
A Post-Covid Social Contract



By Karien van Gennip (INSEAD MBA '95D), CEO of ING France

How we can manifest “the next world” that serves us all.

Peace and prosperity are a part of everyday life that we seem to have taken for granted. We used to be certain about how life should be, what success looked like, and we used to feel invulnerable. Along the way, there have been serious alarms calling for our attention: climate change, political polarisation, migration and widening inequalities. But none of these frankly enormous problems is of the magnitude of the current crisis. With all that Covid-19 has wrought, we must deeply reconsider our social and economic model and think “the next world” into being.

Essential questions

A new social contract must address questions that arise from our previous expectations.

How can we reconcile relocation and globalisation? Our habits must change. That time when we were flying off for a long weekend in Barcelona or Prague, for example, already seems long gone. Rethinking our attitudes towards travel may well be **long overdue**, if only for the benefit of the environment. Lockdown periods highlighted the need to locate the

production of certain items, such as medical equipment, much closer to home. But as a former Dutch Minister for Foreign Trade, I firmly believe that we must not abandon the idea of an open world, one that brings stability, connection, economic growth and innovation.

How can we prioritise both economic and environmental objectives? The Covid-19 crisis represents a unique opportunity to build an economy on healthier, more agile and more sustainable foundations. **I do not agree** with those who say, “We don't have money to finance a sustainable approach, it is a question of surviving today.” Sustainability is the answer to the crisis.

How can we ensure social distancing doesn't contribute to social distance? Access to education and healthcare for all are the pillars of our European societies. We don't have to **mortgage our homes** when our parents get sick nor do we start our careers with overwhelming student debt. Whatever the intensity of the crisis hitting Europe, ours is a model to be preserved to guarantee stability and allow real **social mobility**.

How can we truly invent the “future of work”? In terms of digitalisation, the last few months have been the equivalent of about a decade of **accelerated progress**. We can reinvent our business models, rethink the role of work, become more agile in the face of external changes and better meet the expectations of our employees and our customers.

Founding principles

These questions are essential because our children are certain to look back and ask us what we did in 2020. Our generation will be judged by our decisions at this moment in time. And more than ever before, we need real cooperation between government and business, cooperation between businesses themselves and with all organisations to find a new path.

At the start of the crisis, the French government made employment more flexible by law and provided financial support to businesses in difficulty. Now the question is not so much what companies can expect from the state, but what we as companies can do proactively to assume our responsibilities towards society. Many are calling for the return of a “strategic state” in **France** – one that practises direct intervention in business, specifying certain economic sectors as priority. I think that above all we need not only a “responsible state”, but also “responsible companies”, with a reinforced dialogue to consolidate the four founding principles of the new world:

sustainability, inclusive opportunity, financial responsibility and social responsibility.

Economic recovery is only truly possible with a sustainable “[green recovery](#)”. There can be no compromise on this point. Companies must take the initiative, as ING does with its [sustainable improvement loans](#), for example, which are loans with an interest rate linked to a firm’s sustainable development ambition. For its part, France could use the lever of [national loans](#) to support this transition.

Real inclusion is one of the crucial challenges of our time. Where are we? At the current rate, it would take over 250 years to bridge the gender gap in the leadership positions of companies. The situation is even more worrying when we consider gaps regarding disability, race, LGBTQ+ and other kinds of diversity. We must be transparent and face reality. One possible feature of the new world is imagining a [Pénicaud index](#) equivalent that covers all forms of diversity to see how far we all have to go to achieve real inclusion.

Companies must, of course, be profitable and invest in innovation, employment, training and customer experience. It is equally important that they pay their taxes and thus contribute to the economic recovery. As taxpayers, firms can insist on sound and efficient management of public funds by the government and the provision of essential public services (education, health, security, for example).

In terms of social responsibility, it is time for us as companies to redefine our *raison d'être*. This process involves open reflection with our colleagues, customers and different stakeholders; it cannot be imposed from above. The redefinition of our added value and our role as a responsible actor in our societies follows from this renewed sense of purpose.

A level playing field

We have long claimed that we are far too busy to break free from our established patterns. With the Covid-19 crisis, we have the opportunity and the duty to rethink our social contract. As companies, we must also provide transparency and results. Let’s not wait for governments to issue guidelines or level the playing field. Let’s take the opportunity today to shoulder our responsibilities together.

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About the series**Covid-19**

Covid-19 is no longer a global health emergency but its impact on public health, the global economy and the future of work cannot be overstated. INSEAD's thought leaders — both faculty and their close collaborators in the practitioner and entrepreneurship communities — give their informed perspectives that could help us not just weather the crisis but emerge from it stronger than ever.