EU obligations (e.g., the Stability and Growth Pact). The overall budget deficit should be below the 3% ceiling for the first time in many years.

Citation:

OCDE Economic Surveys, France, September 2017

<http://www.oecd.org/economy/surveys/France-2017-OECD-economic-survey-overview.pdf>

### Labor Markets

Labor Market  
Policy  
Score: 6

Despite high overall spending and a large number of cosmetic reforms, the labor market policy of the Hollande administration has shown poor results. Since 2012, unemployment increased by 500,000 people. However, slight improvements could be observed in 2016 as the unemployment rate has fallen from 9.9% in the first quarter of 2016 to 9.3% in 2017. The employment rate of workers over 55 years of age is one of the lowest in the OECD (48.6% in 2015 compared to an OECD average of 58.2% and an EU target of 50%). France has a notoriously high youth unemployment rate. Similarly, French citizens with immigrant backgrounds, particularly young people, face great difficulties integrating into the labor market. According to a report released in 2017 by the National Accounting Office, the labor market policy measures currently in place to support young people are costly (€10.5 billion annually), inefficient (most young people do not find a job at the end of their publicly funded training program) and messy (there are too many unattractive and poorly managed programs). Most young people are hired on short-time contracts (two-thirds of the contracts have a duration of less than one month).

The Hollande administration did adopt some limited yet controversial labor market reforms in January 2013 and in July 2016. However, while admitting that the labor code was too complex and needed more flexibility, Hollande's government failed to address the 35-hour workweek or the bargaining monopoly of trade unions (only 7% of the workforce are union members, while most union members work in the public sector). The main innovation of the 2016 Labor Law stipulates that in case of extraordinary circumstances (e.g., a steep increase or decline in orders), company agreements may overrule sectoral or national agreements, reversing the usual hierarchy. But, on the whole, the measures were half-hearted, and the government went back on its initial ambitions under the pressure of social mobilization and political opposition.

One year later, the landscape has radically changed. Macron announced during his presidential campaign his intention to substantially reform the labor law code by using ordinances (drafted and adopted by the executive alone). After

two months of intense consultations with the unions (but without negotiation), the ordinances were adopted and signed on 22 September 2017. The ordinances are characterized by multiple adjustments rather than the adoption of a brand new grand design. They introduce more flexibility, simplify rules, merge diverse internal bodies involving social partners at the company level, and give greater space to regulations at the company level compared to the sectoral level in order to allow more flexibility especially for small- and medium-sized companies. This highly controversial measure, fiercely opposed by some unions, has been seen as a test of Macron's ability to implement his huge reform agenda in spite of significant social obstacles. Another contested measure is the gradual reduction of state-financed jobs. The government argues that these jobs are costly and artificial, and fail to enable full integration into the labor market.

### Taxes

Tax Policy  
Score: 7

Taxes and social contributions amount to 48% of GDP, one of the highest levels in the OECD. This is the consequence of extraordinarily generous political and budgetary commitments, which have led to continuously rising taxes. Nonetheless, tax revenues do not cover expenses, as public spending is exceptionally high by western standards (56.8% of GDP in 2015, compared to the EU-28 average of 47.4%).

The previous government's preference for tax increases rather than budgetary savings has had lasting economic effects, for example, on investment and consumption, as well as political effects. The tax policy of the Hollande administration was inconsistent; raising taxes both for individuals and for companies in the beginning before starting to alleviate the tax burden in 2015 and 2016. On the whole, the Hollande era has been perceived as a period of over-taxation and of mediocre results by a large majority of the public. However, driven by the rather dramatic situation faced by French companies, the Hollande government made an important step to lower their tax burden. A rather cumbersome and complex system, simplified in 2014, granted substantial tax reliefs of about €30 billion for companies.

Once elected Macron had to review the overall budget and to make severe cuts in order to present a budget with a deficit lower than 3% of GDP. The 2018 draft budget includes measures in line with Macron's commitments and proposes both tax cuts and a major restructuring of the tax system. Three measures to be adopted are particularly relevant: the abolition of the tax d'habitation (a local tax paid by all inhabitants, owners or tenants) over a period of three years for 80% of the taxpayers, the abolition of the wealth tax and its transformation to a less economically damaging tax on real estate



properties, and the substitution of the progressive but discouraging tax on dividends for a flat-rate tax. The tax relief for companies set up by the Hollande administration will be continued, and transformed into a permanent, simpler system of reduced taxes and social contributions. The overall objective is to put in place incentives rather than obstacles to investment and wealth creation, and improve lower-income salaries by eliminating the social taxes paid by some employees.

### Budgets

Budgetary Policy  
Score: 6

France's budgetary situation is unsustainable in the long term. Over recent years, many new commitments (public servants' salary increase, security or military expenses, disputable rescue operations) further increased public spending in spite of public declarations and commitments to the contrary. The number of civil servants, which had slightly decreased in the Sarkozy era (2007 – 2012), has grown again. The Hollande administration made some efforts to reduce the structural deficit (2012 – 2014) but then abandoned the objective to balance the structural budget.

The Court of Accounts as well as the High Committee on Public Finance had expressed serious doubts about the Hollande government's economic forecast and estimated 2.7% budget deficit for 2017.

After the presidential and parliamentary elections of May and June 2017, the new administration requested an audit from the Court of Accounts, which confirmed its previous evaluation and furthermore underlined that there were "elements of insincerity." Later on, the constitutional council canceled an additional tax on dividends adopted by Hollande in 2012, adding an unexpected € billion liability. Faced with this dubious situation, Macron and his government have decided to stick to the EU obligations on budgetary consolidation, and make sure that France respects its commitments in 2017 and following years. The president's aim is not only to return to sane public finances and regain financial room for maneuver, but also to recover lost credibility in Europe, a pre-condition for any ambitious proposal to reform the European Union or to influence the EU's policy agenda.

Macron's commitment is clear and is expressed in the draft 2018 budget, but it has to be seen in 2018 to what extent structural reforms will be adopted, the retargeting of public policies and expenditure will succeed, and how the budgetary situation will change.

### Research and Innovation

R&I Policy  
Score: 8

Having improved since 2007, France performs well in research and development policy. According to the EU Innovation Scoreboard 2017, France

is ranked 11 out of 28 EU countries with respect to innovation capacity. In the report's global innovation index, France performs slightly above the EU average and is ranked in the group of "strong innovators," behind the group of "innovation leaders." Overall spending on research and development represents 2.23% of GDP (last findings for 2015), below the OECD average and far from the EU target of 3%. Whereas public spending is comparable to the best-performing countries, private spending remains less strong. France's main relative weaknesses are its low private investment, a less than innovative corporate environment, especially with small- and medium-sized businesses, and weak cooperation between the private and public sectors.

On the positive side, the measures taken by the Hollande administration have fostered the dynamics of new technology-based firms (startups). According to the Deloitte Technology Fast 500 Index, in the past four years, France has featured the highest number of fast-growing startups in the last years (97 in 2017, compared to 92 for the UK, 50 for the Netherlands and 48 for Sweden).

However, barriers to innovation still exist. Cooperation between academic institutions and businesses is still restricted by cultural traditions, such as a lack of investment by small- and medium-sized companies and the reluctance of researchers to invest in policy-relevant or applied research. Productivity levels and public research could also be improved. However, the development of joint public-private initiatives as well as the launching of incubators by private investors are improving the quantity and quality of initiatives and investments, in particular in new technologies.

The Macron government has decided to give a major boost to research and innovation not only by supporting the development and growth of startups but by dedicating €50 billion to this objective over the next five years. The money should not come from new taxes but, for a large part, from the selling of non-strategic assets owned by the state.

Citation:

European Innovation Scoreboard 2017

([http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards\\_de](http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards_de))

Deloitte: 2017 Technology Fast 500 Europe, Middle East, Africa

(<https://www2.deloitte.com/global/en/pages/technology-media-and-telecommunications/articles/technology-fast-500-emea.html>)

## Global Financial System

French governments of either political complexion are generally in favor of regulation and control of the global financial system. The Hollande government, like its predecessor, has been active internationally and at the EU

level in supporting better international banking regulations. Both administrations have been strongly supportive of all initiatives contributing to the re-capitalization of banks, to the better control of speculative funds and to the fight against fiscal evasion and tax havens. They also have been active, together with 10 other EU member governments, in proposing to impose a levy on financial transactions (the so-called Tobin tax). In spite of the standstill situation over introducing this tax, the new government has declared its support for this initiative. Recent French governments have also pushed for the creation of a banking supervision mechanism at the EU level. The Hollande and Macron governments have been or are committed to improving fiscal cooperation on information exchange, the fight against tax havens and tax evasion. In 2016, the French parliament adopted a better system of controls and sanctions against corruption at the international level (“Loi Sapin 2”).

## II. Social Policies

### Education

Education Policy  
Score: 7

The French education system can in many aspects be characterized as rather successful, but, contrary to the past, it fails to integrate and promote the weakest segments of society. In the 2015 Program for International Student Assessment (PISA) study, French results were not in progress but slightly above the OECD average. Overall spending on educational institutions amounted to 5.3% of GDP in 2013, slightly above the OECD average. Spending at the preschool level is exemplary, with nearly all children three years old and older attending preschool (écoles maternelles), and France is still above the OECD average at the primary schooling level. An alarming result of the PISA assessment is that, more than in any other OECD country, individual success depends on the socioeconomic background of students. Secondary education is rather good but uneven, excessively costly and, in recent years, has fallen behind other OECD countries. Higher education is dual, with a broad range of excellent elite institutions (prestigious lycées and grandes écoles) and a large mass university system, which is poorly funded and poorly managed, and does not prepare its students well for a successful entry to the labor market. Spending on universities lies below the OECD average. More importantly, drop-out rates are dramatic: only 40% of registered students obtain a university degree.

One major problem concerns professional training. The education to professional training transition has been deficient. Organized by state schools, the system has lacked alternate training in cooperation with businesses, and

diplomas are often not accepted by companies. This is a major reason for high youth unemployment in France.

The Macron government is approaching these issues in a different way, but the new policies are still under discussion or preparation. However, several measures adopted over the summer 2017 give some hints about the new approach. First, these measures placed greater an emphasis on training young people from less affluent backgrounds. In places with significant social problems, the government has decided to immediately half the number of students per elementary school class, bringing down the maximum number of students to 12 per class. Second, most of the disputed reforms put in place by the Hollande-Valls government are being dismantled (for instance the “bi-langues” classes have been reintroduced in secondary schools and more emphasis is put on the fundamentals). Third, international evaluations and rankings (such as the Pisa report) have been taken into account and will likely form the basis for further changes. Finally, a far-reaching renewal of the professional training system has been announced.

Citation:

OECD: Education at a glance 2016, Country Note France

## Social Inclusion

Social Inclusion  
Policy  
Score: 7

By international and European standards, the French welfare state is generous and covers all possible dimensions affecting collective and individual welfare, not only of citizens but also of foreign residents. Poverty remains at a comparatively low level. Therefore, social inclusion in terms related to minimum income, health protection, support to the poor and to families is satisfactory and has permitted that, up to now, the impact of the economic crisis has been less felt in France than in many comparable countries. The challenge for France at a time of economic decline and unemployment is, first, to provide sufficient funding for the costly system without undermining competitiveness with too-high levels of social contributions (which demands an overhaul of the tax and contribution system as a whole); and second, to recalibrate the balance of solidarity and individual responsibility, for instance by introducing more incentives for the jobless to search for employment.

The performance of the welfare state is less convincing when it comes to equal opportunities. The percentage of young people in neither education nor employment is persistently high, pointing to the difficulties in transitioning between the education system and the labor market. Furthermore, some groups or territorial units are discriminated against and marginalized. The so-called second-generation immigrants, especially those living in the suburbs, as well

as less vocal groups in declining rural regions feel excluded from broader French society: abandoned to their fate, their situations combine poor education and training, unemployment and poverty. Except for the measures on elementary schools in socially disadvantaged areas, the new administration has not yet tackled these problems and will need more time to do so.

### Health

Health Policy  
Score: 7

France has a high-quality health system, which is generous and largely inclusive. Since its inception, it has remained a public system based on a compulsory, uniform insurance for all French citizens, with employers' and employees' contributions calculated according to wage levels. Together with widespread complementary insurances, they cover most individual costs. About 10% of GDP is spent on health care, one of the highest ratios in Europe. The health system includes all residents, and also offers services for illegal immigrants and foreigners.

The problem is cost efficiency and the containment of deficits, which have been constant in recent years. Savings have improved recently, but the high level of medication consumption still needs to be tackled with more decisive measures. The lack of doctors in rural areas and in some poor neighborhoods is a growing issue. The unsatisfactory distribution of doctors among regions and medical disciplines would be unbearable without the high contribution of practitioners from foreign countries (Africa, Middle East, Romania). New policies are expected in order to remedy first the deficits and second the "medical desertification." More generous reimbursements of expenses for glasses and dental care (a traditionally weak point of the system) have been promised by Macron and the new government.

### Families

Family Policy  
Score: 10

There is a long and consensual tradition of support for families, going back to the 1930s. The comprehensive policy mix which has developed since then has been successful in providing child care, financial support, parental leave and generous fiscal policies (income is not taxed individually but in each family unit, dividing up the total income by the number of people in a family). In addition, families using the child care support at home benefit from rebates on the social costs involved. These policies have been effective. Not only is the birth rate in France one of the highest in Europe despite a slight fall in 2016, but also the percentage of women integrated in the labor market compares favorably to the European leaders (Scandinavian countries) in this domain. However, faced with the need to reduce the budget deficit, the Hollande government has scuttled the French welfare state's "principle of universality"

(i.e., social benefits for all, related to the number of children per family, without consideration of income and wealth), reducing the child allowance for families over an income ceiling. This highly contested measure has introduced a more realistic approach to policymaking, beyond the legalistic and formalistic principles which have prevailed since the Second World War.

### Pensions

Pension Policy  
Score: 6

The French pension system is relatively generous, and largely prevents poverty of the elderly. But it is also complex, which is a problem for equity: First, the so-called general regime applies to all private employees and is complemented by additional voluntary systems, in particular in large companies. Second, some professions are affiliated to “special regimes” which are characterized by shorter periods of contribution and higher generosity in pension payments. These systems usually cover employees working in public companies or groups highly subsidized by the public budget (coal mines, public transport, sailors and fishermen, for example). Finally, public servants usually benefit from higher payments as their pension payments are based on their final salary (last six months), and not on an average (e.g., best 25 years). Early retirement remains a common practice. However, the raising of the retirement age to 62 has led to an increase in the effective average age of entry into a pension, calculated as 62.3 years by the national pension insurance organization (2014). The OECD estimates that the age of retirement will further increase following the gradual implementation of the pension reform. An international survey shows that France is the country offering the most generous pensions and that these pensions are paid for a longer period than is the case elsewhere.

In order to assure the sustainability of the pension system, French governments continuously introduced reform measures over the last decade: pension contributions have been raised, the number of years of contribution needed to get a full pension has been risen to 43 years, and the peculiarities or privileges granted to a some professional groups (“special regimes”) have been downsized. However, the Hollande administration partially broke with this trend by introducing the concept of “penibility,” a complex and bureaucratic mechanism allowing workers to enter retirement at age 60 if they fulfill the criteria and measures set up for each industrial or service sector. In addition to its costs, the consequences of this new mechanism were twofold: it introduced further uncertainty about the actual pension age, and it put in place a highly complex and cumbersome system of measuring penibility that the business community, in particular small- and medium-sized companies, reject and refuse to apply.

In the meantime, the first positive effects of the Sarkozy reforms have been felt. In 2015, for the first time, the pension branch of the social security system showed a positive balance, although it is expected that this will not last more than a few years. An agreement between three trade unions and the employers' association added further adaptations concerning the supplementary pension. The payment of supplementary pensions (which are run jointly by the social partners) will be postponed until the age of 64 for most beneficiaries. The main novelty of this rather complex agreement is that it introduces flexibility in fixing the pension age and actually allows its postponement for most employees in the private sector to the age of 64. Macron has indicated that he will not introduce new reforms concerning the retirement age and the number of years of contribution during his term. Instead, he has suggested changing the method of calculation for pensions by creating a system of credit points accumulated by employees, which will be monetarized at the moment of their retirement. He further declared that he will get rid of the present jungle of social regimes. This will be a daunting task as the foreseen reforms would constitute a frontal attack on the privileges accumulated over time by several groups and professions.

Citation:

OECD: Pensions at a Glance 2017. OECD and G20 Indicators

### Integration

Integration Policy

Score: 6

Traditionally, France has an open policy toward immigrants. Every person born in France is considered French, or eligible to obtain French citizenship. Integration policies, in terms of long-term residence permits, access to citizenship and family reunification are open and generous. Presently, the largest share of new legal immigrants is related to the reunification of families. It explains partially the difficulty of integrating new immigrants who often have no skills, no education and do not speak French. Processes of integration have to start from scratch. The characteristics of immigrants moving to France are another problem: most are unskilled and as such, subject to vagaries of the economic crisis, for instance in the construction sector.

The integration of the so-called second (in fact, often the third) generation of immigrants, especially coming from Maghreb countries, is difficult for many reasons: education system failures; community concentration in urban/suburban ghettos; high unemployment; cultural identity issues, practices of job discrimination and so on. Immigration from Eastern Europe, the southern Balkans and, more recently, from the Middle East has become a very sensitive subject exploited by the National Front. The reluctance of the French socialist government to put in place a serious migration policy has been

challenged by German Chancellor Merkel's sudden decision in August 2015 to open the doors to migrants from Syria, forcing the French government to revise its veiled but deliberate policy of restricting entry (low level of asylum admissions, cumbersome and discouraging bureaucratic processes). The number of refugees that have come to France since the summer of 2015 is substantially smaller than in neighboring Germany. The national office on refugees (Office français de protection des réfugiés et apatrides, Ofpra) reported that 78,000 refugees came to France in 2016, an increase of 27% from 2014.

Integration remains at the heart of French political discourse, but actual policies set up to achieve this aim are notoriously insufficient. The new administration has not yet been active in this field. In September 2017, President Macron declared his intention to review France's immigration policy, combining measures to improve welcome and integration measures for immigrants and refugees with accelerated procedures for handling the applications for asylum and re-enforced measures for sending back people whose applications are rejected.

Citation:

[http://www.lemonde.fr/immigration-et-diversite/article/2016/01/12/la-france-a-accepte-27-de-refugies-de-plus-en-2015\\_4845698\\_1654200.html](http://www.lemonde.fr/immigration-et-diversite/article/2016/01/12/la-france-a-accepte-27-de-refugies-de-plus-en-2015_4845698_1654200.html)

[https://www.lesechos.fr/29/06/2017/lesechos.fr/030417560290\\_la-france-cinquieme-destination-des-migrants.htm](https://www.lesechos.fr/29/06/2017/lesechos.fr/030417560290_la-france-cinquieme-destination-des-migrants.htm)

[http://www.lepoint.fr/politique/immigration-emmanuel-macron-definit-une-ligne-ferme-pour-sa-future-loi-05-09-2017-2154778\\_20.php](http://www.lepoint.fr/politique/immigration-emmanuel-macron-definit-une-ligne-ferme-pour-sa-future-loi-05-09-2017-2154778_20.php)

### Safe Living

Safe Living  
Conditions  
Score: 6

Although the police maintain a reputation for being efficient (sometimes too efficient, as the institution is granted significant powers and discretion vis-à-vis the citizenry), concerns over internal security are high. Attention has focused on repeated outbreaks of urban violence in the suburbs or other areas. Following a rising level of petty crime and several terrorist attacks on French territory and abroad, citizens have been more and more vocal about the need to be better protected by enforcing "law and order" measures. There is a clear relationship between the economic and social crisis and this increasing sense of insecurity. This situation has also had a decisive impact on protest votes in favor of the extreme-right party, the National Front.

The terrorist attacks of 13 November 2015 have elevated the topic of security to the top of the political agenda, triggering real concerns as well as political polemics driven by the populist and extreme right. The government has reacted to this with new security measures, issuing a temporary state of



emergency, and giving more powers to the executive and police to prevent terrorist acts. The “state of emergency,” which gives extraordinary powers of investigation to the police, was further extended until 1 November 2017 (i.e., nearly two years). Lawyers and courts have emphasized the dangers of a permanent “state of emergency,” which may undermine basic liberties. The government has understood the message and the state of emergency was not extended again – at the price of bringing the controversial rules into the flow of “normal” law with the introduction of an anti-terrorism law in October 2017. The anti-terrorism law signed in October 2017 turned most of the preventive and security measures, which had been applied during the state of emergency, into regular laws. This has re-enforced the government’s capacity to prevent and fight terrorism if circumstances require it, although the weakening of judicial control has been criticized.

### Global Inequalities

Global Social  
Policy  
Score: 7

France has a long tradition of offering support to poor countries both in terms of financial support and promotion of policies in their favor. However, this should be qualified. First, France is reluctant to consider that free trade is one of the most effective instruments of support. As a consequence, France is often an obstacle to the lowering of tariffs and trade barriers, for instance in agriculture. Second, French aid is concentrated on African countries, where its economic interests have been traditionally strong. The temptation to link aid to imports from the donor country is quite common.

Within the framework of international organizations, France is active but for the above mentioned reasons, its policy preferences are deeply influenced by path dependency, such as colonization and the global network of French-speaking countries.

## III. Environmental Policies

### Environment

Environmental  
Policy  
Score: 6

Although the OECD in its 2016 environmental report attests that France has significantly improved its environmental performance over the last ten years, the performance record with respect to environmental targets is not satisfactory. Too often, environmental policies continue to be subordinated to sectoral policies, which are considered more important. The latest example was the October 2014 withdrawal of the so-called eco-tax on truck-transported

goods, which was driven by fears of truck driver protests.

France's good performance on carbon emissions is credited to the nuclear sector in France. The objectives set out in the July 2015 energy transition bill (reduce nuclear power in total energy production from 75% to 50% by 2025 and increase renewable energy sources to 40% from its current 12.5% share) are unlikely to be met given the complex authorization processes for renewable energies.

Until the recent Volkswagen scandal, the government refused to deviate from incentives for diesel cars, as French companies have a marked preference for diesel engines. Following public pressure, the government decided to end the tax privilege it afforded to diesel fuel in October 2016. Additional symbolic measures have been introduced by the new Macron administration, such as the prohibition on further research into oil fields in France (whose production represents 1% of total consumption) or the announcement that by 2030 no cars using combustible fossil fuels would be available for sale in France.

The same contrast is observable in the field of renewable water resources. In principle, France supports a water policy and has set up water agencies to monitor the use and protection of its water resources. However, the objectives set out in the Ecophyto plan (2009) to enhance water quality have not been met by 2015. French authorities have been unable to resist the agriculture lobby, which is the largest consumer of water. The use of pesticides has increased by 29% (2008 – 2014). The attitude of the government is split between a desire to reduce pesticides and pressure from farmers who refuse to reduce their use.

The performance of municipal composting, waste management and recycling are far behind that of other countries.

Air quality is another problem. In the Paris region (Ile-de-France) in particular, but also in many other regions, pollution levels are still above EU targets. Symbolic policies, such as the prohibition of traffic one Sunday per month, are poor substitutes for efficient policies.

The situation is much better with biodiversity and forests, which are experiencing a growth in surface area. A new law on biodiversity was adopted in August 2016. However, the protection of biodiversity has met resistance in metropolitan France by many diverging interests (agriculture, construction and transportation).

Citation:

OECD Environmental Performance Reviews: France 2016, Paris, OECD, 6 oct. 2016

### Global Environmental Protection

Global  
Environmental  
Policy  
Score: 7

All French governments in recent decades have been committed to advancing environmental policies at the global level. Under former President Sarkozy, France was among the leading group of countries trying to secure an agreement on climate change mitigation at the 2009 U.N. Climate Change Conference in Copenhagen. In this tradition, French diplomats were particularly active in preparation for the U.N. Climate Change Conference chaired by France in December 2015. The global agreement reached at this conference is a success for French diplomacy. This commitment is supported by the entire political class and Macron has fully endorsed the policy choices made by Hollande. For instance, Macro has tried to convince the U.S. president, Donald Trump, to remain committed to the pledge of the previous U.S. administration.

However, this openness to internationally approved, more drastic and protective policies reach a limit when French interests are at stake. For instance, any policy which would reduce the capacity of the nuclear energy industry to grow is frowned on by France, despite the unresolved issue of nuclear waste dumps. More generally, there is a frequent contradiction between the support given to wide, abstract and long-term agreements negotiated at the international level and the reluctance to actually implement them.

# Quality of Democracy

## Electoral Processes

Candidacy  
Procedures  
Score: 10

The electoral process is fair at all levels, and controls by ad hoc commissions or the judiciary ensure the smooth running of elections. There are some restrictions to assure that only serious candidates stand in presidential contests. These include a requirement that each potential candidate has to obtain 500 signatures of support from elected persons, such as mayors or senators, from a third of French départements, or counties, to prove his or her political relevance. In addition, candidates must pay a deposit of €15,000. But these restrictions do not limit the number or variety of political backgrounds of candidates. Further restrictions to limit abuses were implemented in 2017. Spending is capped and now includes expenses for the primaries. In most local and national elections, many candidates decide to run as they often can benefit from advantages that help facilitate the variety of candidates, such as the free provision of electoral materials or a partial reimbursement of expenses for candidates who win more than 5% of the vote. Electoral fraud is exceptional but financial cheating is frequent as evidenced by the condemnation of Nicolas Sarkozy for the hidden costs of his 2012 campaign. Some limitations are imposed on anti-constitutional parties. These restrictions, however, are exceptional.

Media Access  
Score: 9

According to French laws regulating electoral campaigns, all candidates must receive equal treatment in terms of access to public radio and television. Media time allocation is supervised by an ad hoc commission during the official campaign. Granted incumbents may be tempted to use their position to maximize their media visibility before the official start. Private media outlets are not obliged to follow these rules, but except for media outlets that expressly support certain party positions, newspapers and private media tend to fairly allocate media time to candidates, with the exception of marginal candidates who often run with the purpose of getting free media time.

Voting and  
Registrations  
Rights  
Score: 9

The paradox of this rule for equal time is that the presidential candidates who are likely to make it to the second round receive the same amount of media time as candidates who represent extremely marginal ideas or interests.

The right to participate in elections as a candidate or as a voter is fully guaranteed. There is no evidence of restrictions or obstruction in the application of the law. Every citizen enjoys rights that are provided by the constitution. No progress has been made to extend the right to vote to foreign residents, except in the case of EU citizens.

Voter registration is easy and, in particular in small local communities, it is quasi-automatic as the local bureaucracy often proceeds with the registration process even without a specific request from the individual. Elsewhere, potential voters have to register. It is usually estimated that some 10% of the electorate is not registered.

Party Financing  
Score: 7

Lacking a sufficient legal framework, party financing has long been a source of recurrent scandals. Nearly all political parties used to finance activities by charging private companies working for local public entities or by taxing commercial enterprises requesting building permits. Only since 1990 has a decent regulatory framework been established. Since then, much progress has been made in discouraging fraud and other illegal activities. Nonetheless, not all party financing problems have been solved. Current legislation outlines public funding for both political parties and electoral campaigns, and establishes a spending ceiling for each candidate or party. The spending limits cover all election campaigns; however, only parliamentary and presidential elections enjoy public funding. Individual or company donations to political campaigns are also regulated and capped, and all donations must be made by check, except for minor donations that are collected, for instance, during political meetings. Donations are tax-deductible up to certain limits. Within two months after an election, a candidate has to forward the campaign's accounts, certified by an auditor, to the provincial prefecture, which conducts an initial check and then passes the information on to a special national supervisory body (Commission Nationale des Comptes de Campagne et des Financements Politiques). In presidential elections, this review is made by the Constitutional Council (Conseil Constitutionnel).

These controls have made election financing more transparent and more equal. Yet loopholes remain. The Constitutional Council has reviewed former President Sarkozy's presidential re-election campaign in 2012, and decided in July 2013 that he had exceeded his spending limits. His party had to return €1 million in penalties to the state. An ongoing inquiry has found evidence that Sarkozy's Union for a Popular Movement (UMP) party flagrantly ignored the rules and forged false invoices in order to appear to have remained under the

spending ceilings set by law. Presently, the National Front and its leader, Marine Le Pen, are being prosecuted for violating financing regulations. The tradition of cheating persists in many areas. Another example involves the practice by some parties (including the National Front and the centrist party MODEM) of using assistants paid by the European Parliament for purely partisan purposes. Finally, the Fillon scandal (in which Fillon used public money available for hiring parliamentary assistants to hire his wife and children – a practice that in itself is not forbidden – without any documented work being undertaken) led to the introduction of a new piece of legislation in June 2017.

Macron announced that the very first bill of his term would deal with the “moralization” of political life. The law was adopted in August 2017 and introduced further restrictions (such as the prohibition of hiring family members with public money). Though, ironically, the main sponsor who tabled the bill, the minister of justice, was forced to resign as he was suspected of misusing European funds for the benefit of his party.

When these rules are violated, three types of sanctions can be exercised: financial (expenditures reimbursed), criminal (fines or jail) and electoral (ineligibility for electoral contests for one year, except in the case of presidential elections).

Popular Decision-  
Making  
Score: 4

The Fifth Republic (since 1958) reintroduced the referendum, not only for the ratification of the constitution but as an instrument of government. President Charles de Gaulle used referendums to seek support for decolonization and to revise the constitution, and in doing so, bypassed parliamentary opposition. In 1969, de Gaulle became essentially a victim of the referendum, as he had declared that he would resign should a referendum on regionalization fail. Since then, the referendum has been used less frequently. The use of referendums at the request and for the benefit of the executive is a risky enterprise. All referendums after those of 1962 have been characterized either by indifference and high levels of abstentions or by outright rejection, as in 2005 on the European Constitutional Treaty. Only once, on the vote over the Maastricht Treaty in 1992, was the executive able to secure a small, albeit fragile, majority.

As only the president may call a referendum, the practice is perceived as an instrument of the executive and not as a real democratic tool, since popular initiatives are not possible under the referendum system. It is true that since 2015, 20% of the members of parliament, supported by 10% of the electorate, may provoke a national referendum. However, the rules and procedures are very restrictive, and do not allow real progress.

Local referendums can be organized in the case of a merger of communes or for local issues at a mayor's initiative. Though very few have taken place.

### Access to Information

Media Freedom  
Score: 7

In principle, media independence is guaranteed by a complete set of constitutional, legislative and administrative rules. There is not much more that can be done to improve the legal status of the press. This said, media independence is multifaceted. One must distinguish between public and private media, and separate legal independence from financial dependence or influence. Public authorities have in principle no direct capacity to intervene in public media decision-making as the power of control and supervision is delegated to an independent media authority. However, the situation is not clear-cut for many reasons. Public media are mostly dependent upon a special tax paid by every television owner, while their access to the advertising market was strongly curtailed by the former Sarkozy government. Most funding is now under government control.

In the private sector, public influence can be felt through the generous subsidies paid to all daily and weekly newspapers. However, it is paid as a kind of entitlement based on general rules and principles, and as such does not provide any real political leverage to the government. Much more serious is the porosity between the world of media and the world of politics, as well as the fact that most newspapers are owned by large business interests.

Media Pluralism  
Score: 5

Media pluralism is reasonably guaranteed in France. Yet nearly all newspapers, daily or weekly, local or national, are under the control of either rich business people or companies or banks. Among the few exceptions are a regional newspaper in the western part of France and the daily newspaper La Croix. Whereas on the national level there is a wide range of newspapers expressing political pluralism, the local and regional situation is normally characterized by a monopoly or quasi-monopoly position of one paper in a given geographical area. The print run of daily newspapers is low by Western standards and has been negatively affected by online publications. The print market is largely in decline and suffers financially. The situation is further aggravated by an obsolete, inefficient, corporatist and costly system of distribution that is controlled by the unions. Many newspapers are put in jeopardy due to the costs and general malfunctioning of the distribution system. Faced with online competition, rising costs and a shrinking readership, print media have had to rely more and more on the benevolence of wealthy entrepreneurs or on the state. Given the multiple ties between political and business elites in France, this is not a particularly favorable situation for the maintenance of a vibrant culture of print media pluralism. This being said, the proliferation of online news media and online offerings by print media or

“pure players” (like Mediapart, Rue89, Slate and Atlantico) should be taken in account. They contribute to media pluralism, whereas social media networks – which are gaining more and more influence – tend to focus on scandals, and disseminate partial information or fake news. While social media networks may play an important role in facilitating whistle blowers, they are unable to offer in-depth analysis and well-grounded information.

Access to  
Government  
Information  
Score: 7

The right of access to information was strengthened in 1978 through the establishment of an independent agency, CADA (Commission d’Accès aux Documents Administratifs). This body guarantees that any private or public entity is entitled to be given any document requested from a public administration or service, regardless of the legal status of the organization (private or public) if the institution maintains a public service. However, some restrictions have been established, mainly in relation with issues regarding the private sphere or the protection of intellectual property or business information in order to safeguard competition between companies. The main and more controversial issue is the refusal to issue documents by citing security or defense concerns, a concept which can be applied broadly and with a limited capacity for challenging in court. The administration in question must deliver the requested document within a month. After that deadline, inaction is considered as a rejection which can be challenged in court. In some cases, the adopted solutions reflect the inability of the political elites to adopt clear-cut policies: for instance, it is possible to check the declaration of revenues and property of MPs but divulging the information is considered a criminal offense. It is a telling illustration of the reluctance to set up a full transparency policy. In general, a large range of governmental (or public bodies’) information, including official drafts, reports and audits, are freely accessible via the internet.

### Civil Rights and Political Liberties

Civil Rights  
Score: 8

In France, even though there is an established tradition of the rule of law and the recognition and protection of civil and fundamental rights, there is also a long history of infringements of those rights. The two main reasons for this are related to the distrust, and often contempt, of government toward the judiciary. This behavior dates back to the French Revolution and has been further exacerbated by the country’s fraught political history; violations have continued to occur up until the 1980s.

The situation has improved considerably in recent history for several reasons. France’s judicial system now acts in the shadow of international courts which sanction national violations of the rule of law. The European Court of Human Rights and the Court of Justice of the European Union play an incremental but decisive role in this progress.



With the proclamation of a state of emergency by the government following the terrorist attacks of 13 November 2015 and its extension until 1 November 2017 by the parliament, the question of possible infringements of civil rights has become an important issue. The Council of Europe has been informed about this measure, which implies a possible breach of human rights, according to article 15 of the European Human Rights Convention. Up to now, infringements have been rather limited, and the administrative courts have exerted control of the individual or collective measures adopted by the government in spite of pressures from right-wing political parties and the police to further restrict the rights of persons suspected of supporting terrorist activities.

Political Liberties  
Score: 9

Political liberties are well-protected in France. This situation can be explained by several factors. The fact that these liberties are considered as the heritage of the French Revolution sets them in a quasi-sacred position. Protections were granted and solidified by the highest administrative court during the Third and Fourth Republics. Recently, the increasing and active role of the Constitutional Council in striking down laws which could jeopardize said liberties has been crucial. The expansion of the court's powers stemmed from its 1971 decision to protect the right of association from governmental intervention.

A controversial and still not fully resolved issue is related to the interpretation of the separation of religious and public life (*laïcité*). The ban on religious signs and symbols in all places of public administration and institutions is, in theory, applicable to all religious affiliations but concerns mainly the Islamic community. There is a growing uneasiness among the population about the manifestation of "differences," issues which right-wing and extreme-right parties are particularly vocal about. One observes a growing illiberal attitude in public opinion and a rejection of differences based, in particular, on religious beliefs (e.g., Halāl food, public religious demonstrations and wearing burkinis on public beaches).

Non-discrimination  
Score: 6

In principle, any discrimination such as those based on gender, race, ethnic origin or religion is banned by the constitution and by fundamental law. Beyond the recognition of the right of non-discrimination, however, institutional monitoring, judicial support and policy measures to ensure such rights are less than adequate.

France's legal basis for non-discrimination is solid. The controversial recognition of "marriage for all," or recognizing the right of gays and lesbians to legally marry, is a point in case. Courts tend not only to apply but also to extend these rights. Many policy measures, particularly financial incentives or subsidies, attempt to compensate for different instances of discrimination, in particular gender, age or migration background. However, the situation is

often contradictory in many cases. For instance, while immigrants face challenges in getting residence permits, illegal immigrants have free access to health care and their children can be legally registered at school. A key contention concerns the integration of so-called second-generation immigrants. Despite many policy measures, a large number of these young French citizens feel like foreigners in their country, and they are often considered as such by the population at large. The failure to provide quality schooling and, later, a proper job is one of the most dramatic dimensions of what is called invisible discrimination. Empirical evidence exists examining discriminative practices experienced by Muslim job-seekers (cf., France Stratégie). One serious handicap in dealing with this situation is enshrined in the French republican tradition, which emphasizes strict equality and excludes in principle any sort of discrimination, even positive discrimination (such as gathering statistics based on ethnicity to determine social service allocation). The first measure Macron introduced from September 2017 to tackle these phenomena was a reduction in the number of pupils per class for primary schools located in designated poor and problematic areas. The maximum number of students per class (previously 24) has been halved to 12.

Institutionally, a recent development is the creation of a new body named the Defender of Rights, which replaces several specialized agencies. In addition to national organizations, many regional or sectoral ad hoc institutions that address discrimination cases have been established.

Citation:

France Stratégie: Lignes de faille, Paris, October 2016

(<http://www.strategie.gouv.fr/sites/strategie.gouv.fr/files/atoms/files/rapport-lignes-de-faille-ok.pdf>)

### Rule of Law

Legal Certainty  
Score: 6

Generally French authorities act according to legal rules and obligations set forth from national and supranational legislation. The legal system however suffers still from a number of problems. Attitudes toward implementing rules and laws are rather lax. Frequent is the delay or even the unlimited postponement of implementation measures, which may reflect a political tactic for inaction or sometimes because pressure groups successfully impede the adoption of implementation measures.

Another factor is the discretion left to the bureaucracy in interpreting existing regulations. In some cases, the administrative official circular, which is supposed to facilitate implementation of a law, actually restricts the impact or the meaning of existing legislation. In other cases, the correct interpretation of

an applicable law results from a written or verbal reply by a minister in parliament. This is particularly true in the field of fiscal law.

Finally, the most criticized issue of legal uncertainty derives from multiple and frequent legislative changes, particularly fiscal legislation. The business community has repeatedly voiced concerns over the instability of rules, impeding any rational long-term perspective or planning. These changes usually are legally solid, but economically debatable. It is not unusual that a fiscal measure adopted on the occasion of the vote of the annual budget is repealed or substantially modified one year later. A costly example is provided by the additional tax on dividends imposed in 2012 by the Hollande administration in spite of strong legal reservations. The measure was later struck down both by the European Court of Justice and the constitutional court in October 2017. The courts' decisions imposed an unexpected expense of €9 billion – 10 billion, which the government will have to pay back to the companies. This has forced the government to set up an exceptional tax on those companies, which are supposed to be paid back. At the end, the new tax will represent half of the due reimbursement.

Judicial Review  
Score: 9

Executive decisions are reviewed by courts that are charged with checking its norms and decisions. If a decision is to be challenged, the process is not difficult. Administrative courts are organized on three levels (administrative tribunals, courts of appeal and the Council of State, or Conseil d'Etat). The courts' independence is fully recognized, despite that, for instance, the Council of State also serves as legal adviser to the government for most administrative decrees and all government bills.

This independence has been strengthened by the Constitutional Council, as far such independence has been considered a general constitutional principle, despite the lack of a precise reference in the constitution itself. In addition, administrative courts can provide financial compensation and make public bodies financially accountable for errors or mistakes. Gradually, the Constitutional Council has become a full-fledged court, the role of which was dramatically increased through the constitutional reform of March 2008. Since then, any citizen can raise an issue of unconstitutionality before any lower court. The request is examined by the Supreme Court of Appeals or the Council of State and might be passed to the Constitutional Council. The council's case load has increased from around 25 cases to more than 100 cases per year, allowing for a thorough review of past legislation. This "a posteriori control" complements the "a priori" control of constitutionality, which might be exerted by the council before the promulgation of the law, provided that 60 parliamentarians introduce such a request.

Appointment of  
Justices  
Score: 5

Appointments to the Constitutional Council, France's supreme court, have been highly politicized and controversial. The council's nine members serve nine-year terms. Three are nominated by the French president, who also chooses the council's president, three by the presidents of the Senate, and three by the National Assembly. Former presidents (at the time of writing, Valéry Giscard d'Estaing, Jacques Chirac, Nicolas Sarkozy and François Hollande) are de jure members of the council but do not usually attend meetings. Up until the Sarkozy administration, there were no checks over council appointments made by these three highest political authorities. Now respective committees of the two parliamentary chambers organize hearings to check the qualifications and capacity of proposed council appointments. From this point of view, the French procedure is now closer to the process in which Supreme Court justices are appointed in the United States, rather than to typical European practices. Contrary to U.S. practice, however, the French parliament has not yet exerted thorough control over these appointments, instead choosing a benevolent approach, in particular, when appointees are former politicians. Presently, the court, includes two former prime ministers one of whom even acts as the court's president.

Other supreme courts (penal, civil and administrative courts) are comprised of professional judges and the government has a limited role over their composition as the government can appoint only a presiding judge (président), selecting this individual from the senior members of the judiciary.

Corruption  
Prevention  
Score: 7

Up to the 1990s, corruption plagued French administration. Much of the problem was linked to secret party financing, as political parties often sought out alternative methods of funding when member fees and/or public subsidies lacked. Judicial investigations revealed extraordinary scandals, which resulted in the conviction and imprisonment of industrial and political leaders. The cases themselves were a key factor for the growing awareness of the prevalence of corruption in France. This led to substantive action to establish stricter rules, both over party financing and transparency in public purchases and concessions. The opportunities to cheat, bypass or evade these rules however are still too many, and too many loopholes still exist. A scandal in March 2013 involving a minister of finance who is accused of alleged tax fraud and money laundering has put the issues of corruption, fiscal evasion and conflict of interest again on the public agenda. In reaction, government ministers have been obliged to make public their personal finances; parliamentarians are also obliged to do so, but their declarations are not made public and media are forbidden from publishing them. Only individual citizens can consult these disclosures and only in the constituency where the member of parliament was elected.

Cases of corruption related to the funding of political campaigns by foreign African states or through unchecked defense contracts are currently (at the time of this writing) before the courts. Moreover, the accounts of the Sarkozy campaign in 2012 were rejected by the Constitutional Council and the public funding refused as a consequence. Since then, the finances of his party are under investigation and some instances of malpractice have been identified. The legal anti-corruption framework has recently been strengthened by the “Sapin law” adopted by the end of 2016, which complements existing legislation on various fronts (conflict of interests, protection of whistleblowers). The 2017 presidential campaign was plagued by a scandal involving the former prime minister and candidate of the right, François Fillon, who was initially considered the favorite after a very successful primary campaign. The media reported that his wife and children had been employed using public money as his parliamentary assistants for more than 10 years. While this dubious practice was not illegal, Fillon was unable to document any real work in spite of nearly €1 million paid over that period of time. In parallel, the leader of the National Front, Marine Le Pen, was accused of misusing funds provided by the European Parliament. Immediately after the elections, Macron and his new minister of justice (François Bayrou) decided, as a symbol, to table a bill dealing with the “moralization of public affairs” (“moralisation de la vie publique”). Unfortunately, the new minister and several other colleagues from the same party were suspected of the same bad practices as Marine Le Pen, which forced their resignations a few days after their appointment. Nevertheless, these scandals show the timeliness of the new law which introduces many additional restrictions, such as the prohibition on parliamentarians employing members of their family, or the suppression of “loose money” that MPs were able to distribute without constraint or control. The new legislation constitutes a major contribution to tackling conflict of interest issues and may help to clean the Augean stables.

# Governance

## I. Executive Capacity

### Strategic Capacity

Strategic  
Planning  
Score: 5

French governments commonly refer to ad hoc committees tasked with providing information on crucial issues. In some cases, a report is requested from a single individual. Committee members are mainly high-level civil servants, former or active politicians and academics, and often are chosen on the basis of their sympathy to the government in office at the time. This situation raises the concern that opportunism may prevail over real strategic planning.

The only bodies that take a long-term view in terms of strategic planning are bureaucratic departments such as those that are part of the finance or foreign affairs ministries. The committee of economic advisers attached to the prime minister's office produces reports on its own initiative or at the office's request. Its impact on actual policymaking is limited, however.

France Stratégie, an interesting think tank attached to the prime minister, has recently developed into a body of strategic planning and policy evaluation, although its impact on governmental policy is uncertain for the time being.

Scholarly Advice  
Score: 4

In contrast to some other European countries, the French government does not rely much on academic advice, even though the President's Office and the Prime Minister's Office frequently consult economists, and though outstanding non-governmental academics may be chosen to sit in national reflection councils covering various policy fields (integration, education, etc.). But the influence of academics is not comparable to what can be found in many other political settings. High-level civil servants tend to consider themselves self-sufficient. Once the government has chosen a policy strategy, it tends to stick to it without significant discussion over the appropriateness or effectiveness of choices made. There is nothing comparable in France to the

economic institutes in Germany, for example, the opinions of which serve to guide the government and offer a platform for public debates.

### Interministerial Coordination

GO Expertise  
Score: 7

There are three main loci of policy evaluation once a policy proposal has been forwarded to the prime minister. The first is the Prime Minister's Office (PMO), the second is the President's Office, and the third, in cases of legislation or regulation, the Council of State. This hierarchical organization gives the prime minister the option of modifying ministers' draft bills. In important cases, this steering function is located in the President's Office. Both the president and the prime minister appoint adviser from all ministries as policy adviser in a given sector. All ministerial domains are covered. Several hundred people are involved in government steering, checking, controlling and advising functions.

However, it would probably be overstated to consider these various checks a method of evaluation. The PMO mainly coordinates and arbitrates between ministries, takes into consideration opinions and criticisms from involved interests and from the majority coalition, and balances political benefits and risks. The President's Office does more or less the same in coordination with the PMO. More than offering a thorough policy evaluation, these two institutions serve as a place where the ultimate arbitrations between bureaucrats, party activists and vested interests are made.

GO Gatekeeping  
Score: 10

The Prime Minister's Office has strong powers vis-à-vis line ministers. Since the beginning of the Fifth Republic, the authority of the prime minister has been indisputable. President Hollande's reluctance to impose a strong line weakened the prime minister vis-à-vis the ministers during the term of the first prime minister, Jean-Marc Ayrault. His successor, Prime Minister Manuel Valls, has imposed a return to strict discipline and forced dissenting ministers to resign. This turmoil has shown that beyond the formal rules, it is political leadership that enables the full application of the prime minister's powers. Returning to the tradition of the Fifth Republic, President Macron has fully restored the hierarchy and the gatekeeping role of the prime minister.

Line Ministries  
Score: 9

Line ministers have to inform the prime minister of all their projects. Strong discipline, even at the public communication level, is imposed, and this rule is reinforced by the attitude of the media, which tend to cover any slight policy difference as the expression of political tension or party divergence. Not only the Prime Minister's Office (PMO) oversees the policy process but also his cabinet assistants, in each area, supervise, liaise and coordinate with their counterparts in line ministries about the content, timing and political sequences of a project. The secretary-general of the PMO (as well as his counterpart at the Elysée) operates in the shadow, but he is one of the most

powerful actors within that machinery. He can step in if the coordination or control process at that level has failed to stem the expression of differences within the government. Traditionally the secretary-general is a member of the Conseil d'État and – in spite of the fact that he could be fired at any time for any reason – there is a tradition of continuity and stability beyond the fluctuation and vagaries of political life.

Cabinet  
Committees  
Score: 8

Coordination is strong within the French government, and is in the hands of the PMO and the President's Office, which constantly liaise and decide on issues. Coordination takes place at several levels. First at the level of specialized civil servants who work as political appointees in the PMO (members of the cabinet, that is political appointees belonging to the staff of the prime minister), then in meetings chaired by the secretary-general and finally by the prime minister himself, in case of permanent conflicts between ministers or over important issues. In many instances, conflicts pit the powerful ministers of budget or finance against other ministries. Appeals to the prime minister require either a powerful convincing argument or that the appealing party is a key member of the government coalition, as it is understood that the prime minister should not be bothered by anything but the highest-level issues. A powerful instrument in the hands of the prime minister is his capacity to decide which texts will be presented to the parliament with priority. Given the frequent bottlenecks in the process, ministerial bills can end up indefinitely postponed.

The new government has introduced the practice of "government seminars" to ensure better cohesion and harmonization. The team spirit seems to have improved a lot in comparison with the past.

Ministerial  
Bureaucracy  
Score: 8

If a ministry wishes to get its proposals accepted or passed, there are no other options than to liaise and coordinate with other ministries or agencies involved. For instance, the Macron Law on the economy (2015) had to be co-signed by 13 ministers. In case this consultation has not taken place, objections expressed by other ministers or by the Council of State might deliver a fatal blow to a proposal. All ministries are equal, but some are more equal than others: for example, the finance minister is a crucial, omnipresent and indispensable actor. Usually the coordination and consultation process is placed under the responsibility of a "rapporteur," usually a lawyer from the ministry bureaucracy. The dossier is always followed as well by a member of the minister's staff who communicates with his/her counterparts and tries to smooth the process as much as possible. In the most difficult cases (when ministers back up strongly the positions of their respective civil servants), the prime minister has to step in and settle the matter.

Informal  
Coordination  
Score: 8

A crucial factor and essentially an invisible coordination mechanism is the "old-boy network" of former students from the grandes écoles (École nationale d'administration (ENA), École Polytechnique, Mines, ParisTech and so on) or



membership in the same “grands corps” (prestigious bureaucracies such as Inspection générale des Finances, Diplomatie, Conseil d’Etat and so on). Most ministries (except perhaps the least powerful or those considered as marginal) include one or several persons from this high civil servant super-elite who know each other or are bound by an informal solidarity. These high civil servants (especially “énarques” from ENA) also work in the PMO or the president’s office, further strengthening this informal connection. The system is both efficient and not transparent, from a procedural point of view. It is striking, for instance, how much former President Hollande relied on people who trained with him at ENA and to whom he offered key positions in the political administration – ranging from ministerial positions or the chair of the central bank to many other high offices.

### Evidence-based Instruments

RIA Application  
Score: 5

The practice of compiling regulatory impact assessments (RIAs) has been followed since 1995, notably under the supervision of the PMO. However, there is still no systematic RIA process with comparable rules and methodologies; this is just one reason why there is an excess of legislation with an insufficient analysis of regulatory impact. There are partial substitutes, however. The finance and budget ministries try to systematically evaluate the fiscal impact of any new measure. This evaluation might be biased, however, as considerations may be exclusively motivated by financial and budgetary concerns. In some ministries (such as industry, agriculture and social affairs) there is also a tradition of analyzing the impact of planned policies. In other sectors, the law might impose these assessments (such as with the environmental and industry ministries, for instance). A legal assessment is systematically practiced by the Conseil d’Etat before the adoption of a regulation or governmental bill. Parliamentary committees also often do an excellent job of regulatory assessment.

However, what is lacking is a systematic cross-examination involving all the main stakeholders. Former President Sarkozy, with the goal of trimming bureaucratic costs, instituted the so-called RGPP (Revue Générale des Politiques Publiques). It has permitted the cutting of around 100,000 positions, but the process has been highly criticized by the opposition and by the unions. President Hollande has decided to move to another type of review (Modernisation de l’Action Publique) but little, aside from a reduction of regions from 22 to 13, has changed so far.

More recently, the government think tank France Stratégie has been charged with the impact evaluation of public policies (i.e., the impact of the Macron law, innovation policy, or subsidies for companies). It also has delivered

methodological guidelines for the evaluation of public policies. There is, however, a notable lack of evaluation of new bills under discussion. Macron's election might constitute a U-turn if his ambitious reform plans are implemented. In line with this strategy, it is planned that parliament should take a much more active role in evaluating past and future policies.

Quality of RIA  
Process  
Score: 4

Studies analyzing the impact of RIA have stated that, although the initial skepticism of administrative bodies toward RIA has been overcome, the content of assessments has been too general and often tended to justify the need for action rather than attempt a critical, well-grounded, assessment. In addition, there are few international comparisons when examining possible alternatives. The assessments are conducted by stakeholders with a perspective of fighting for or against a policy measure. Thus, in general, such assessments have little to recommend them. It remains to be seen if the recommendations for conducting independent assessment by the think tank France Stratégie will be followed. A more thorough analysis ("étude d'impact") is done in case of large public investments (train tracks, highways, airports etc.) and the final decision as well as the process is submitted to judicial control.

Citation:

France Stratégie: Comment évaluer l'impact des politiques publiques? Document de travail, 16 September 2016  
(<http://www.strategie.gouv.fr/publications/evaluer-limpact-politiques-publiques>)

Sustainability  
Check  
Score: 3

There is no real systematic sustainability strategy except in those cases where EU regulations require such an examination. In most instances, political jockeying tends to prevail over policy analysis. In many instances, decisions are mainly based on political arguments regardless of social, financial or environmental costs. The sustainability argument is mainly used by opponents of a policy or envisaged equipment (the Nantes airport is an acute example of this). It has to be seen if the intentions of Macron's administration to improve the situation will materialize.

### Societal Consultation

Negotiating  
Public Support  
Score: 6

The traditional distrust regarding "lobbyists," not seen as legitimate political actors, and the difficult social relations in France that hinder effective social dialog, have limited the capacity of governments to seamlessly or successfully find avenues of negotiation and cooperation. There are thousands of official or semi-official commissions that are supposed to give opinions on a given issue or area; however, governments tend to prefer negotiations with selected partners, excluding some considered as not being "representative." Consultations are often rather formal, and interested parties very often have no willingness to find a compromise. For these reasons, the temptation to govern top-down has always been strong, provoking in many cases severe, repeated

conflicts and protest movements that have often successfully vetoed governmental action.

This being said, things are beginning to change. In recent years, governments have sought the consultation of interest groups more systematically, and these practices have partly been adopted as legal obligations. Moreover, the rules of social negotiations have been modernized to encourage social contracts between employers and trade unions. Notably, the Larcher Law of 2007 invited the government to present plans for legislation in social and labor matters to the social partners, and to give the social partners an opportunity to negotiate and agree on possible solutions that could then be transformed into law. Nonetheless, given persistent distrust between the social actors, especially on the part of some unions, progress has been slow. There are positive cases, such as the 2013 reform bill on the labor market. This reform bill followed an agreement between three (out of five) trade unions and the employers' organization, which was then transformed into law. But there have been setbacks, too. In 2016, the first draft of a new labor law was put forward by the government without consultation, provoking massive social protest. In panic, the government withdrew its draft to negotiate a new one. This erratic method of government left unions and employers totally frustrated. So far, President Macron has followed a different path, proceeding with intensive consultations first while leaving little room for change once a government proposal is drafted. An illustration of this method has been the ordinances for reforming labor law in 2017: intense negotiations with the social partners took place in July and August but the ordinances, while taking into account some trade union grievances, were presented to the social partners as non-negotiable decisions once drafted. After the government signed them on 22 September 2017 they were immediately applicable. As the unions were divided, the protests of the most radical forces (CGT) have been unable to slow down or impede their implementation.

### Policy Communication

Coherent  
Communication  
Score: 9

Government policy communication is usually subject to centralized control by the executive branch. One of the preoccupations of the executive branch as part of the Fifth Republic is to avoid disagreement or contradiction within the ministerial team, even when coalition governments are in power. There have been situations in which ministers expressing divergent views in the media have been forced to resign.

Hollande's government communication was poor and messy. In contrast, Macron has defined a new strategy: precise indications about his program during the presidential campaign, a commitment to fully and speedily

implement these policy measures, and strict control over the communication policy under the tight supervision of the Élysée staff. This has conferred a significantly higher degree of coherence on governmental communication.

### Implementation

Government  
Efficiency  
Score: 6

The government is efficient in implementing its programs, as it can rely on a relatively disciplined cabinet, an obedient majority and a competent bureaucracy. Resistance, if any, comes from social actors. The question whether government policies are effective is another matter. One of the major issues that the Hollande government faced was a lack of credibility concerning its commitments to economic growth, unemployment and the reduction of the public deficit. Optimistic forecasts have been disappointed by poor results on all fronts. Most international organizations (the IMF, OECD and the European Union), think tanks or even national organizations (the French central bank, the statistical institute and the Court of Auditors) have pointed out the impossibility of reaching set targets based on over-optimistic data or forecasts. However, the election of President Macron represents a radical change at the top. The main improvement has been the capacity of the Macron government to combine its policy commitments with intense stakeholder concertation before finalizing legislative proposals. Until now, this method of policymaking has been quite successful. Though it is still rather early to evaluate the effectiveness of this strategy, and its likely success in the medium- to long-term.

Ministerial  
Compliance  
Score: 9

Compliance by ministers, when compared internationally, is good, as a minister can be dismissed at any time and without explanation. In the French majority system and in the absence of real coalition governments, the ministers, who are nominated by the president, are largely loyal to him. Together with the effective hierarchical steering of governmental action, ministers have strong incentives to implement the government's program, following guidelines set up by the president and prime minister. This statement remains true but is highly dependent on the leadership capacities of the president and prime minister. Unlike his predecessor, Macron has made clear that strict compliance is expected from ministers, and there is no doubt that his leadership and policy choices will be supported by ministers who, for most, are not professional politicians.

Monitoring  
Ministries  
Score: 9

Line ministry activities are generally well monitored, but several factors influence the impact of oversight, including: the strength of the prime minister; the relationship of the minister with the president; the political position of the minister within the majority or as a local notable; media attention; and political pressure. This traditional pattern under the Fifth Republic failed to work during the first 30 months of the Hollande presidency due to the president's weakness and reluctance to arbitrate between ministers and divergent

preferences. After the September 2014 crisis and the forced resignation of the dissident ministers, Prime Minister Manuel Valls was able to exercise improved oversight of the ministries. The monitoring of ministers by Macron and his prime minister is even tighter.

Monitoring  
Agencies,  
Bureaucracies  
Score: 7

In a centralized system like France's, the central machinery is unable to monitor fully and constantly the implementation of government policies. There exist huge sectoral and geographical variations. In some areas, decisions are not implemented or instead are badly implemented or flexibly interpreted. For instance, education is one of the most centralized policy fields in France, but implementation varies so starkly that parents have adopted strategies (such as the crucial choice of where to live) to register their children in the "best" schools. Implementing centrally designed policies requires local or regional adaptation of rigid rules that are applicable to all. Even the prefects, supposedly the arm of central government, refer to this practice, as may be witnessed for instance in the absent, or insufficient, implementation of water directives in some regions.

Task Funding  
Score: 7

Over the past 30 to 40 years, the powers of communes, provinces (départements) and regions, delegated by central authorities or taken over de facto by local entities, have increased considerably. Normally a delegation of powers was accompanied by corresponding funding. However, as formerly centralized policies were notably badly managed or insufficiently funded, local units had to face huge expenditure increases that were not fully covered by the central government. Thus, more than two-thirds of non-military public monies are spent by local/regional actors, a figure comparable to the situation in federal states. While in theory local authorities are in some areas acting as agents of the central government, they have, actually, secured ample discretion. The recent regional reform reducing the number of regions from 22 to 13 has had quite an important consequence: the new regions will benefit from a fraction of the VAT, whereas before they did not receive taxes but only transfers from the central government.

On the other hand, the piecemeal and ad hoc reforms of local taxation, such as the elimination of the local business tax (taxe professionnelle) and its compensation by national state allocations in 2009 have not improved the situation. Growing tension between central government and local authorities has been fueled by President Macron's decision to exempt 80% of local taxpayers from paying the "taxe d'habitation" (a rather unfair tax paid by all local residents, owners and tenants). The local tax will be replaced by a financial compensation from central government, which local authorities will have no direct influence over, meaning that local authorities have lost control

over this part of their resources. Moreover, local authorities fear that the state subsidy will not evolve over time according to needs. In addition, further savings have been imposed, forcing local authorities to improve their budgetary policies.

Constitutional  
Discretion  
Score: 6

Some instances of recentralization have occurred through fiscal or administrative means, but despite the usual stereotypes about French hypercentralization, it is fair to say that subnational government enjoys much freedom of maneuver. Legally, subnational government is subordinate. Politically, the influence of local elites in parliament and in particular in the Senate is decisive. The most efficient but contested instruments of control derive from the legal, technical or economic standards imposed by the Brussels and Paris bureaucracies. Violating such standards can involve high political, monetary and legal costs for local politicians. As local taxes and spending have grown beyond control over the past 30 years, and the myriad of local units make the steering of policymaking difficult, central government has failed to find more effective tools than reducing central government financial contributions to force local authorities to reduce their spending.

National  
Standards  
Score: 9

Policymakers in France share a common interest in ensuring national cohesion. This is the basis for a large number of national standards and rules that canalize local and regional policies. National standards are determined by national regulations and constitutional and administrative courts serve as arbiters in disputes over whether these standards are met. The application of national standards is facilitated by the fact that most public utilities are provided by large private or semi-public companies with a vested interest in having the same rules and standards across the country. Services such as energy supply, water distribution or garbage collection are run by many different companies, most of which belong to two or three holding companies. Following the protest of business and local politicians against a flood of norms and standards, the government has started an enquiry and taken a few measures of “simplification.” However, to date, no significant results have been observed with the exception of the construction sector where norms have been simplified, after imposing extremely cumbersome rules and standards.

### Adaptability

Domestic  
Adaptability  
Score: 8

The French government has a good track record in adapting national institutions to European and international challenges. This can be attributed to the bureaucratic elite’s awareness of international issues. This contrasts vividly with the government parties’ weakened ability to adapt national policies to the challenges stemming from the globalization of the economy, as there is often fierce resistance from trade unions, most political parties and public opinion at

International  
Coordination  
Score: 8

large. The defeat of the traditional party government system in 2017 has radically transformed the political landscape. New parliamentarians, most selected from outside the traditional political party framework, fully support Macron's new vision. Macro's declared European and global approach is a radical departure from the past orientations of both the right and the left. Though it remains to be seen if this shift will be accepted by the public, social actors and state bureaucracy.

France plays an active role in the international coordination of joint reform initiatives. The country contributes to the provision of global public goods. It has a long tradition of acting on an international level to take part in security/military missions, combat climate change (for instance hosting the 2015 United Nations Climate Change Conference in Paris (COP 21)), provide humanitarian and development aid, and promote health, education programs and fiscal cooperation. This being said, the French government, as other governments, often takes positions that advance French (economic) interests.

Striking examples are the French government's attitude toward free trade discussions, in particular, concerning agricultural products and environmental issues, such as air and water pollution, where France has failed to implement supranational recommendations at the national level. On development assistance, there is still a big gap between official commitments and actual spending (0.37% instead of 0.70% of gross national product).

Concerning the European Monetary Union, French proposals contribute to defining EU policies and often serve as a basis for compromise. However, the credibility of these initiatives was damaged by the French government's inability to respect common rules France had signed, such as the stability rules of the EMU. This has considerably limited the government's success in steering or influencing decision-making at the European level, with France lacking credibility and political support.

President Macron has adopted a fundamentally different method. Having led an openly pro-European presidential campaign, Macron has declared his full commitment to EU rules, as well as his willingness to reduce the government's budget deficits and realize structural reforms. In doing so, he seeks not only to enhance the country's competitiveness but also to regain lost confidence and credibility in Europe, which is seen as a prerequisite for France's EU partners to seriously consider his ambitious ideas on European renewal and further integration. Under Macron, France has shown a new willingness and capacity to contribute to the European Union, as well as a new coherence between European ambitions and domestic policies.

## Organizational Reform

Self-monitoring  
Score: 5

There are plenty of reports prepared at the request of governmental authorities in view of reforming rules, procedures and structures. The Court of Accounts plays a very active and stimulating role in this regard. However, only a few of these recommendations are implemented. Resistance by interested ministries or agencies is usually fierce and often supported by opposition parties or even by part of the majority coalition. The issue is complicated by the fact that ministerial structures can be set up and changed by the government in charge. The most ambitious recent attempt has been the general assessment of public policies launched in 2007, which ordered an assessment of all policies and institutions to rationalize their makeup and to find savings. This process was canceled by President Hollande and replaced by a new procedure named the Modernization of Public Action (Modernisation de l'Action Publique), which has produced very modest results over the past five years. Among the government bodies least adaptable to structural change is local government, a system that is multilayered, complex, and no longer in line with the challenges of the modern economy and society. Most serious attempts at reform have failed. However, some elements of the 2015 reform on territorial reorganization may trigger more change (new powers to metropolitan areas, organized cooperation/fusion of the numerous and often too small municipalities). The initial measures taken by President Macron seem to indicate that he has chosen the indirect but powerful instrument of state subsidies to force local governments to make changes. In addition, his government is preparing ambitious reforms concerning Paris' municipal government. These projects are not yet known in detail, but they will undoubtedly trigger fierce resistance from all fronts if they materialize.

Institutional  
Reform  
Score: 7

French governments are usually reactive to the need to adapt and adjust to new challenges and pressures. These adaptations are not always based on a thorough evaluation of the benefits and drawbacks of the foreseen changes, however. A case in point is the reluctance of most governments to take seriously into consideration the recommendations of international organizations, if they do not fit with the views and short-term interests of the governing coalition. Resistance from vested interests also limits the quality and depth of reforms. Too often the changes, even if initially ambitious, become merely cosmetic or messy adjustments (when not dropped altogether). This triggers hostility to change, while in fact very little has been done. The new Macron administration is reminiscent of the Gaullist period at the beginning of the Fifth Republic, with its strong commitment to radical reforms ("heroic" rather than "incremental" style). The initial months of the presidency have already attained considerable achievements, but one might wonder if



French society's deep-rooted reluctance to change will not put a brake to this "bonapartist" storm.

## II. Executive Accountability

### Citizens' Participatory Competence

Policy  
Knowledge  
Score: 6

Citizens' interest in politics and their participation in the political process have been on the decline in recent decades. Obtaining their information primarily from television, most citizens are poorly informed. Television stations devote little time to any political topic and tend to prefer talk shows where people express their views, rather than using prime-time hours for political information. Information follows mobilization, rather than the other way around, evidenced by the protest movements against TTIP and CETA. Information is often provided on a certain topic once a group of citizens or political activists have succeeded in attracting media attention.

One of the problems with government information is that politicians tend to hide the truth or to minimize harsh realities. Since the Socialist government's economic policy U-turn in 1983, governments have tried to hide necessary measures or reforms behind a veil of euphemistic language. This kind of action "by stealth" may initially be successful, but it does not enhance political awareness among citizens and it also fuels populist feelings at both ends of the political spectrum. Both in his electoral campaign and in his first months in office, President Macron has introduced a new approach that involves clearly and openly addressing problems and necessary reforms. It remains to be seen if, and to what extent, this may enhance citizen's information and the quality of public debate.

### Legislative Actors' Resources

Parliamentary  
Resources  
Score: 7

French legislators have fewer resources at their disposal than, for instance, their American colleagues, but they are reasonably equipped should they wish to make use of all facilities offered. In addition to two assistants, whom parliamentarians can freely choose, they receive a fixed amount of funds for any expenditure. There is a good library at their disposal, and a large and competent staff available to help individuals and committees. These committees can also request the support of the Court of Accounts or sectoral bureaucracies, which are obliged to provide all information requested. There are still problems, centered on the long tradition of parliamentarians holding

several political mandates. Up to 2017, three-quarters of parliamentary members were also elected local officials, and many of them dedicate more time to local affairs than to parliamentary activities. A new piece of legislation forbids parliamentarians to hold executive positions in local or regional councils, forcing them to choose between local and national mandates. This is a true revolution applicable from June 2018. Since absenteeism was one of the major problems of the French parliament both in the plenary sessions and within the specialized committees, one might hope that the control and evaluation functions of parliament will improve in the future.

Obtaining  
Documents  
Score: 9

Committees have free access to all requested documents. However, areas such as national security, the secret service or military issues are more sensitive. The government might be reluctant to pass on information but, worse, could be tempted to use information limitations to cover up potential malpractices. For instance, in the past the PMO had at its disposal substantial amounts of cash that could partially be used for electoral activities of the party in power. No information was available about where the money actually went. In the same vein, it is only since the Sarkozy presidency that the president's office budget has become transparent and accessible to parliamentary inquiry.

Summoning  
Ministers  
Score: 8

Committees can summon ministers for hearings, and frequently make use of this right. In exceptional cases, ministers can refuse to attend. Given the supremacy and the discipline of the majority party in parliament during the Fifth Republic, such a refusal does not result in serious consequences.

Summoning  
Experts  
Score: 10

The parliamentary committees can summon as many experts as they wish as often as they need in all matters, and they often make use of this right. The main problem is often related to the absenteeism of members of parliament even in cases of very important issues such as Brexit.

Task Area  
Congruence  
Score: 3

There is no congruence between the structures of ministries and those of parliamentary committees. The number of parliamentary committees is limited to eight (up from six in 2008) while there are 25 to 30 ministries or state secretaries. This rule set up in 1958 was meant as, and resulted in, a limitation of deputies' power to follow and control closely and precisely each ministry's activity. The 2007 to 2008 constitutional reform permitted a slight increase of committees and allowed the possibility to set up committees dealing with European affairs.

Audit Office  
Score: 8

Parliament does not have its own audit office, except for a special body called the Office Parlementaire d'Évaluation des Choix Scientifiques et Technologiques, which is responsible for analyzing and evaluating the impact of technology. In practice, its role has been rather limited.

Instead, the Court of Accounts is now at the disposal of any parliamentary request and can act both as auditor and adviser. While much progress could be made to fully exploit this opportunity, it is noticeable that collaboration

between the two institutions has improved since the Court's presidency was offered to two prestigious former politicians. Improvements also resulted from the decision by former President Sarkozy to appoint the then chairman of the finance and budget committee of the National Assembly to the post, a position which for the first time had been reserved for the opposition party. Actually, the role of the court has dramatically changed, from a mere control of accounts to a full evaluation of public policies.

Ombuds Office  
Score: 7

Parliament has no ombuds office but plays a key role in the functioning of the (former) Ombudsman office. Until 2011, the médiateur (ombudsman) could intervene in malpractices and administrative problems at the request of individuals but only through the mediation of a parliamentarian. The purpose was to try to solve as many problems as possible through the intervention of elected representatives, and to ask the ombudsman to step in only if the issue could not be addressed or solved in a satisfactory way. In 2011, the office was merged with other independent authorities to form a new body (Le Défenseur des Droits). This new agency is active and respected having demonstrated its independence vis-à-vis the administration and government. However, it has not affected the role of parliamentarians in the process and they continue to channel citizens' requests.

## Media

Media Reporting  
Score: 6

Mass media, notably morning (radio) and evening programs, offer quality information concerning government decisions. As for print media, the crucial issue is the division between local and national media. A few quality daily papers and weekly papers provide in-depth information, but their circulation is low and on the decline. In many instances, the depth and magnitude of information is dependent upon the level of polarization of the government policy. Instead, in local newspapers, information is often superficial and inadequate. The same division applies to private and public audiovisual channels (some private channels offer only limited, superficial and polemical information), and to the emerging online media (only some of which offer quality information and analysis). On the whole, economic information is rather poor. Social media networks tend to substitute for traditional media and usually offer a very poor alternative. Mobilization is becoming more important at the expense of providing fair and checked information. This tough competition contributes to a deterioration in the quality of traditional media.

## Parties and Interest Associations

Intra-party  
Democracy  
Score: 6

Parties are usually both centralized and organized hierarchically. There are few registered fee-paying political activists. These are all serious limitations to the inclusiveness of citizens in the selection of leaders and of policy options.

However, there are some countervailing forces. One traditional point is the practice of accumulating elective mandates. Many politicians are not selected by a party; they are individuals who have made their breakthrough locally and impose themselves on the party apparatus. This means that national politicians have a concrete and ground-based knowledge of people's aspirations and claims. Another factor is the popular election of the president. Candidates' programs are inclusive; no policy sector is forgotten in their long to-do list. A third factor lies in recent changes in the selection of candidates for presidential elections and communal elections. Primaries have taken place, first within the Socialist Party, then in the neo-Gaullist conservative Union for Popular Movement (UMP). In those cases, both registered activists and voters sympathetic to the party are eligible to participate. Actually, this "opening" of the process contributes to a further weakening of the parties which are already very feeble organizations. The strong participation in the primaries (up to 4.4 million in the case of the conservatives, a multiple of the number of registered members) is a form of citizen participation in a crucial political party decision, which can be seen as a positive sign for open and democratic legitimation of the party's choice. However, in spite of this apparent success, the primaries in France have confirmed the American experience: they are the most efficient instruments for weakening and destroying political parties. The socialist and conservative primaries have been profitable to the most radical candidates in both cases, deserting the moderate political space and thus permitting the landslide success of the centrist Macron. As a result, the traditional parties of government are deeply divided and weakened. Five years will not be too much for these parties to attempt to reconstruct themselves. As for the new movement of the new president, La République en Marche, it remains purely a product of and for Macron. La République en Marche has not yet been able to transform itself into a movement capable of playing a proper role in decision-making, and mediation between citizens and government.

Association  
Competence  
(Business)  
Score: 4

Business associations, mainly the largest employer's union (Mouvement des Entreprises de France, MEDEF) but also agricultural associations, are able to formulate policy proposals and contribute to agenda setting. They have their own research capabilities, and can successfully lobby government and parliamentarians. Weaker organizations such as the association of small and medium companies complain that their specific interests are marginalized by larger international groups and by the government. Trade unions are usually more reactive, mainly because their membership is low, at less than 8% of the workforce (the lowest percentage within the OECD), and split into several rival organizations. Trade unions' strategy is to counterweight their weakness at the company level by negotiating at the sector level or even at the national level, and organizing mass protests in the streets. In areas where interest groups are united and strong, as in agriculture and education, they may have substantial influence, amounting to co-decisions together with government. In

other areas, the weakness of organized interests results in marginal involvement in decision-making, which may lead to friction on implementation. President Hollande's attempt to rejuvenate "social dialog" has produced limited results. A major problem is that two corporatist and "conservative" unions (CGT and FO), taking advantage of their footing in the civil service and public sector, have more or less rejected any change (e.g., they refused to sign the previously mentioned agreements). Macron in attempting to reform the labor law code has opted for a different strategy: organizing a systematic, but separate consultation with all the unions; and then adopting ordinances (executive orders) without parliamentary debate and overall negotiation with the unions.

Association  
Competence  
(Others)  
Score: 6

The number of, and membership in, non-business associations has been increasing. If the phenomenon of dependency on the financial support of public authorities exists, especially at the local level, there are non-economic associations that are combining pluralistic approaches, long-term perspectives and a public perspective. This can be seen in fields such as urban policy (where national programs and local public actors rely on the expertise and commitment of associations dealing with local issues), environmental policy or social policy (aid to people with different social problems or handicaps).

This being said, only a few associations are equipped with the capacity to make relevant and credible proposals. Some groups (such as environmental groups and social workers) have a real proactive strategy; however, most associations are reactive and prefer to object rather than suggest.

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