

# BUILDING THE FUTURE OF FRANCE IN THE MIDST OF CRISIS ANNUAL REPORT ON THE STATE OF FRANCE 2021

In March 2020, France entered anxiously and disbelievingly into a strict lockdown period that was supposed to last two weeks but would end up lasting eight. In July 2020, the ESEC adopted its Annual Report on the State of France (RAEF), which attempted to describe the state of shock the country had been plunged into by the Covid-19 pandemic. It warned of the need to support the economy and society in the medium term by seizing this moment to change course and firmly prioritise human capacities in favour of a non-punitive ecological transition.

After the shock experienced by society during this year, the outlook remains uncertain despite the French and European recovery plans and the vaccination campaign. The health crisis has been added to the social and economic crises, which have not affected all citizens equally. The Annual Report on the State of France 2021 provides answers to the questions that have arisen in this context. It also marks the end of a five-year term during which the ESEC produced five RAEFs, which provide important findings on the long-term changes that our society is undergoing and formulate recommendations for building the future of France, together.

The 2021 report begins by reiterating and underlining the relevance of the main findings in previous reports:

- Growing inequalities and declining social cohesion, with particular risks for young people and seniors

- Forward planning hampered by inadequate research efforts and investments, both tangible and intangible, as well as by poorly directed public spending
- A democracy undermined by declining public services, institutional mistrust and growing regional divides
- A mishandled ecological emergency

The report then analyses how the 2020 and 2021 crises have not only accentuated the divisions and weaknesses uncovered in previous RAEFs, but have also revealed other, previously less visible trends:

- our industrial dependency
- unrecognised regional potential
- the growing decline in social cohesion and the emergence of new inequalities, particularly in health care
- the importance of food issues in times of crisis and for the future.



**Hélène Fauvel**

is a Divisional Public Finance Inspector and the General Secretary of the FO Public Finance union.

She is a member of the ESEC's Economy and Finance Section and the Delegation for Forward Planning and Public Policy Evaluation, where she represents the CGT-FO Group.

**Contact:**

helene.fauvel@lecese.fr  
01-44-43-62-46



**Benoît Garcia**

is a Public Finance Inspector and a member of the national leadership of the CGT Finance Federation and the National Public Finance Union.

He is a member of the ESEC's Economy and Finance Section and the Delegation for Forward Planning and Public Policy Evaluation, where he represents the CGT Group.

**Contact:**

benoit.garcia@lecese.fr  
01-44-43-62-46

Faced with these challenges, and with a firm focus on the intrinsic links between the economy, society and the environment, the ESEC proposes to build the future of France around the following three priorities:

- revive the economy by promoting a new type of growth: invest in human capacities (training, research and development, career transition, etc.); guide businesses, particularly VSEs and SMEs, toward an ecological transition of the economy and a new industrial policy; transform the role of bank credit; direct savings toward responsible, long-term finance; better exploit the multiplier effect of public procurement; and lastly, better direct public aid and make support for businesses conditional on environmental, social and economic criteria.
- create new forms of solidarity centred on securing stable work, employment and income, by favouring tangible and intangible investments, quality jobs and a comprehensive overhaul of taxation.
- make decisions together by developing substantive dialogue at all levels: develop and modernise public services, strengthen localities and preserve democracy and public freedoms.

Lastly, the 2021 RAEF reviews the method used to prepare the report, which since 2016 has been based on ten “new wealth indicators” in addition to GDP. Following in the footsteps of the “Grenelle de l’Environnement” (2007) and the “Stiglitz-Sen-Fitoussi” commission (2008), the ESEC had already argued for the sustainable development indicators under discussion at the United Nations in 2009.

Five RAEFs later, the method has proved its worth: the report examines the previous year while covering economic, social and environmental factors, making it an original exercise that has highlighted regional divides, growing inequalities and inadequate forward planning, among other issues.

However, this method has also had certain limitations, including weak annual fluctuations in indicators, which it is difficult to draw precise conclusions from, along with delays in data updates, blind spots and angles not covered by the indicators currently used. The ESEC is taking the opportunity of a new term to propose improvements:

- Use sub-indicators by locality, gender, age group, occupational category, etc.
- Define new indicators.
- Collaborate with other bodies: the National Council for Statistical Information (CNIS), the Public Statistics Authority (ASP) and ministerial statistical services.
- Strengthen dialogue with public officials based on the RAEF, in order to live up to the spirit of the 2015 law aimed at factoring “new wealth indicators” into public policies.

In conclusion, the ESEC calls for a new yardstick and a new course of action, with a focus on the long-term, for a fairer, more supportive and more sustainable society that is more concerned with the common good. This requires a new kind of sustainable growth based on investments in human capacities, stable work, employment and income, and a reindustrialisation movement driven by business aid and the creation of quality jobs. It also requires new forms of solidarity with a fair distribution of effort. To achieve this, we need to imagine new ways of working and being together, which could take the form of a new alliance between the national government, local authorities, public services, businesses, workers, citizens and organised civil society.