Published on *Adam Smith Institute* (http://www.adamsmith.org)



# Chart of the week: French economic sentiment a cause for concern [1]

Written by **Gabriel Stein** [2] | Monday 2 December 2013

**Summary:** French economic sentiment highlights causes for concern

**What the chart shows:** The chart shows the European Commission?s Economic Sentiment index for France and Germany

**Why the chart is important:** Recent French data highlight that France is in danger of missing out on the euro area recovery ? such as it is. Some numbers are improving, eg unemployment and household consumption of manufactured good. But this improvement is minimal. Admittedly, so too is the deterioration in other series, eg the economic sentiment index. But it is worrying that the weakness is broadly based ? four of the five sub-indices showed falling confidence in November ? and also that it is there at all at a time when the rest of the euro area is showing some improvement. France is also very much looking like missing out on the general EA foreign trade improvement. One key problem is that successive French governments did little or nothing to reform the economy over the past ten years. What makes this even more worrying is that the current government is, if anything, undoing even the small reforms that have been implemented, hinting that French growth will underperform that of other EA countries over the medium-term as well.

blog comments powered by Disqus [4]

**Source URL:** http://www.adamsmith.org/blog/economics/chart-of-the-week-french-economic-sentiment-a-cause-for-concern

**Links:**
[1] http://www.adamsmith.org/blog/economics/chart-of-the-week-french-economic-sentiment-a-cause-for-concern
[2] http://www.adamsmith.org/taxonomy/term/5935
[3] http://disqus.com/?ref_noscript
[4] http://disqus.com