

THEMATIC CONTRIBUTION (SECTION OF SAINT-POURÇAIN SUR SIOULE / ALLIER)

FOR ANOTHER ECONOMIC GROWTH: SOCIAL WELFARE

We are accustomed to measuring the flourishing character of an economy by its growth rate. But what growth?

The point here is not to advocate some form of degrowth, but to question the benchmarks for measuring growth in **terms of the** goals that the community is pursuing. Should efficiency be measured by the profit gained from the management of the financial capital invested?

In short, to paraphrase a famous formula, would what is good for General Motors be good for citizens?

Does building insulation work produce less growth than building construction?

thermal sieves ? Does organic agriculture contribute less to growth than chemically assisted conventional agriculture? Is the production of solar energy less a source of growth than the use of "refined" oil?

We believe that growth should be measured in terms of **improved well-being for the world's people**.

Let's take as a definition of **well-being the** situation that allows the needs of life to be met and that provides a sense of good physiological and psychological health.

The main components will be **health**, of course, but also the quality of **housing, of food, education, security...**

Therefore the questions that arise are the following:

- **At what level** can these criteria be considered to be met?
- Are the criteria assessed at the individual **or community** level? What about individual aspirations in relation to the general interest?
- Is the satisfactory level valid **for everyone**? What about discrimination and inequality?
- **at what price do** we want to reach this level? This is the question of social and environmental standards, of the long term vs. the short term, of the sustainability of development.

In a democracy only public and political debate and social negotiation can lead to consensus on these points.

It is on the basis of these definitions and criteria that **objectives** will be periodically evaluated and set by **Parliament on the** proposal of the executive, for example every five years. The objectives thus selected will be taken into consideration by the planning bodies and by the administrations in the exercise of their mission. **Citizen participation** in the work of these bodies will be organized in a transparent manner (citizens' conventions, public debates, etc.).

Regular **tripartite conferences** (State, companies, employee unions) will be both the framework for appropriation of the work carried out by the planning bodies and the venue for negotiation of the concrete conditions for their implementation.

This will inevitably lead to the question of **power in the company and** employee participation in decision-making, particularly strategic decisions, being raised and addressed.

Economic liberalism has certainly demonstrated its capacity to create wealth and its efficiency in organizing the functioning of the numerous actors of the economy. But it has the disadvantage of privileging the immediate profitability of capital over the long-term collective interest. It is therefore necessary to regulate it, to give it a framework and constraints.

The **cult of short-termism** ignores the delayed effect, particularly on health, of environmental damage and postpones the necessary measures (banning certain pesticides and endocrine disruptors, like the ban on asbestos in the past...) until the following day. It leads to the depletion of natural resources.

It is up to the public authorities to enact standards governing the liberal market in order to eliminate these shortcomings.

Not only will it be a question of avoiding that trade globalization leads to devote energy, particularly energy that produces GHGs, to trade at low cost products that are of no use. But more generally, the rules of international trade will be based on "fair **exchange**". Products and services imported into a State must have complied with the **social and environmental standards** in force in that State and therefore, a fortiori, with the corresponding international agreements, such as the Paris climate agreement. International rules still need to be enacted to truly preserve **biodiversity**.

In addition, a move to **relocate** part of agricultural and industrial production, driven by the public authorities, should enable a number of activities that are sensitive in times of crisis to be repatriated to Europe: production of medicines, health protection, energy, electrical and electronic components, proteins, etc.

Finally, a **Financial Transaction Tax (FTT)** worthy of the name will, for example, fuel development aid in compliance with social and environmental standards.

Whether it is to finance the efforts of the public authorities to serve the general interest, to impact the behavior of economic actors, or to redistribute in order to correct social inequalities, the **tax system will be** made coherent, fair and rigorous.

The key word in this area is **progressive** income tax. It will be accompanied by an increase in the relative weight of these taxes in the overall resources of the public authorities. Since the withholding tax has been applied in a neutral way, the reform could be carried out by **bringing together and then merging income tax and the CSG**, supplemented by the introduction of a bracket of at least 50%.

It is logical that **communes** levy a housing tax, possibly modified: you pay for the communal public service where you live.

Likewise, the **regions** will receive resources based on economic activity, in line with their competencies: share of VAT, share of CVAE...

And why not leave property taxes in the broadest sense to the **department**?

Fiscal justice and efficiency also requires increasing the level of taxation on non-work income. It will be necessary to re-establish at least the **equality of tax rates between income from labor and income from capital**.

In addition to being the main means for the public authorities to finance public services and investments of general interest, taxation is a tool that must serve to orient economic life precisely in the direction of the general interest. This will be the object, for example, of **ecologically incentive VAT** rates.

Naturally - but it must be remembered - the fight against **tax evasion**, coordinated at the European and global level, will be a priority. The means that will be devoted to this will be quickly and largely compensated by the additional recoveries obtained.

The withholding tax on income tax and its link with the CSG will pave the way for the simple introduction of a **universal income** scheme that has become indispensable in both normal times and in times of crisis.

As for the taxation of wealth, it is clear that a **real solidarity tax on wealth** bringing in at least €5 billion per year must be re-established in order to contribute to public investment, and that **inheritance tax worthy of the name** must be reinstated, particularly on large assets.

The resources that will be drawn from it will serve as a sort of personal contribution from the public authorities, which will thus be able to periodically launch "**major national and European loans**" to finance public investments linked to the fight against global warming, scientific research, etc.

The French territorial organization will be gradually reviewed based on **living areas to get out** of artificial divisions and take into account the reality of the living conditions of the inhabitants. From there, the coherence and simplification of competences between the State, the regions, the departments, the metropolises, the EPCs and the communes will appear quite clearly.

The State and local authorities will pilot large-scale programs to renovate **buildings, whatever** their purpose, and insulate them thermally.

Urban planning will be reviewed to stop the artificialization of the land, and **shorten "home-work-consumption" distances**.

The use of wooden constructions and bio-sourced materials will be favoured.

The construction and management of **residential homes will** reduce the isolation of the elderly and facilitate their care in difficult times. In each city, **temporary accommodation structures will** have been identified (and possibly prearranged) to accommodate people in emergency and difficult situations: homeless people, quarantined patients, climate refugees, etc.

At the level of the **European Union, it** seems that Germany and the countries of the North are beginning to understand that solidarity with the countries of the South is not a form of almsgiving or even wastefulness, but corresponds to their well-understood interest. The consumption of some makes the investments of others profitable and the cohesion of the whole strengthens everyone in global competition. Imagine the ballet of competitive devaluations between European currencies that we would see in 2020 without the single currency.

In the longer term, the solidity of the European Union and its popular acceptance will require progress towards a **social** (European **minimum wage**, labor law), **fiscal** (harmonization and fight against dumping), and **political** (role and powers of Parliament, fair trade agreements, common foreign policy) Europe. While relaunching the **economic cooperation** that has made Europe strong, with coordinated relocations and joint actions in the fields of research, transport, energy, networks and health.

The time has come for a kind of European "CNR program" to give content to the necessary convergences and to get out of the recent crises at the top.

Finally, success and progress in the direction described above necessarily require support for **social movements and workers' trade union organizations around** the world, helping them to organize and coordinate, without infringing on their independence and in ways that are adapted to each country. Their demands will be a valuable support in our efforts to give concrete content to the major international declarations and conventions, **all of** which show the will to move towards greater **equality**, greater freedom **and** greater **solidarity**.
