

Analysis of today
Assessment of tomorrow



By: TA | AP Brief

France's parliament approves emergency bill to prevent US-style government shutdown



France's fractured parliament approved an emergency bill designed to prevent a U.S.-style government shutdown next week, after negotiations on a 2026 budget collapsed.

With just days left before the new year, President Emmanuel Macron and his Cabinet met Monday night to present the brief draft law.

It aims "to ensure the continuity of national life and the functioning of public services," including collecting taxes and disbursing them to local authorities based on tax and spending levels in the 2025 budget, the Cabinet said.

Lawmakers in the National Assembly, the French parliament's powerful lower house, made several amendments and voted to approve the bill Tuesday evening, followed by the Senate.

It passed despite deep divisions among the assembly's three main camps — Marine Le Pen's far-right National Rally, left-wing forces, and Macron's centrist minority government.

The next step will be harder: building a real budget for 2026, and averting a new political crisis.

A spare tire

The emergency law "is like a spare tire," Finance Minister Roland Lescure told lawmakers, urging quick work on a real budget for next year. Relying on it for too long "risks greatly weakening the French economy."

Macron is desperate to bring down the huge deficit to 5% of economic output, or GDP, and bring back investor confidence in France's economy after protracted political deadlock and turmoil prompted by his ill-fated decision to call snap elections last year.

Prime Minister Sébastien Lecornu appealed to all parties to work through the holidays to find compromises on a 2026 budget France has a high level of public spending driven by generous social welfare programs, health care and education, and a heavy tax burden that falls short of covering the costs.

Prime Minister Sébastien Lecornu, who resigned then was reappointed this fall, appealed Tuesday to all parties to work through the holidays to find compromises on a 2026 budget after a previous effort crashed last week.

Lecornu's minority government won relief earlier this month when parliament narrowly approved a key health care budget bill, but at the cost of suspending Macron's flagship pension reform meant to raise the retirement age from 62 to 64.