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Welfare Elites and State Reconfiguration Evidence from the Transformation of French Social Security

Abstract

Studying the transformation of France's social security system between 1970 and 2020 reveals a recomposition of the power of unelected governmental elites. The institutionalization of a group of "welfare elites" characterized by a new sociological profile (social background and career paths) has led to a reshaping of policy governance ("Iron Triangle"). These High civil servants have carried out a program of "sustainable social welfare," reinforcing state interventionism in health and social insurance policies. In the context of this program's implementation, they have developed the role of custodians of state policies. This strengthening of the French state's capacity sheds new light on the question of its reconfiguration.

Keywords: Unelected Governmental elites; Social Security; State Reconfiguration; France; Iron Triangle; Custodians of State Policies.

Introduction

ECONOMIC GLOBALIZATION, the recurrence of systemic crises, global warming, a pandemic, and the proliferation of armed conflicts have all led modern states to adapt their scope and modes of action. In recent years, the social sciences have studied this movement by rethinking the foundations of the sociology of the state. Consequently, several approaches have emerged, sometimes overlapping. The first examines the disengagement of states in favor of market forces by aligning themselves with the imperatives imposed by liberal and managerial

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ideology [Bezès 2017; Pierson 1994; Suleiman 2003], while accepting the possible existence of forms of state resistance [Brooke 2021; Prasad 2006]. The second, based on the concept of “infrastructural power” developed by Michael Mann [1984], retains public policies as an explanatory variable for the reconfiguration processes of European states [King and Le Galès 2017a and b]. The aim of this article is to understand this process of reconfiguration by drawing on the distinction between weak and strong states [Badie and Birnbaum 1983; Birnbaum 1980, 1984, 1988, 1996 and 2001; Krasner 1978; Nettl 1968; Skocpol 1979 and 1985], and by focusing on a particular type of political actor: unelected governmental elites.

For neo-elitist thinkers [Field and Higley 1980; Higley and Burton 2006], political elites comprise “individuals and small, relatively cohesive, and stable groups with disproportionate power to affect national and supranational political outcomes on a continuing basis” [Best and Higley 2018: 3]. Focusing particularly on unelected governmental elites we propose to explore a field of study little touched on by the sociology of political elites.¹ Reinterpreting Geatano Mosca’s theory of the “ruling class” [1939]² to understand these elites who govern “out of sight,” we take seriously Laswell’s [1936] classic questions: what “makes” elites (*Who are they?*) and what do elites “do” (*How do they act?*)? Taking this perspective into account, we consider their strategic capabilities [Keller 1963] to influence policy programs and state reconfiguration. All this is inspired by Robert Dahl’s work [1960] on the consequences of competition between elites for democratic decision-making.

In the early 2000s, European political scientists launched several comparative research programs (examining France, Europe and the United States) mobilizing an elite approach to state reconfiguration in various domains of public policy, such as warfare and welfare [Bandelow, Hornung, and Smyrl 2021; Genieys and Smyrl 2008; Genieys 2010; Genieys and Hassenteufel 2015; Genieys, Darviche, and Epperson 2022]. This involved establishing a connection between unelected governmental elites and the renewal of state capacity. More specifically, we will analyze the effects of changes in elite structure (social background and career paths) on the development of new programmatic orientations (formulation and implementation). From this perspective, studying the

¹ Admittedly, the issue of political advisers, particularly ministerial advisers, has been the subject of recent research [SHAW 2023].

² For Mosca, “a governmental machine is bound to be in existence, which machine will

again ‘naturally’ be composed of a minority in charge of all activities of government” [MEISEL 1962: 35].

transformation of the French welfare regime has highlighted the role played by these elites as custodians of state policies.

According to Gøsta Esping-Anderson “to talk of a ‘regime’ is to denote the fact that in the relation between state and economy a complex of legal and organizational features are systematically interwoven” [Esping-Andersen 1990: 2]. In France, this welfare regime is incarnated in “social security” (*sécurité sociale*), which refers to the institutions that organize protection against social risks in five areas: health care, work accidents, old age, family, and, since 2020, the autonomy of the elderly and disabled. The focus on the unelected governmental elites in charge of social security will help us to test the hypothesis of a strengthening of the French state in a policy area that is constantly expanding as responsibility is assumed for new risks (linked to old age, climate change, and so on).

Understanding State Reconfiguration: An Elite Approach

Ironically, to try to understand the process of state reconfiguration, researchers have pointed to the “strength” of politics in weak states, such as the United States [Novak 2008; King and Liebermann 2009a, 2009b; King and Jacobs 2009]. Based on states’ ability to formulate and implement policies, these scholars have relativized the distinction between strong and weak states. Thus, in the case of the United States, the concept of a weak state has been abandoned in favor of the “policy state” [Orren and Skowronek 2017]. The latter developed during brief historical sequences (the Progressive Era, civil rights, and so on) in which interventionist policies highlighted the strength of the federal state. Far from being linear, its development varied according to the policy areas favored by the party in power [Jacobs, King, and Milkis 2019; Skowronek, Dearborn, and King 2021]. Using the same approach, the study of the reconfiguration of European states, in which each state is forced to elaborate and adapt its actions to those of the European Union (EU), maintains that they have structurally weakened [King and Le Galès 2017a].

However, comparative historical sociology has pointed to the importance of elites carrying out political and institutional change [Linz 1973 and 1993]. Our research has allowed us to understand how, over the past three decades, in certain strategic sectors (welfare and warfare), small groups of unelected governmental elites have promoted state

interventionism against neoliberal ideology or at least to control its negative effects on welfare policies [Genieys 2010; Genieys and Joana 2017]. Our elite approach rests on two postulates: (i) a plurality of unelected governmental elite groups competing to formulate programmatic orientations³; (ii) the effects on these programmatic visions of changes in the elite structure [Genieys and Darviche 2023; Genieys 2024]. To this end, we focused on governmental elites who are (i) unelected individuals, (ii) politically appointed at the apex of the state apparatus, and (iii) able to develop their career path over the long term by circulating vertically (occupational advancement) and horizontally (between governmental institutions) inside the state,⁴ while (iv) working collectively out of sight and (v) decisively influencing policymaking.

In developing the *Programmatic Elites Framework*, we have combined an “applied sociography”⁵ with the transformation of programmatic orientations. The “applied sociography” is based on a population of unelected governmental elites identified on the basis of positions held over time (temporal criterion) in the governance of social security (positional criterion). First, we studied their social background features (age, gender, type and level of diploma, profession, and so on).⁶ Second, we deepened the sociographic analysis by linking their individual career paths with the political struggles waged for social security reform. The aim is to show how, in these struggles, groups of unelected governmental elites have developed the role of “custodians of state policies.”

Philip Selznick defined “custodians of policy” as individuals protecting certain “social values” in order to assert leadership, group identity, and autonomy within an organization [Selznick 1957: 120–121]. In our conception, the role of “custodian” refers to elites fighting for what they consider to be a “responsible” extension of the state [Genieys and

³ We define “programmatic orientation” as a shared vision of public policy in an area of government intervention that is based on (i) a diagnosis of existing policy failures, (ii) the formulation of the problems to be solved, (iii) arguments and solutions, and (iv) implementation procedures and instruments [GENIEYS AND DARVICHE 2023].

⁴ We borrow the concept of “circulation of elites” from the sociology of VILFREDO PARETO [1967], but give it a different meaning. For him, horizontal circulation takes place within the “governmental elite,” while vertical circulation refers to the integration of certain elements of the mass into the elite.

⁵ The method of “applied sociography” was developed by Roberto Michels in his pioneering study of the social determinants of the Italian socialist party elites [LINZ 2006: 14].

⁶ In the US sociology of elites (Mills, Domhoff, Kahn) the term “social background” connotes elites going to private schools, having a lot of money, and playing golf at a fancy country club. For us, the term has three main elements: (i) attitudes/aptitudes/orientation (in this case toward activism and reform), (ii) education (where they went to school, what they studied), and (iii) the socialization that derives from institutional settings.

Darviche 2023]. This role is shaped by both the ethics of ultimate ends and the ethics of responsibility [Weber 2004]: (a) the development of policies strengthening the regulatory capacity of the public authority (ethics of ultimate ends); and (b) the will to formulate effective “sustainable” policies taking into consideration political and budgetary constraints, among others (ethics of responsibility). This ethic of responsibility is the result of a long career path inside the state apparatus and a specialization in a particular policy domain. In the welfare regime, the identification of this role has made it possible to differentiate a group of elites defending the public interest from those promoting a certain view of the market (liberalism) and from those representing social forces (corporatism).

In the French and American case studies, despite the contrasting development of their respective states, we observed the role of unelected governmental elites in welfare reforms [Genieys and Darviche 2023; Genieys 2024]. In the context of the US policy state, it was short-lived and contested because of constitutional rules and the balance of power. The interventionist policies initiated by the Progressivist elites during the Roosevelt administration and later under the Johnson administration with the Great Society program were severely attenuated by the return to government of the Republicans [Pierson 1994; Orren and Skowronek 2017]. More recently, however, a study of the origins of the Affordable Care Act has identified a new manifestation of the custodian role. Indeed, a group of democratic elites —“long-term insiders”— was able to promote pragmatic state interventionism that took into account budgetary constraints and those imposed by the Republican opposition in order to bring about this reform. This “government of insiders” neutralized market forces, as well as the forces opposing more statist reform (“single payer,” “public option”) deemed impossible to implement in the context of strong political polarization.

Concerning France, our research has identified the same type of process in a strong-state context over the long term. Studying the transformation of social security governance in France between 1970 and 2020 allowed us to analyze how unelected governmental elites transformed themselves while reconfiguring government authority in this sector [Genieys 2010; Genieys and Darviche 2023]. A group of high-level civil servants, whom we have called “welfare elites,” and characterized by a new professional background (from the *Cour des comptes*) and a career path specializing in cost control issues (Directorate of Social Security), promoted the 1996 constitutional reform (Tables 2 and 5). At the apex of social security governance these new elites pursued a

TABLE I
The Three research programs on welfare elites from 1997 to 2020

<ul style="list-style-type: none"> • RESEARCH PROGRAM I (Mire 1) (1999). Around 50 interviews conducted. <ul style="list-style-type: none"> ◦ <i>Period: 1980-1997; Study population: cabinets members, director of administrative units</i> ◦ <i>Biographical data on 133 persons; Interviews: 40</i> • RESEARCH PROGRAM II (Mire 2) (2008). Around 20 interviews conducted. <ul style="list-style-type: none"> ◦ <i>Period: 1997-2007; Study population: cabinets members, director of administrative units</i> ◦ <i>Interviews: 12</i> • RESEARCH PROGRAM III (ProACTA) (2022). <ul style="list-style-type: none"> ◦ <i>Period: 2007-2020; Study population: cabinets members, director of administrative units</i> ◦ <i>Biographical data on 52 persons; Around 20 interviews conducted.</i>
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programmatic orientation that we will call “sustainable social welfare,”⁷ whose goal was to strengthen the role of the state by taking control of social security and its financing, while universalizing and extending it. In order to continue to assert their political autonomy with regard to this program after reform, they assumed the role of custodians of state policies in the process of transforming the welfare regime.

Evidence from the Transformation of the French Welfare Regime

The transformation of the French welfare regime is a rewarding policy area of study for anyone interested in the connection between elite changes and state reconfiguration. In the case of France, from the 1970s and then the 1990s, in order to meet the challenge of the oil crises and mass unemployment, social security governance underwent a first wave of structural reforms [Hassenteufel and Palier 2007; Palier 2000, 2004 and 2010]. Comparative research emphasizes that direct tax revenue replaced a portion of the financing from salary withholding and employer contributions in France [Merrien, Parchet and Kernen 2005:

⁷ This designation was inspired by a former head of the Directorate of Social Security, who insisted that “our policy is to make social security sustainable. [...] It’s not just public finance performance that counts [...] we pay attention to the acceptability of reforms by

society. And our logic of action is based on the long term. We want and we carry out structural reforms over the long term, even if it means sacrificing financial results in the short term.” Interview with high civil servant, Research program II, MiRe 2, 2007.

TABLE 2
Elites types and social security governance (1945 to 2020)

TYPES OF ELITES	GENERAL SOCIOGRAPHICAL FEATURES	PROGRAMMATIC ORIENTATION
Old-fashioned elites (1945-1980)	The social partners elites: Funds President selected by trade and employers' unions The state elites: magistrates of the <i>Conseil d'Etat (Grand corps)</i> who headed the DSS: Pierre Laroque and his heirs	Bismarckian-flavored welfare regime: institutional fragmentation, employment-related entitlement, earnings-related benefits focused on the male breadwinner, contribution-based financing, an autonomous medical profession with a doctor-patient dyad subject to limited interference by third-party payers (liberal medicine), and social partners (employers and employees) with a management role in Health Insurance funds at local and national levels (statutory health insurance (SHI) scheme in 1945). Social security governance based on the partnership between social security funds and the state: social security funds managed by the social partners; regulatory role of the state.
Welfare elites (1981-2020)	<ul style="list-style-type: none"> • First generation (1981-1999) composed of magistrates of the <i>Cour des comptes (Grand corps)</i>: Jean Marmot and his heirs • Second generation (2000-2020) was IGAS (General Inspectorate of Social Affairs) or civil administrator or statistical engineer 	"Sustainable Social Welfare" program: creation of "welfare" tax (General social insurance contribution, CSG), strengthening the role of the state on the governance, control of expenditures and national health coverage. Program implemented by the Constitutional reform (Social Security Budget Act 1996) and additional reforms (CMU, 1999; Douste Blazy reform 2004; PUMA, 2016) Social security governance model based on the interaction of the DSS and the UNCAM (headed after 2004 by a high civil servant).
Elites of the ministry of Finances	Generally <i>Inspecteurs généraux de finances (Grand corps)</i> Career path in the Directorate of the Budget of the Ministry of Finance	Fiscal austerity and strict control of social spending. Comprehensive macroeconomic approach to fiscal and budgetary policy. "Guardians" of budget orthodoxy, they struggle against the "big spender" ministries as of the Ministry of Social Affairs.

Sources: Authors'.

353]. The share of social contributions in social security revenues decreased from 82% in 1981 to 56% in 2020.⁸ This trend is particularly

⁸ Social Security Policies Evaluation Report (REPSS) attached to the Social Security Financing Bill (PLFSS), 2022: 3. <https://>

www.securite-sociale.fr/files/live/sites/SSFR/files/medias/PLFSS/2022/PLFSS-2022-REPSS-Financement.pdf

marked for health insurance (including occupational injuries), which is the most expensive, accounting for 57% of expenditure (32% for pensions and 11% for family policy expenditure).⁹ Today, almost two-thirds of its revenues come from taxation.¹⁰

The continuous increase in state financing, particularly in the costly health sector, in which taxes now exceed social security contributions, has favored the emergence of new unelected governmental elites specializing in expenditure control. Our replicated studies over time¹¹ have highlighted the sociological features of the different types of unelected governmental elites that have succeeded one another at the apex of social security administration [Genieys 2010; Genieys 2024; Darviche, Genieys, and Hassenteufel 2022]. The *programmatic elite framework* makes it possible to define the ideal-type of elites by combining the characteristics of the elite structure (social background and career path) with the type of programmatic orientation (formulation and implementation of a policy program). Based on our empirical data, we differentiated three types of unelected governmental elites: the “old-fashioned” social security elites attached to the Bismarckian model, the welfare elites promoting “sustainable social welfare,” and the elites of the Ministry of Finance who are more inclined to defend strict budget constraints (see Table 2). A more in-depth sociographic analysis of welfare elites has enabled us to divide them into two generations (Table 4). Indeed, social backgrounds and career paths have changed between the two generations, confirming the institutionalization of the second generation at the heart of the state. While the first generation led the program up to and beyond the constitutional reform of 1996, the second generation formed by the first took over implementation and defense (Table 5).

The aim of the 1996 reform was (i) to strengthen the state’s control over health insurance expenditure. At the same time, it was (ii) associated with the political desire to establish a national health system. This constitutional reform, which substantially transformed the governance and principle of access to health care inherited from the Bismarckian

⁹ Directorate of Social Security, “*Les chiffres clés de la sécurité sociale 2020*,” 2021 : 12. <https://www.securite-sociale.fr/files/live/sites/SSFR/files/medias/DSS/2021/CHIFFRES%20CLES%202020%20ED2021.pdf>

¹⁰ Revenues for the health insurance branch in 2020 were: 32.7% from CSG, 29.5% from other taxes, 32.4% from social security contributions, and 5.4% from state contributions, transfers, and other revenues. Directorate of

Social Security, “*Les chiffres clés de la sécurité sociale 2020*,” 2021: 9. <https://www.securite-sociale.fr/files/live/sites/SSFR/files/medias/DSS/2021/CHIFFRES%20CLES%202020%20ED2021.pdf>

¹¹ We have replicated over time three research programs (MiRe 1, MiRe 2 and ProAcTA) on the transformation of the French Welfare elites (see Table 1).

TABLE 3
*Characteristics of the French Grands corps involved
 in social insurance governance*

MISSIONS AND FIELD OF INTERVENTION	MEMBERS	
COURS DES COMPTEES	<p>This independent <i>Cour des comptes</i> assists the Parliament and the Government (article 47-2 of the Constitution) particularly in the area of public policy evaluation. The <i>Cour des comptes</i> judges the accounts of public accountants. It audits the state and its operators, social security organizations, public companies, organizations receiving donations as well as medical and social establishments and services (ESMS) and private clinics. Each year, the <i>Cour des comptes</i> certifies the accounts of the state (Finance Act) and of the general social security system (Social Security budgetary act/ LFSS).</p>	<p>It is composed of career magistrates, high civil servants, trained in general at the ENA (high ranking). Its auditors can monitor all policy areas. In the area of economic policy and social security, they may be in conflict with members of the <i>Inspection Générale des Finances</i>. On social security, they have been in conflict with the Magistrates of the <i>Conseil d'État</i> (see below Part 1). Like all other members of the <i>Grand corps</i> are often appointed by the government (Minister) as directors of a central administration.</p>
CONSEIL D'ÉTAT	<p>The highest administrative court in France. It is the judge of cassation of the decisions of the administrative courts of appeal, and also has jurisdiction to hear, in the first and last instance, certain disputes such as appeals on the ground of abuse of authority against decrees. It also plays the role of advisor to the government. Pursuant to Article 39 of the Constitution, it gives its opinion on draft laws before they are passed by the Council of Ministers. It also hears draft ordinances, as provided for in Article 38 of the Constitution, as well as the most important draft decrees referred to as "Council of state decrees".</p>	<p>It is composed of career magistrates, high civil servants, customarily trained at the ENA (high ranking). Its 230 members are divided between the Litigation Division, responsible for judging disputes between citizens and the administration, and the Advisory Divisions, which examine draft laws and regulations. Like all other members of the <i>Grand corps</i> are often appointed by the government (minister) as director of a central administration. The Directorate of Social Security and the social security policies were, for a long time considered, "by tradition" as the territory of elites of the <i>Conseil d'État</i>.</p>
INSPECTION GENERALE DES FINANCES (IGF)	<p>The IGFs missions are: to verify, control, ensure the technical, administrative, financial and accounting audit a priori and a posteriori on the whole of the National Public Administration; to study all questions, to carry out all missions related to public finance, public accounting, public investment public investment programs, public procurement, the assets of the state and of the local authorities as well as those related to budgetary and financial discipline. The IGF also acts as an advisor to the Minister of the Economy and Finance. Unlike external audit bodies such as the <i>Cour des comptes</i>, the IGF is not independent of the executive.</p>	<p>Recruitment is mainly done at the exit of ENA (4 or 5 recruitments per year). The inspectorate has the reputation of providing a formidable career boost. Most of the members of the corps pursue a career in the public service, in central government administrations (notably in the General Directorate of the Treasury). More than 130 out of 333 inspectors have worked in a ministerial office or held a political mandate (Rouban, 2002). In our study the IGFs, considered the elites of the Ministry of Finance, were in conflict with the welfare elites (<i>Cour des comptes</i> and <i>Inspection générale des affaires Sociales</i>).</p>

Sources: Authors'.

TABLE 4
Social background and career path of the old and new elites (1945-2020)

APPLIED SOCIOGRAPY OVERVIEW		"OLD-FASHIONED" ELITES (1945-80)	WELFARE ELITES, First generation: 1981-1999	WELFARE ELITES, Second generation: 2000-2020
SOCIAL BACKGROUND	Training	ENA	ENA	ENA/ENSAE
	Home administrative body	<i>Conseil d'État (Grand corps)</i>	<i>Cours des comptes (Grand corps)</i>	General Inspectorate of Social Affairs (IGAS) / civil administrator / statistical engineer
CAREER PATH	Type of Executive position occupied	Director of the Directorate of Social Security (DSS)	Director of the Directorate of Social Security (DSS) or Fund director (CNAMTS, CNAF, etc.)	Sub-director and director of the Directorate of Social Security (DSS) or Fund director (CNAMTS, CNAF, etc.)
	Circulation inside the state	Directorate of Social Security (DSS), Ministerial <i>Cabinet</i> & Grands corps	Directorate of Social Security (DSS), Ministerial <i>Cabinet</i> & Grands corps	<i>Iron Triangle</i> (DSS, UNCAM & High Authorities) and Ministerial <i>Cabinet</i>
	Exit form career	Political advisors in ministerial <i>cabinets</i> and/or return to the <i>Conseil d'État</i>	Mainly in <i>Grands corps</i> or <i>IGAS</i> , exceptionally other sector of the state or private sector	Inside the state (more seldom nonprofit health-social sector) as head of new "High Authorities" created since the 2000s
	Custodian role	Defense of weak state interventionism: corporatism (ethics of ultimate ends)	Defense of strong (ethics of ultimate ends) and sustainable (ethics of responsibility) state interventionism	Defense of strong (ethics of ultimate ends) and sustainable (ethics of responsibility) state interventionism
	Programmatic orientation	Bismarkian model and employment-based social insurance framework	"Sustainable Social Welfare" program: universalization of social insurance & state control of governance	"Sustainable Social Welfare" program: universalization of social insurance & state regulation

Sources: Authors'.

TABLE 5
Generations of welfare elites, reforms and programmatic issues

WELFARE ELITES	MAIN REFORMS	PROGRAMMATIC ISSUES
1 st generation (1981-1999)	Finance law on December 18, 1990: General Social Insurance contribution (CSG)	The CSG levied on all types of personal incomes and it funds approximately 30 per cent of expenditure on healthcare
	Constitutional reform of 22 July 1996: Social Security Budget Act (LFSS)	Break with the old governance model by increasing the role of the state. The new parliamentary competence helps the government to control the social policy agenda, notably on cost-containment issues
	Law of 27 July 1999: Universal Health Coverage Act (CMU)	Every person residing lawfully in France, irrespective of his or her employment status or contribution record is insured for the health risk.
2 nd generation (2000-2020)	Law of August 13, 2004: Douste-Blazy Reform	Creation of UNCAM, High Authority on Health (HAS), traïting physicians [médecin traitant], and health insurance card (Carte vitale)
	Social security budget acts of 2016 and 2020: Universal Health Protection (PUMa)	The new social protection model based on the principle of universal protection. People are covered simply because they live in France

Sources: Authors'.

model, reveals a major break in the programmatic orientation of social security and confirms the replacement of the “old-fashioned” social security elites by welfare elites (see Tables 2, 4, and 5). The development of a new programmatic orientation and the series of reforms implementing it were correlated with the arrival of new elites at the head of social security administration.

Within the state, these elites are identified by social backgrounds and career paths distinct from those of the “old-fashioned” elites (from 1945 to 1980), the *conseillers d'État* (see Tables 2, 3, and 4). Between 1980 and 1999, a first generation of welfare elites, composed of magistrates of the *Cour des comptes*, took over the Directorate of Social Security (DSS), carrying out a policy change agenda that culminated in the 1996 constitutional reform (Social Security Budget Act, LFSS). Its implementation led to the advent of a second generation of welfare elites, with career paths shaped, over the long term, inside the institutions of social security governance (Directorate of Social Security, Fund directorates, ministerial *cabinets*, see Table 4). In the context of the power struggle with the unions (Funds), but especially, after 2007, with the elites of the Ministry

of Finance, this generation of elites took on the role of custodians of state policies. By promoting the “sustainable social welfare” program, the welfare elites initiated a process of reconfiguration of the French state in a domain of constantly expanding policies (Tables 2 and 5).

The Fall of the “Old Fashioned” Social Security Elites

After the Second World War, the Constitution of the Fourth Republic profoundly transformed the French welfare state. Inspired by *Conseiller d'État* Pierre Laroque, the so-called “founding father,” the legislative decrees of October 4, 1945 laid the basis of the social security system and health care coverage [Palier 2010]. Imposed under the aegis of a broad political compromise, this system differs significantly from its British equivalent, the National Health Service (NHS), which is heavily state-funded, financed by tax revenues, not by social contributions (*cotisations sociales*) as in France [Esping-Andersen 1990]. The system was governed jointly by “old-fashioned” social security elites: the unions (workers and employers) and high-ranking Ministry of Social Affairs civil servants from the *Conseil d'État* (Tables 2 and 3). Considered the logical outcome of the wage-based society, the social protection system created in 1945 was exceptional in French institutional history [Palier 2002].

Paradoxically, in this strong-state country, the political influence of the administrative elites seems, reflecting the relations between political forces at the time of the “*Libération*” (after World War II), to have been less decisive than it was in the United Kingdom or Sweden during the same period [Hecló 1974]. Although the French state was highly interventionist in major areas of economic and social life (for example, nationalization of industrial groups and banks, planning, training of elites [ENA, and so on]), it was less so when it came to social protection [Suleiman 1974 and 1978; Kuisel 1973]. After two decades of “a golden age,” its original model of government was gradually called into question due to a structural increase in social spending [Tasso 1991: 168]. Massive unemployment caused by the successive oil shocks of 1973 and 1979 led to the creation of the first Social Security Financing Plan by Raymond Barre’s conservative government on September 22, 1976 [Palier 2002: 176]. In the 1980s, the issue of the structural deficit was a key point of conflict between social partners and divided unelected governmental elites: (i) the “old-fashioned” elites, (ii) the welfare elites, and (iii) the Ministry of Finance elites (see Tables 2 and 3). With different social

backgrounds and career paths, these unelected governmental elites were divided on the nature of the problem and the policies likely to remedy it (solutions). The “old-fashioned” social security elites defended the *status quo* on governance based on funds and wanted broader social benefits. The welfare elites promoted the idea of reforming the governance of social security. And the Ministry of Finance elites wanted to impose budgetary austerity and strict spending controls.

In this conflictual situation, finding new ways of regulating expenditure and social security governance was an important item on the political agenda [Barbet and Briet 1988; Brookes 2021]. Between 1980 and 1997, emerging welfare elites, in particular when they rose to lead the Directorate of Social Security and the insurance funds, promoted far-reaching reform of French welfare regime. This was concomitant with the rise to the top of a group of high civil servants characterized by a different social background (trained at the ENA, but coming from another *Grand corps*, the *Cour des comptes*) and new career paths oriented towards controlling social security expenditure (see Tables 2 and 4). The welfare elites fought their first battle on the issues of governance and control of social security expenditure against the elites who had traditionally administered social security, defending the 1945 model, including the elites of the *Conseil d'État* and the trade unions. Supported by a prominent figure of the first generation of welfare elites, Jean Marmot [Genieys and Darviche, 2003, Chapter 3], a magistrate at the *Cour des comptes* who went on to become Director of Social Security, the creation of the Social Security Accounts Commission in 1979 enabled them to lay the foundations for a policy of controlling expenditure.¹²

Two proposals were put forward simultaneously by the first generation of welfare elites: ensure the future financing of social security while adopting universal coverage [Rodwin 2003; Rodwin and Le Pen 2004; Nay *et al.* 2016]. These were the first policy solutions to emerge from their “sustainable social welfare” program, which involved operationalizing far-reaching reform of social security governance by granting more regulatory power to the state while creating the conditions for extending social insurance.

¹² The Social Security Accounts Commission (*Commission des Comptes de la Sécurité Sociale*, CCSS) was created by decree on 22 March 1979. It was a ministerial advisory body placed under the authority of the Minister of Health and Social Affairs and constituted a political response to these expectations. It was

composed of two representatives of the National Assembly, two senators, magistrates representing the *Cour des comptes* and social partners, and coordinated by a permanent secretary general appointed by the First President of the *Cour des comptes* [GENIEYS and DARVICHE 2023].

Advent of the First Generation of Welfare Elites

Our studies of elites' changing sociological structure show the importance of "palace wars" in understanding the process of state reconfiguration. Struggles around social security governance involve members of the French state's three *grands corps*¹³ (Table 3). Between 1980 and 1996, the first struggle pitted a new group of elites composed of magistrates from the *Cour des comptes* (the first generation) against the "old-fashioned" elites of the *Conseil d'État*, heirs to Pierre Laroque, for the conquest of power at the head of the Directorate of Social Security (see Tables 2 and 4). The conflict also concerned the programmatic orientation of policies: the magistrates of the *Cour des comptes*, trained in controlling public accounts, promoted strong control of expenditures, while those of the *Conseil d'État*, trained in law and social philosophy, defended the 1945 Bismarckian model (Table 3). The second struggle pitted the magistrates of the *Cour des comptes* against the elites of the Ministry of Finance (from another *grand corps*: the *Inspection générale des finances*) over the issue of exercising control over the growing share of the state budget devoted to social security. This budget increase became structural with the creation of a new tax: the generalized social insurance contribution (*Contribution Sociale Généralisée*, CSG) (Tables 2 and 5).

Unlike social insurance contributions, the CSG is levied on all types of personal income, including wages (even the lowest ones), but also extending to capital revenues and welfare benefits [Hassenteufel and Palier 2007: 590]. The introduction of this earmarked tax has had two main outcomes, which entail a partial shift towards a Beveridgean welfare regime [Genieys and Hassenteufel 2024]. First, because funding does not come exclusively from the working population, the CSG breaks the link between employment and entitlement. Access to CSG-financed benefits cannot be limited to any social group. The shift in financing has thus created the conditions for establishing citizenship-based social rights, especially in health care. Second, it leaves the social partners with

¹³ Ezra Suleiman [1974 and 1978] highlighted the relationship between *Grandes écoles* (training) and membership in a *Grand corps* (high ranked administrative bodies) [SULEIMAN 1978: 40]. In the French system administrative bodies are informally classified by order of prestige. Membership in a *Grand corps* is the privilege of the highest-ranked members of the ENA graduating class [GENIEYS, 2010: 78]. As Suleiman pointed out, "these corps are

institutions that carry out functions on behalf of the state. At the same time, they are institutions, or clubs, that group together an elite that is united by a common educational background, common career horizons, and common corporate interest...to enter the *Inspection des Finances*, the *Cour des comptes*, or the *Conseil d'État*, it is necessary to graduate within the top 20 percent of one's class at ENA" [1978: 29].

less legitimacy to participate in social security management and decision-making. This shift towards taxation constitutes a lever for transferring political control from the social partners to the state.¹⁴

By studying the sociological features of the first generation of social elites, we can establish a link with the transformation of social security governance and policy (see Tables 2 and 4). While they were still high civil servants trained at ENA, they were also magistrates at the *Cour des comptes* (status) specializing in auditing public accounts (see Table 3). Equipped with specialized professional know-how hitherto non-existent in the social security field, they developed new careers based on expenditure control. In 1980, Prime Minister Raymond Barre's appointment of Jean Marmot,¹⁵ a magistrate from the *Cour des comptes* (the French Court of Auditing), to head the DSS appeared to amount to choosing a third way between *Conseil d'État* and *Inspecteurs généraux de finances* candidates. Seemingly a matter of chance or political contingency, this appointment was at the root of the advent of welfare elites, as the *Cour des comptes* won out against the other *grands corps* inside the state.

This change in elite structure strengthened the state's ability to intervene in social security policies (see Tables 2 and 4). To exploit their expertise and influence on policy formulation, the magistrates of the *Cour des comptes* oriented their career paths towards the Directorate of Social Security. They were also appointed as health and social insurance policy advisors within the *cabinets* of the Ministry of Health and Social Affairs, the prime minister and even the Secretariat of the Presidency of the Republic. Finally, some have held the position of Director of National Sickness Insurance Funds (*Caisses nationales de l'assurance maladie des travailleurs sociaux*, CNAMTS) and Director of National Family Allowance Funds (*Caisses nationales des affaires familiales*, CNAF). However, between 1981 and 1996, the numerous political alternations and

¹⁴ For an interviewee, "if we wanted to control spending effectively, Parliament had to assume this responsibility; for Parliament to be legitimate in doing so, we needed a tax, the CSG. It was then logical to move the rules of access to health insurance towards a universal system; finally, since the guiding principles were set at the top of the state". Interview with high civil servant, Research program I, MiRe 1, 1997.

¹⁵ Jean Marmot reported on the political conflict surrounding his appointment as Director of the DSS: "the two ministers did not want to give in, the debate [got bogged down]

and we [could] not choose between these two grand corps (Conseil d'État and Inspection générale des finances). Then the Prime Minister, Raymond Barre, [indicated that] it is necessary to finish, it is necessary to take somebody from the Cour des comptes [another grand corps]... He [called on] the attorney general who [was] convinced that [I was] a good social security specialist, which was not true, in short, and that's how I [became] Director of Social Security." Interview with high civil servant, Research program I, MiRe 1, 1997.

“*cohabitations*”¹⁶ forced members of the first generation of welfare elites to leave social security governance. At a time of strong right–left polarization, they returned to the Social Chamber of the *Cour des comptes* (see Table 4). This choice strengthened their interpersonal bonds and enabled them to extend their expertise in evaluating social security accounts policy. Likewise, most of them are committed to the public interest, and have chosen to extend their careers with the state over the long term.

In attaining key positions in social security governance, the first generation of welfare elites managed to establish a political consensus on the need to adapt the social security system to the macroeconomic context in the wake of the oil crisis and mass unemployment. The original aim of the “sustainable social welfare” program was to safeguard social security. This orientation was translated into two policies: controlling costs and strengthening the state’s ability to intervene. Taking advantage of the socialist Bérégovoy government’s policy of budgetary austerity, the elites of the Ministry of Finance won out against the welfare elites in inter-ministerial arbitration on budgetary issues. To move past the Ministry of Health and Social Affairs’ image as a “big spender,” the welfare elites emphasized their ability to develop original expenditure-control instruments adapted to the challenges of health insurance policies. This enhanced capacity to shape policy was accompanied by a weakening of the social partners’ power in managing the system.

For all these reasons, in the 1990s reform of overall social security governance became a priority on the political agenda of successive presidencies. Thus, after the election of the right-wing candidate Jacques Chirac to the Presidency of the Republic in 1995, a constitutional reform project whose major institutional innovation was the establishment of annual control of the social security accounts by the legislature was promoted by the first generation of the welfare elites, then heading the Directorate of Social Security and occupying key policy advisor positions in ministerial cabinets (see Tables 2, 4, and 5). Adopted in 1996, the Social Security Budget Act (*Loi de finance de la*

¹⁶ Political cohabitation refers to the coexistence of a head of state (president) and a head of government (prime minister) belonging to a politically opposed legislative majority. There were three periods of political cohabitation during the Fifth Republic: the first was from 1986 to 1998, with President F. Mitterrand

(socialist) and Prime Minister J. Chirac (conservative); the second was from 1993 to 1995 with President F. Mitterrand (socialist) and Prime Minister E. Balladur (conservative); and the third was from 1997 to 2002 with President J. Chirac (conservative) and Prime Minister L. Jospin (socialist).

sécurité sociale, LFSS) allowed the National Assembly to establish an annual National Health Spending Objective (*Objectif national de dépenses d'assurance maladie*, ONDAM). Because of the balance of power in France, this reform extended the regulatory power of the administration, particularly that of the DSS, which could then strengthen its financial control over all the administrative directorates of the Ministry of Health and Social Affairs.¹⁷ Our studies pointed out that the DSS was exclusively led by people with a specific social background and career paths characteristic of the first generation of welfare elites (see Tables 4 and 5).

The latter's reform agenda was not limited to issues of social security governance. The "sustainable social welfare" program also proposed a transformation of access to health insurance for all citizens. The project on the political agenda was so-called Universal Health Insurance (*Assurance maladie universelle*, AMU). As drafted by a young member of the welfare elites, Anne-Marie Brocas, it was included in the Juppé Plan brought before the National Assembly on November 15, 1995. This innovative scheme simplified the system by linking people who were not covered to a compulsory scheme and by harmonizing social benefits between the different *régimes*. Universal Health Insurance (AMU) had to provide the same social benefits to everyone as long as the residency requirement was met. After the general strike of December 1995, it was removed from the reform project. Three years later, however, in 1999, during the third period of "political cohabitation" (1997–2002), Lionel Jospin's socialist government took it up and adopted it with the passing of the law on National Health Coverage (*Couverture maladie universelle*, CMU). These far-reaching reforms (governance and cost control [1996] and universal health coverage [1999]) led to a profound transformation of the French welfare regime from the Bismarckian to the Beveridgean model (see Tables 2 and 5). These two programmatic dimensions, seen as consubstantial by both center-right and social-democratic welfare elites, helped to rally conservative (Juppé) and progressive (Jospin) governments to the social security reforms. A study of the institutionalization of the second generation of welfare elites confirms the process of depoliticization.

¹⁷ For an interviewee, "the ONDAM has changed a lot of things [...] it has given weight to the DSS, [and] it has also spread a financial culture throughout all the Directorates [of the Ministry of Health and social affairs]. [...] And the financial question has become almost

primary at times, or at least almost in fact. In other words, no decision was taken without the financial impact in mind," Interview with high civil servant, Research program III, ProActA, 2019.

A Second Generation of Welfare Elites Shaped by the Iron Triangle

Since 1996, transformation of the social security model has led to a series of reforms. This historical sequence corresponds to the institutionalization of a second generation of welfare elites characterized by various social backgrounds and career paths (Tables 4 and 5). During this period, this generation shaped fund governance by bringing the social partners under its political authority (Douste-Blazy Law 2004). Moreover, in the context of austerity policies and the 2008 financial crisis, they had to contain the strategy of the elites of the Ministry of Finance to take over management of the social security budget, which had grown bigger than that of the state.¹⁸ With the creation of a Ministry of Public Accounts in 2007 under the Sarkozy presidency, the Ministry of Finance elites also argued that the existence of two finance laws in France (one for the state and one for social security) put it at odds with EU budgetary rules. The European Commission considers the social security budget to be part of the state's overall budget. In this unfavorable socio-economic context, the second *génération* of welfare elites acted as custodians of state policies to protect their autonomy of action. The affirmation of this role was related to the development of new career paths within the *Iron Triangle*¹⁹ of social security governance (Diagram 1).

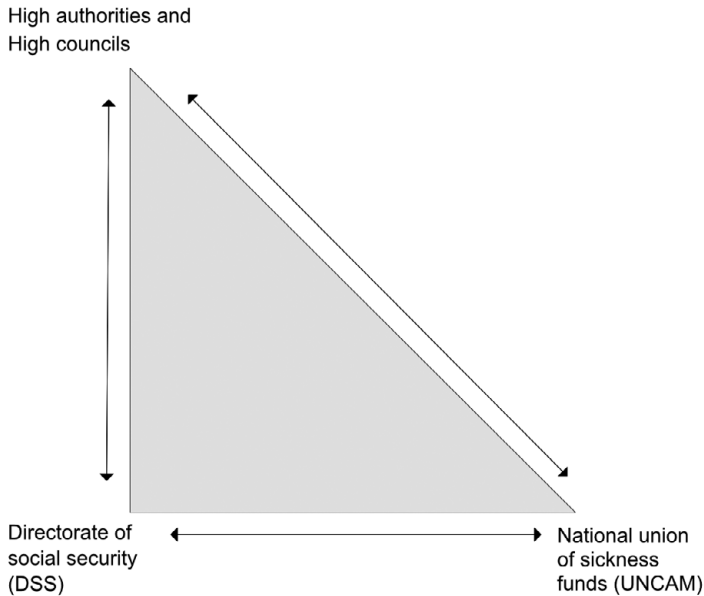
After the 1996 reform, the members of the *Cours des comptes* were gradually replaced by young high civil servants from the General Inspectorate of Social Affairs (*Inspection générale des affaires sociales*, IGAS) and civil administrators (*Administrateurs civils*) (Table 4). Most of the latter began their careers as technical staff (in sectoral administrative sub-directorates) with the first generation of welfare elites. The proximity between the two generations with regard to career paths was accompanied by a commitment to the “sustainable social welfare” program. The constitutional reform of 1996 and the Douste-Blazy Law of 2004, transforming the governance of the funds with the creation of the National Union of Health Insurance Funds (*Union nationale des caisses*

¹⁸ In 2020 the social security budget (€470 billion in benefits) grew larger than that of the state (€350 billion), which is equivalent to 25% of GDP, amounting to about €2,000 billion [<https://www.securite-sociale.fr/la-secu-cest-quoi/chiffres-cles#:~:text=470%20milliards%20d'euros%20de,2%20000%20milliards%20d'euros>].

¹⁹ We use the notion of the “Iron Triangle” in a different sense from American political

science [ADAMS 1982]. For the latter, the *Iron Triangle* refers to the formulation of policy by congressional committees, the executive branch bureaucracy and interest groups. For us, it refers to the circulation of welfare elites between the “pillars” of social security governance in France (Directorate of Social Security, National Union of Sickness Funds [UNCAM] and high authorities and high councils).

DIAGRAM 1

Career paths inside the Iron Triangle of social security governance

d'assurance maladie, UNCAM), expanded the number of executive positions available and opened up fresh career opportunities for young newcomers.

The comparative analysis of the career paths of the second generation, carried out on the database of our latest research (Research program III ProAcTA, see Table 1), has identified an unprecedented mode of circulation of welfare elites. They shape their careers by holding successive leadership positions in the *Iron Triangle* of social security governance (Diagram 1). This comprises three key institutions: the Directorate of Social Security (DSS),²⁰ the National Union of Health Insurance Funds (UNCAM), and the group of sectoral high authorities and councils.²¹ An

²⁰ For one interviewee, the DSS is the cornerstone of the Ministry of Social Affairs and Health administration: “the strength of the DSS is that it is not only budgetary [...]. It is a directorate that carries out social policies [...] and that pilots a large public service”. Interview with high civil servant, Research Program III, ProAcTA, 2019.

²¹ From the 2000s onwards, five organizations were created: in 2000, the Pension Advisory Council (*Conseil d'orientation des retraites*, COR); in 2003, the Higher Council for Health Insurance Policy Planning (*Haut conseil pour l'avenir de l'assurance maladie*, HCAAM); in 2004, the National Authority for Health (*Haute autorité de santé*, HAS); in

important change with respect to the first generation is that the members of the second generation of welfare elites have extended their long careers within the high councils and authorities created to oversee policy implementation. This circulation of elites guarantees strong interconnections between the members of the two generations and continuity in the implementation of the “sustainable social welfare” program. This is why, since the end of the 2000s, social insurance advisors in ministerial offices are recruited mainly for their experience in governing policies acquired inside the *Iron Triangle*.

An in-depth analysis of the career paths of the two high civil servants who succeeded each other at the head of the DSS illustrates the effects of circulation within the *Iron Triangle* on the second generation of welfare elites.²² The first, Dominique Libault, upon graduating from ENA joined the DSS as member of the corps of *Administrateurs civils*. He then moved directly to Simone Veil’s ministerial cabinet, between July 1993 and June 1995, as a technical advisor. Encouraged by Veil’s policy favoring internal career promotion, the young Libault re-entered the DSS and ascended through all the management positions (from 1995 to 2000): Deputy Director of Access to Health Care, Deputy Director in charge of the financing and management of Social Security, Deputy director, then Director under the Raffarin government. His appointment, under consideration during the socialist government of Jospin, was, for the time, highly symbolic because politically unexpected.²³ Despite changes in government, he served as Director until 2012. Strongly protective of the autonomy acquired by the welfare elites in the implementation of the budget act, he worked in tandem with the management of the National Union of Health Insurance Funds (UNCAM) to achieve the annual National Health Spending Objective (ONDAM). As DSS director, he initiated a policy of recruiting young high civil servants, targeting statistical engineers in particular.²⁴ This

2009, the High Family Council (*Haut conseil de la famille*, HCF); and in 2012, the High Council for the Financing of Social Protection (*Haut conseil pour le financement de la protection sociale*, HCFiPS).

²² This type of career path is not limited to these two cases. In our book, we analyzed some 20 examples of individual career paths illustrating the circulation within the *Iron Triangle* [GENIEYS and DARVICHE 2023].

²³ An interviewee comments on the effects of Libault’s appointment in terms of self-reproduction within the DSS: “a ministerial

administrative directorate is really strong when it can select and train its own leaders. Today [in 2006], we can say that it reproduces them, as is the case with the current director Dominique Libault.” Interview with high civil servant Research Program II, MiRe 2, 2006.

²⁴ For him: “I [went] looking for engineers. Because I see that on subjects [related to] cost control, organization, all that, [...] engineers can be good. And so, I [went] looking for engineers [...] some of whom will really succeed and have a career.” Interview with high civil servant, Research program III, ProAcTA, 2019.

recruitment strategy was decisive in defeating the attempt to merge the finance laws, initiated by the Ministry of Finance, when the Ministry of Public Accounts was created in 2007. With a newly favorable balance of power in terms of staff, the welfare elites asserted their ability to control both the largest public budget and the development of public policies specific to social security. Upon leaving the Directorate of Social Security in 2012, Libault was appointed vice president and then president (2018) of the Higher Council for the Financing of Social Protection (HCFiPS).

The second career path is that of Thomas Fatôme (*énarque*, IGAS), Libault's successor at the head of the DSS. Fatôme studied at HEC Business School before joining the IGAS after graduation from ENA (2000). He served as a health insurance policy advisor on multiple occasions in ministerial offices under the Chirac and Sarkozy presidencies, before being appointed as chief of staff of the director of the National Union of Health Insurance Funds (2005 to 2008). He then joined the DSS, first as deputy director under Dominique Libault (2009–2012) and then as director under the socialist presidency of François Hollande (2012–2017). Despite his appointment to several conservative ministerial cabinets and to President Nicolas Sarkozy's team, he was retained as DSS director throughout Hollande's socialist presidency. Under the Macron presidency, Fatôme was recruited as *cabinet* deputy director for Prime Minister Édouard Philippe in charge of social issues (2017–2020), then left this position on July 29, 2020 to become director general of the UNCAM. He thus became the first member of the welfare elite to have led two of the three pillars of the *Iron Triangle* of social security governance.

Several changes in social background and career path characterized the institutionalization of the second generation of welfare elites. The magistrates of the *Cour des comptes* were supplanted by high civil servants from less prestigious administrative *corps*. The recruitment strategy targeting statistical engineers helped to broaden the professional skills of the second generation. A study of their career paths reveals an increase in their length of service within the DSS, where the promotion of “deserving” young elites is marked by a vertical progression from office manager to deputy director, then to director.²⁵ Beyond the DSS, the

²⁵ To understand the continuity of the second generation, it is important to underline the sociological features of the newcomers, to look at the career paths of young elites circulating inside the *Iron Triangle* without having yet occupied management positions. At the end

of their policy apprenticeship as deputy director, technical advisor, or bureau chief, these young people constituted a rich pool of future candidates for top management positions at the DSS or the UNCAM.

hallmark of career paths is horizontal circulation inside an *Iron Triangle* of governance of which the DSS is the cornerstone.²⁶ In their own words, the second generation of welfare elites form a “small world” (“*petit monde*” as they put it), in which people reproduce and are interchangeable. This phenomenon explains the depoliticization of these insiders and their attachment to the role of custodian of state policies. This role is embodied in the commitment to “the reforms establishing the universality of social protection (General Social Insurance Contribution [CSG] and Universal Health Coverage [CMU]), [...] strengthening the role of the state and in the search for financial sustainability through the execution of the Social Security Budget Act (LFSS).”²⁷

Furthermore, their institutionalization consubstantial with the transformation of the welfare regime favored the reconfiguration of the strong French state.

The Custodianship of “Sustainable Social Welfare”

Our *Programmatic Elites Framework* points out the effects of the institutionalization of the welfare elites on the development of the role of custodian of state policies in the field of social security and, more specifically, health insurance, which, as we saw above, presents the greatest challenges in terms of cost control. This role was established at the turn of the 2000s to defend the reforms implementing the “sustainable social welfare” program in the face of opponents, including social partners [unions], health professionals, and high civil servants from the Ministry of Finance. The program manifested itself in the adoption of national health coverage (1999, 2016, 2019), the establishment of state control of fund governance (2004) and the creation in 2007 of the Ministry of Public Accounts (see [Tables 4](#) and [5](#)). The assertion of the role of custodians has led to a reconfiguration of the French state around social security, whose policy domain has been expanded to include the management of emerging risks (such as dependency, the Covid-19 pandemic, climate change).

²⁶ One interviewee explains the specific nature of professional circulation within the social security administration: “If you take the example of the Ministry of Finance, you make a career in the tax sector, you make a career in the Treasury, you make a career in the industrial sector. You have big columns like that, silos

in fact. At Social Affairs, not at all. You move from one directorate to another. Very easily”. Interview with high civil servant, Research program III, ProAcTA, 2019.

²⁷ Interview with high civil servant, Research program III, ProAcTA, 2019.

The other evidence of the emergence of the role of custodian was the implementation of national health coverage (CMU, 1999). Universal Health Coverage (CMU) decreed that every person residing lawfully in France, irrespective of their employment status or contribution record was insured for health risks [Hassenteufel and Palier 2007: 591]. The CMU provided the poorest with free access to health care and free complementary health insurance for those who could not pay for complementary health care (CMU *Complémentaire*, CMU-C) [Palier 2010: 84]. Finally, the Universal Health Protection Act (PUMa) came into effect on January 1, 2016 under the socialist presidency of François Hollande and the ministry of Marisol Touraine. It completes the universal right to health care coverage for “any person working or residing in France on a stable and regular basis” [Nay *et al.* 2016]. The CMU concerned only the “general health insurance scheme (*régime général*)” for salaried employees (and not the special schemes/*régimes* [for farmers, self-employed workers and non-salaried employees]). By opening up to all health insurance schemes/*régimes*, the PUMa facilitates access to and maintenance of rights in the event of a change in professional status (loss of employment) and/or family status (divorce), as well as for unemployed young people and women (elimination of the notion of major beneficiaries) [Tabuteau 2015 and 2016]. The PUMa enshrines the principle of a universal right attached to the individual, already contained in the CMU. The role of custodian of state policies was also developed around this programmatic axis that profoundly transformed the 1945 model.

The reform of social security governance, introduced with the Douste-Blazy law (2004), was another key step in the institutionalization of the welfare elites and their program. First, the National Union of Health Insurance Funds (UNCAM) was created, headed by a high civil servant and their office, to which the management authority of the social partners would now be subordinated [Hassenteufel and Palier 2005; Hassenteufel 2011]. This reform also led to the formation of the *Iron Triangle*, which favored the circulation of the second generation of the welfare elites at the top of health insurance governance. This new organization has facilitated collaboration between the DSS and the UNCAM for the implementation of the expenditure control policy. The National Health Spending Objectives (ONDAM, under 2% after 2005) and the Objectives and Management Agreements (COG)²⁸ are negotiated and managed by the direction of the DSS and UNCAM. This new

²⁸ The COG is a policy instrument based on a target and management agreement between doctors' organizations and health insurance funds.

organizational context has reinforced the welfare elites. Their professional skills in health and social policy formulation and implementation sets them apart from their competitors [social partners, medical professionals, other lobbies]. This has enabled them to design a range of policy instruments to make expenditure control effective, especially in the important sector of public medicine. The “Hospital Plan 2007” introduced the prospective payment system (*Tarification des actes médicaux en milieu hospitalier*, T2A) in hospitals (with the Social Security Budget Act n° 2003- 1199 of December 18, 2003).²⁹

One year before the global financial crisis (2008) and its inexorably deepening public deficits, Nicolas Sarkozy at the beginning of his presidency created a Ministry of Public Accounts (Decree n°2007-1003 of May 31, 2007) and placed the DSS under the “dual supervision” of the Ministry of Health and Social Affairs and the Ministry of Economy and Finance. In this context, the elites of the Directorate of the Budget (Ministry of Finance) planned to merge the Social Security Budget Act [an exception in Europe] with the State Budget Act. This political strategy would have had the effect of ending the budgetary autonomy acquired by the welfare elites. To counteract it, the latter, assuming their role of custodians of state policies, demonstrated their unique expertise to combine expenditure control and the formulation of specific policies linked to health insurance issues [including health care and health coverage], and, against all expectations, enhanced their governing capacity. Indeed, their career paths within the *Iron Triangle* had reinforced this twofold policy competence illustrated each year during implementation of the ONDAM. Thanks to this expertise, during settlements (arbitration) within the Ministry of Public Accounts, the welfare elites imposed their vision of health insurance policy on the elites of the Directorate of the Budget.

The quest for efficiency meant that the welfare elites had to avoid a loss of control over public healthcare spending. Just after the financial crisis, in 2010, the social security deficit was €29.6 billion; by 2015 it had fallen to €10.2 billion,³⁰ and by 2018 to €1.4 billion, before rebounding to €1.7 billion in 2019. As a result of the Covid-19 pandemic in 2020, however, it surged back up to €39.7 billion,³¹ although it was expected to fall back

²⁹ The reinforcement of state intervention through the policy of controlling expenditure is based more on accountability on the supply side of health care (in particular with “medical control”) than on the demand side (based on

co-payments and lump sums to be paid by patients) [BRAS 2016: 73–86].

³⁰ Report of the *Cours de comptes* on the application of Social Security Budget Acts (October 2022: 34).

³¹ *Ibid.*

down to €21.6 billion in 2022.³² Faced with these critical junctures, the challenge was to consolidate their program. In response to the Covid-19 pandemic, they quickly drafted the health and health insurance parts of the state of emergency voted by Parliament on March 24, 2020.

In 2019, the crisis triggered by the Covid-19 pandemic has not challenged implementation of the “sustainable social welfare” program. The political elites, the medical elites, and the welfare elites were caught off guard for a while during the initial pandemic months. But, at first reactively, then proactively, the government’s implementation of a “state of emergency,” the *Séjour de la Santé* (the general consultation of health care actors in 2020)³³ and the vaccine policy led to the progressive curbing of the pandemic. In this unprecedented crisis, the welfare elites once again drew upon their skills to control social security spending, which was under pressure. It is important to emphasize that their action was not limited to rebalancing the budget deficit in the health insurance accounts. They also expanded their program of “sustainable social welfare” by creating, in 2020, a fifth branch (*Cinquième branche*) dedicated to care provision for dependency arising from old age and disability. This direction given to the development of social security is, in our view, the hallmark of the reconfiguration of the strong French state.

Elites, Custodianship and the Reconfiguration of the French Strong State

This article has traced the work of French welfare elites who, in a difficult economic and social context beginning in the mid-1970s, worked “out of sight” to design and implement a “sustainable social welfare” program. By gaining power in the upper echelons of the central state, they not only launched a policy of cost containment, but also reformed its governance by enlarging the role of the state. In fact, during the *Trente glorieuses*, the administrative elites, made up of magistrates of the *Conseil d’État*, had little power in the governance of social security, which was essentially in the hands of the unions. This situation changed in the 1980s with the emergence of welfare elites. A first generation of the latter, made up of magistrates from the *Cour de comptes* promoted a new

³² Daniel Rosenweg, “Budget 2020 de la Sécu : tout ce qui change pour vous,” *Le Parisien*, September 30, 2019 at 11:31 am, updated September 30, 2019 at 6:44 pm.

³³ Please see the statement by Mr. Jean Castex, Prime Minister, and Mr. Olivier Véran,

Minister of Health and Solidarity, on the conclusion of the wage agreements signed in Paris on July 13, 2020 as part of the *Séjour de la santé*: <https://www.vie-publique.fr/discours/275478-jean-castex-13072020-sejour-de-la-sante>

programmatic orientation strengthening the state's authority over the welfare regime. A second generation reinforced their institutionalization in social security governance. The Directorate of Social Security was transformed into a cornerstone of the *Iron Triangle* of social security governance, composed of three pillars: (i) the DSS, (ii) the directorate of the National Union of Health Insurance funds (UNCAM), and (iii) the high authorities (*Hautes autorités*) in the health and social policy domain. The career path of this second generation was shaped as they circulated vertically and horizontally within this *Iron Triangle*, in which they built a common identity and honed their role as custodians of state policies by implementing their program. The latter took shape after many battles, first with the "old-fashioned" elites of social security and then with the elites of the Ministry of Finance.

In addition to its contribution to understanding the transformation of France's welfare regime, this article points toward more general conclusions for the sociology of elites and study of the reconfiguration of democratic states. With the *programmatic elites framework*, we have established a connection between the transformation of elite structure (social backgrounds and career paths) within the state apparatus and the programmatic orientations they bring to decision-making. Unelected governmental elites are thus described in terms of their proactive role as custodians of state policies [Genieys 2010, 2024]. Like the "carriers" (*träger*) of values and actions promoting the processes of state- and nation-building described by Juan Linz [1993], we have identified elite groups promoting state interventionism in the context of transformation of the welfare regime. This role is reflected in programmatic guidelines that reinforce the state's capacity to intervene. For us, the elites acting as custodians are close to what Bergeron and Castel call "entrepreneurs of change" [Bergeron and Castel 2015]. Their custodial attitude is guided by a value system that, from their point of view, must be "responsible." Their actions are characterized by (i) the *ethics of ultimate ends* promoting the extension of state interventionism, and (ii) the *ethics of responsibility* shaping "sustainable" policies.

This perspective sheds new light on the so-called *dismantling of democratic states* [Suleiman 2003]. Studies on the transformation of bureaucratic power have generally associated the development of New Public Management with the retreat of the state. New Public Management, by promoting the deprofessionalization and politicization of unelected governmental elites, is said to have affected the state's ability to produce and implement public policies in the United States and Europe [Suleiman 2003: 17]. Recent research on administrative

modernization in France contradicts this interpretation, however, pointing out how senior civil servants turned this change to their advantage [Gibert and Thoenig 2022: 191–194]. Our comparison of the French and US cases shows that unelected governmental elites may develop specialized long-term career paths in certain areas of public policy.

In the configuration of the strong French state [Birnbaum 2001, 2018]—for example, centralized with a large bureaucracy and endowed with a “state culture” [Nettl 1968]—it is groups of elites with high civil servant status who have developed the role of “custodian of state policies.” In the US *policy state*, these unelected governmental elites have different statuses and career paths (mainly political appointees and members of Congressional committees hired on private contracts). The development of the custodian role has adapted to the weakness of the federal government, which remains more sectoralized and reluctant to allow senior officials to govern policy [Genieys 2024]. Moreover, unlike the French case, the development of this role in the United States remains more dependent on partisan polarization (Republicans versus Democrats). Orren and Skowronek [2017] have shown that, during the twentieth century, the *policy state*’s capacity to intervene was strengthened during periods of Democratic political hegemony (“progressive era,” “Great Society”). The predominance of the Republican Party from the 1980s onwards initiated retrenchment policies seeking to reduce the perimeter of state intervention [Orren and Skowronek 2017; Pierson 1994], although this did not prevent the role of the state strengthening in relation to defense policy [Glenn and Teles 2009; Jacobs, King and Milkis 2019]. However, this conservative counter-attack did not prevent the emergence of custodian elites around reform of the Affordable Care Act [Genieys 2024].

On the other hand, in both cases, certain groups of unelected governmental elites have asserted their custodianship around programmatic orientations considered financially sustainable. They face the challenge of managing a constantly growing public budget. While in the United States, federal public spending on health insurance remains lower than on defense, in France, the social security budget (which goes far beyond health insurance) has overtaken that of the state. In the case of the weak US state, the Trump administration’s tax cuts temporarily curbed development of the Affordable Care Act. In France, despite globalization, new Europe-wide powers, and the so-called ascendancy of neoliberal ideology, “custodial” elites have been able to reassert the authority of the strong state. This reassertion has entailed new modes of intervention.

The craftsmen of these reconfigurative modes are the welfare elites, who have placed social security and its policies at the heart of a redefinition of state authority and the public interest.

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