



The chairmanship of Wisse Dekker

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Wisse Dekker

May 1988

April 1992



The Legacy

Wisse Dekker gave shape, structure and legal identity to ERT. He insisted on bringing greater clarity to its rules and methods of working and also on formalising the role of the Working Groups carrying the main burden of ERT work. By moving the Secretariat from Paris to Brussels and creating a permanent staff, ERT greatly strengthened its ties with the European Commission. The merger in 1988 with the "Groupe des Présidents des Grandes Entreprises" removed any ambiguities and established a clear voice speaking for industry leaders in Europe.

Key Messages and Publications

COMPETITIVENESS/ SINGLE MARKET

- **Bright Horizons** (about R&D) | May 1990
- **Reshaping Europe** | September 1991

INFRASTRUCTURE

- **Need for Renewing Transport Infrastructure in Europe - Proposals for Improving the Decision-making Process** | March 1989
- **Missing Networks – A European Challenge – Proposals for the Renewal of Europe’s Infrastructure** | May 1991

EDUCATION AND EMPLOYMENT

- **Education and European Competence** | January 1989
- **Education for Life – A European Strategy** (ERT-sponsored book published by Butterworths) | January 1989
- **European Labour Markets – Employment Policies in Europe for the 1990s** | March 1990

TAX AND EXPORT CONTROLS

- **Export Regulations - European Industry & Cocom*** | March 1990
- **Opening up the Tax Frontiers – The Future of Indirect Taxes in Europe** (ERT-sponsored report prepared by the Institute for Fiscal Studies) | approved in November 1988
- **Towards a Single European Export Control System** | 1991

*Cocom : **C**oordinating **COM**mittee for Multilateral Export Control.

The chairmanship of Wisse Dekker

ERT comes of age

Growth and consolidation are the keywords of the Wisse Dekker years. ERT Membership grew rapidly from 17 to 40 individuals. Growth in membership partly reflected Wisse Dekker's active recruitment policy and partly the ERT's merger in 1988 with the Groupe des Présidents, an organisation of company chairmen that had quietly existed since 1967. The ERT Charter was revised in 1991 and a ceiling of 50 Members was set to prevent it from becoming too large and impersonal. Membership rules, including criteria for selection and for retirement from ERT, were clearly set down and enforced. At that time, the chairmen of all Working Groups sat on the Steering Committee, which became a strong governing body of ERT with its own preparatory meetings of Steering Committee Associates (each one nominated by a member).

The ERT Secretariat was moved to Brussels and Keith Richardson, head of Public Affairs at B.A.T. Industries, took over as Secretary General in May 1988. With its roots now put down in Brussels, ERT rapidly became an established interlocutor of senior policy-makers in the European institutions and in the national capitals of the Member States.

Its reputation flourished and the 10 reports and opinions it published during this period were extensively reported by the media. Relationships were established with important business groupings in the US and Japan.

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Personal contacts became increasingly important. Wisse Dekker established a warm relationship with European Commission President Jacques Delors while individual Working Groups were always in touch with their relevant Commissioners. During Wisse Dekker's chairmanship ERT met several past, present or future Prime Ministers: Giuliano Amato (Italy), Pierre Bérégovoy (France), Ingvar Carlsson (Sweden), Edith Cresson (France), Charles Haughey (Ireland), Ruud Lubbers (Netherlands), Michel Rocard (France) and Jacques Santer (Luxembourg).

In late 1988, senior Commission officials asked ERT for a more systematic dialogue with the business world on the 1992 programme. This was readily agreed and Wisse Dekker established the practice of high-level meetings between the Single Market Support Committee (IMSC), of which he was chairman until 1991, and the Member State government occupying the six-month rotating Presidency of the Council. These twice-yearly encounters have continued since the winding up of the IMSC in 1991, enabling ERT to urge its priorities at the highest political levels.

The times : falling barriers

The late 1980s brought welcome, badly-needed progress and change in Europe, characterized by the removal of political, economic and commercial barriers. The fall of the Berlin Wall signified an end to the seemingly eternal Cold War and opened up exciting possibilities for new relationships between the countries of Eastern and Western Europe.

The immediate consequence of the fall of the Berlin Wall in 1989 was the rapid reunification of Germany. This gave new political drive to discussions on the creation of a single currency, that had originally been seen as a necessary component of the new Single Market due for completion by the end of 1992. The legal blueprint for the currency (christened the “euro” in December 1995) was adopted at the Maastricht European Council in December 1991 and the Treaty signed there in 1992. In the meantime, the optimism and economic restructuring triggered by the Single Market process had boosted economic growth between 1988 and 1991, although with much less impact on employment levels than had been hoped. This phenomenon of jobless growth eventually focused business and political attention on the lack of flexible labour markets.

World trade, meanwhile, was also headed for a new stimulus from the Uruguay Round of world trade negotiations launched in September 1986.

These developments all shaped ERT's agenda during the Wisse Dekker years.

Defining the post-1992 agenda

Reshaping Europe

ERT quickly grasped the significance of the fall of the Berlin Wall. In November 1989, a letter was sent to European Commission President, Jacques Delors, urging Europe to push forward on three fronts: integration of the Community, closer relationship with EFTA and support for economic and political regeneration in Eastern Europe.

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Although ERT Members were dissatisfied with the pace of implementation of the 1992 Single Market programme, they also saw the need to build on its foundations.

In the summer of 1990, the Commission's Directorate General responsible for Information suggested that ERT should write a book on industrial competitiveness as a companion text to the highly successful Commission-sponsored report, "*The Cost of Non-Europe*" (also known as "the Cecchini report").

The challenge having been accepted, Jérôme Monod, ERT's vice-chairman, took charge of preparing the publication "*Reshaping Europe*", which was agreed by the Stockholm Plenary in May 1991. In its introduction, Jérôme Monod urged the development of high quality education and training as the key policy priority. He underlined the inevitability of change, stressed that it needed to be comprehensive and carefully managed, and highlighted rapid thought and action as decisive factors in competitiveness.

In France, the publication was launched during a special television broadcast entitled "La Marche du siècle" (France 3 channel), in which Jacques Delors, President of the European Commission, publicly expressed his support for the ERT messages.

"*Reshaping Europe*" served for many years as a point of reference for ERT thinking on issues such as monetary union, security and immigration. More than 20,000 copies were distributed within a few months.

Single Market :

a farsighted view on taxes

Under the tutelage of the IMSC and in cooperation with the Institute for Fiscal Studies in London, a farsighted report, *“Opening up the Tax Frontiers”*, was published on harmonisation and simplification of VAT structures. It was welcomed by Mme Christiane Scrivener, the Commissioner for Economic and Financial Affairs, and by the ECOFIN Council.

Infrastructure :

networks not patchworks

The Wisse Dekker chairmanship continued to attach a high priority to developing Europe's infrastructure as a key to maximizing the benefits of the Single Market and boosting competitiveness and economic growth. ERT's thinking had been set down in four important reports, published during Pehr Gyllenhammar's chairmanship.

A new report *“Need for Renewing Transport Infrastructure in Europe”*, published in 1989, examined weaknesses in current decision-making and financing arrangements. In 1991 *“Missing Networks”* demonstrated the need to treat European infrastructure development as a single system, rather than a series of uncoordinated projects.

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The final report, *“Growing Together”* (1992), published under the chairmanship of Jérôme Monod, proposed a permanent forum for exchanges of views and strategies on infrastructure links for Europe as a whole. This forum was set up during 1993 and was launched on 1 March 1994 as the completely independent and neutral European Centre for Infrastructure Studies, ECIS. (For more see under Jérôme Monod chairmanship.)

Employment and Social Policies :

job creation

Under the leadership of Helmut Maucher, the Employment Group decided to update the ERT report *“Making Europe Work”* (1986). Published in 1990, *“European Labour Markets”* analysed the peculiarly European phenomenon of economic growth without significant job creation. The report recommended flexibility and competition as the main tools for employment growth.

Meanwhile, the constant flow of new social policy legislation from the Commission was being examined by the Industrial Relations and Social Policy Committee (IRSPC) which grew out of the Personnel Managers Committee, itself inherited from the Groupe des Présidents and led throughout by Jacques Solvay. Detailed reports were presented to different Plenaries on the Commission’s proposals for a European Company Statute (London Plenary 1988), the Charter of Fundamental Social Rights (Madrid Plenary 1989) and

Works Councils (1990 onwards). Several rounds of discussions were held with President Delors and messages sent to the European Council, but years of debate were eventually needed before any issues were resolved. These policy challenges were the catalyst for ERT's development of a good working partnership with UNICE.

Education :

the need for life-long learning

Kari Kairamo (Nokia) initiated in 1987 a survey of training practices among ERT companies. The result was a ground-breaking report, "*Education and European Competence*", published in January 1989 as an ERT report and also published in book form by Butterworths, the British publisher. This set a pattern for ERT's education reports: a short brochure outlining the policies and recommendations for decision-makers and a longer more detailed publication presenting the same messages to the academic world. The impact of these reports was helped by an alliance linking ERT through the University-Industry Forum with the Conference of Rectors of European universities, launched in Bologna in September 1988.

Under Olivier Lecerf (Lafarge Coppée), work focused on how to deepen cooperation between university and industry to foster life-long learning. When Olivier Lecerf retired, Bertrand Collomb (Lafarge Coppée) took over the group and presided at a joint meeting with the US Business Higher Education Forum, when it visited Brussels in summer 1992.

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Environment :

new technologies are the key

The Energy and Technology (ENTECH) group under Pehr Gyllenhammar worked on a draft ERT report on the leading role that industry could play in using new technology to improve the environment, particularly in the area of energy efficiency. However, the report ended with a conclusion looking kindly on a CO₂ levy which was not supported by the Scheveningen Plenary Session. A revised draft was presented by ENTECH as *"The Efficient Use of Energy"* and published as a discussion paper in 1992.

Pehr Gyllenhammar also launched a programme for training company Environmental Managers which ran at INSEAD and at the Norwegian Business School in Oslo.

Research :

making the most of Europe's assets

Karl-Heinz Kaske (Siemens) headed a group on Research & Technology (R&T) which produced a detailed paper on policies for making Europe more competitive by applying the fruits of R&T. Its message was that Europe had both the technical base and the necessary capital to succeed, but lacked the social and political consensus to make the best use of its assets. Education and training needed to be improved, a more

balanced debate on energy and environmental standards fostered, and much stronger and more active cooperation was needed between industry, government and the scientific community. The Madrid Plenary in 1989 recognised the quality of the work and asked for a summary which could be presented to Europe's decision-makers. The final document, "*Bright Horizons*", was published as a discussion paper in May 1990.

World Trade :

support for the Uruguay Round

Etienne Davignon led the Trade & Investment Group which had collaborated with the US Business Roundtable in backing the launch of the Uruguay Round. After an ERT visit to the GATT (General Agreement on Trade and Tariffs) organisation in November 1988, Arthur Dunkel, GATT Director-General spoke to the ERT 1989 Paris Plenary Session. The importance of trans-Atlantic cooperation was emphasized in December 1989 when ERT went to Washington for high-level talks with senior US officials. In December 1990 ERT hosted a reception in Brussels for US negotiators and further informal contacts with various US-based bodies such as the International Management Development Institute were led by Wisse Dekker.

Contacts with Japan were limited, and largely based on the organisation representing big business, the Keidanren. The first was at a small meeting in Rome in March 1988 which was followed by a more formal encounter immediately after the ERT Plenary in Scheveningen in autumn 1991.

Central and Eastern Europe : supporting the private sector

Umberto Agnelli (Fiat) had become chairman of the East-West Council whose task was to strengthen contacts with the Comecon block of countries. In the wake of the collapse of communism, ERT found the continuing heavy controls on exports to the former eastern bloc burdensome. A small group of European company experts was set up to look at how controls could be lightened. They reported back in the document, *“European Industry & CoCom”*, which appeared in 1990 and argued for a much lighter regulatory hand. But with the countries of Central and Eastern Europe rapidly acquiring autonomy, ERT produced a second report in 1991, *“Towards a Single European Export Control System”*, which was more in tune with the new reality.

ERT also launched its own contribution to the regeneration of Central and Eastern Europe in the shape of management training seminars. These involved senior managers of ERT companies speaking on practical matters directly to their opposite numbers in newly-privatised companies in Eastern Europe. The first seminar was held in Prague in March 1991, and others followed in Budapest, Bratislava and twice in Warsaw. The idea was taken up by local business schools, who run similar events even today.

Developing World :

a new item on the agenda

During all the tumultuous political changes in Europe, it was clear to Helmut Maucher that important aspects of global development were being ignored. In 1990, the Plenary agreed his proposal to set up a new group to examine prospects for direct investment by European companies in the developing world, to assess the benefits and to analyse the obstacles.