As Europe faces the prospect of its third recession in five years, France is quickly emerging as one of the weakest links among the 18 nations that share the euro.

After months of insisting that a recovery from Europe’s long debt crisis was at hand, President François Hollande on Wednesday delivered a far bleaker message. He indicated that the austerity policies France had been compelled to adopt to meet the eurozone’s budget deficit targets were making growth impossible.

Paris officials say that France — the eurozone’s second-largest economy after Germany — will no longer try to meet this year’s deficit-reduction targets, to avoid making economic matters worse. Even in abandoning those targets, they indicated that France was unlikely to recover soon from its long period of stagnation or quickly reduce its unemployment rate, which exceeds 10 percent.

“The diagnosis is clear,” Mr. Hollande said in an interview published Wednesday in the French daily Le Monde. “Due to the austerity policies of the last several years, there is a problem of demand throughout Europe, and a growth rate that is not reducing employment.”

It was the most public rejection by France of the austerity medicine that Germany has long prescribed for the eurozone — which even the German chancellor, Angela Merkel, recently acknowledged might be impeding the currency bloc’s recovery.

Mr. Hollande summoned his cabinet to the Élysée Palace on Wednesday and announced fresh stimulus measures — the latest in a string unveiled since January. They included proposals for tax cuts on low-income households and plans to reinvigorate France’s moribund housing construction market, where activity recently plunged to a 15-year low.
“We need to go faster and further,” Mr. Hollande said in the Le Monde interview. “I want to accelerate reforms to boost growth as fast as possible.”

He spoke in the face of signs that the broader eurozone economy is stumbling anew, in contrast to the strong recovery in the United States. Global monetary policy officials gathering this week at the United States Federal Reserve’s annual conference in Jackson Hole, Wyo., are expected to examine the divergent paths of the United States and Europe, and the implications for the global economy.

Less than a year after its second recession since the 2008 financial crisis, Europe’s currency bloc did not grow in April through June, the European Union’s statistical agency reported last week. France registered zero growth for the second straight quarter, after weak growth or even contraction for most of 2013.

France was not the only euro economy to stumble. Italy, where Prime Minister Matteo Renzi has also backed off austerity pledges to spur growth, slid back into a recession in the second quarter. Even in Germany, which had been leading what only a few months ago seemed to be the eurozone’s incipient recovery, the economy contracted 0.2 percent in the second quarter after a solid year of expansion.

Economists have been debating whether the robust growth in the years before 2008 will ever return — or whether a new dynamic, known as “secular stagnation,” has taken hold, hindering robust recoveries in growth and unemployment.

“It is too soon to tell whether secular stagnation is going to materialize,” Nicholas Crafts, a professor of economics and economic history at the University of Warwick, wrote in a recent paper published by Centre for Economic Policy Research in London. “But it does seem clear that Europeans should be much more afraid than Americans. The depressing effects of slower growth of productive potential will probably be felt more keenly in Europe.”

Like many eurozone countries, France was compelled to embrace some austerity to reduce its debt and deficit levels after the financial crisis, when global credit markets were imposing steep borrowing costs on countries that seemed to be living beyond their means.

Last year, Mr. Hollande announced a series of tax increases and 50 billion euros, or $66 billion, in spending cuts through 2017, which crimped the economy. And in aiming toward the 3 percent budget deficit target required for eurozone member countries, he also pledged to cut France’s deficit to 3.8 percent this year,
France’s borrowing costs have plunged to record lows since the crisis. But French businesses and industrial activity have struggled to recover to precrisis levels, making it harder for the government to find the tax revenue needed to reduce the deficit. Hoping to offset the slowdown, Mr. Hollande announced in January new tax breaks for business to encourage hiring.

But last week, the French economy minister, Michel Sapin, warned that the economy had become so feeble that the government would no longer try to meet the deficit target. He said France would grow only 0.5 percent this year, half the rate originally expected, and would struggle to expand at a 1 percent growth rate next year. Other embattled economies, including Greece and Spain, have suffered as they slashed spending and raised taxes in a downturn to meet the European Union’s fiscal targets.

Mr. Hollande’s move on Wednesday was in sharp contrast to his stance just a few months ago, when he insisted that an economic recovery was underway. Buffeted by record-low poll ratings, his Socialist party also suffered stinging defeats in June elections for the European Parliament.

Voters disillusioned with his handling of the economy turned instead to the far-right National Front and to the conservative party of former president Nicolas Sarkozy, the Union pour un Mouvement Populaire, which has been beset by several scandals. On Wednesday, Alain Juppé, a former prime minister with high popularity ratings, announced he would run to lead the conservative party.

That may hand Mr. Hollande a stiff new challenge when he faces a backlash among more liberal members of his Socialist party, who are loath to push any new austerity measures that may upset voters.

On Wednesday, Mr. Hollande called on European Union leaders to make growth their priority, saying that the focus on raising taxes and slashing spending amid downturns had proved a disaster for the European recovery.

But some saw his move as little more than a public relations ploy.

“Even though they’re taking so many painful measures, they have to explain to the French why the economy is not doing well and in fact is doing worse,” said Famke Krumbmüller, a Europe analyst at the Eurasia Group in London.

As a result, Ms. Krumbmüller said, Mr. Hollande appeared to be trying to shift blame to Europe, rather than trying to tackle more difficult overhauls in areas like
France’s notoriously rigid labor market, which employers say constrains hiring and investment.

“The message is, we’ve done our job, now Europe needs to do its job, which is favoring growth,” Ms. Krumbmüller said. “The interpretation is that is we’ve done everything we can do in the current political circumstances, and we won’t go further.”