The Crazy French Double Down on Obamanomics

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Being a libertarian, I'm used to disappointment. So when something actually goes according to plan, I get very happy.

On that basis, I should be utterly and deliriously overjoyed about **my endorsement of Francois Hollande to be President of France**. I wanted him to win, in part because he would engage in statist experiments that would help discredit bad policy.

Well, all my dreams are being fulfilled. Here's some of a new**report in the Wall Street Journal**.

> *French Socialist President François Hollande is set to increase the minimum wage by more than inflation, betting consumers will help revive the country's stalling economy, while his government levies more taxes on the wealthy and large corporations in a bid to reduce the budget deficit. …The government also is preparing to unveil tax increases to make good on its pledge to reduce the budget deficit to 4.5% of yearly output this year and 3% in 2013. The list includes a new tax on dividends, a new top income-tax bracket of 75% for people earning more than €1 million a year, and increases in the wealth and inheritance taxes.*

It's not terribly surprising that Hollande's going the fully Monty with higher taxes. Indeed, **I've already mocked** those plans.

But I'm surprised that he's pushing a higher minimum wage as well, particularly with unemployment already at high levels. **This video explains** why minimum wages undermine job creation and hurt the less fortunate, but Hollande apparently thinks his plan will stimulate growth.

Other European nations have become more rational and now understand that labor markets need to be more flexible.

> *The Smic increase and the fiscal plan are in line with Mr. Hollande's election promises but position France at odds with most other euro-zone nations, which are seeking to keep a lid on labor costs to improve their competitiveness and rein in their budget deficits through spending cuts rather than tax increases.*