

## Macro Roundup Article

**Headline:** [The Party Is Ending for French Retirees](#)

**Article Link:** <https://www.wsj.com/articles/french-pension-strikes-retirement-age-reform-macron-ce377388>

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**Tweet:** Ruling out tax hikes, the French government is attempting to raise the retirement age to extend the viability of the country's pay-as-you-go retirement system. France spends about 14.5% of economic output on pensions relative to 7.5% in the US. @WSJ

**Summary:** French President Emmanuel Macron has proposed an overhaul of the country's pension system centered on raising the legal age of retirement by two years to 64. The legislation, which is currently before parliament, has triggered waves of protests and strikes that have taken a toll on France's economy. Mr. Macron says the changes are necessary to save France's pension system from collapse and maintain fiscal discipline. He wants to bring the national deficit—which was 5% of gross domestic product last year—back in line with the European Union's 3% target while also boosting France's military budget amid the war in Ukraine. France spends around 14.5% of its economic output on pensions, compared with 7.5% in the U.S. and 10.4% in Germany, according to the Organization for Economic Cooperation and Development, a club of rich nations. France ranked second out of 38 OECD countries in terms of tax-to-GDP ratio in 2021, according to the OECD, at 45.1%, compared with the OECD average of 34.1% and 26.6% in the U.S.

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