

Trade unions, Agricultural and Industrial organizations etc.), the Governor of the Central Bank, a few top civil servants etc. No members are appointed in their capacity of members of parliament, political parties etc.

c) While our reports are presented to the government — and published at the same time — the parliament is under no formal obligation to discuss the reports. Conceptually, this may reflect a philosophy, according to which higher priority should be given to discussions of our reports by important decision makers outside the parliament, namely the 25 members of the DEC.

d) It may also have been of some importance that while the establishment of the GSR was approved by the Bundestag with the support of all political parties, the corresponding Danish law was only passed with a slim majority. And now and then, political attempts — although so far unsuccessful — have been made in order to abolish not only the large DEC, but also the chairmanship. The latest attempt took place in the spring of 1973.

3. Most of the following discussion will refer to the role of the chairmanship of the Danish Economic Council. A few comments on the role of the large Council itself may, however, be useful, in particular because such a council is apparently not established in other countries as a background group for the small group of permanent external advisers.

When the Danish law was passed in 1962, one of the main purposes was to provide an institutional framework for pursuing incomes policy, or at least for discussing the possible content and role of incomes policy. And perhaps some of the supporters of the law had the idea in mind that if only the heads of the large organizations would sit down around the same table and discuss incomes policy, guided by the chairmanship, then everybody would understand its usefulness and agree on how it should be worked out.

In my own view, such ideas have never been very realistic, to say the least. The design of an incomes policy package has to involve political decisions. And the chairmanship has no chance of performing the role of outside advisers to the politicians, if they at the same time themselves are chairing meetings of heads of organizations etc., trying to work out acceptable compromises in the field of incomes policy — or in other fields of economic policy. The reason for this viewpoint is very simple: External advisers can only be useful if they do not, at the same time, perform any political function. And chairing meetings of the type just mentioned, is bound to involve a political function.

Therefore, under the present Danish setup the meetings of the large Economic Council are of the „seminar“ type. Of course, this is not to imply that they are not useful. The Council usually meets two or three times per year. The discussions, based on drafts by the chairmanship and its secretariat, are open and frank; among other things they provide a useful „feedback“ to the chairmanship. Main points presented during the discussions are reflected in the introductory chapter of the printed version of the reports. Furthermore, the topics dealt with in several of our reports have emerged from suggestions by members of the large Council.

One might argue that the role of the large Council, just described, implies too modest a level of ambition. But a higher level will require a different formal setup⁴⁾.

4. As already mentioned, issues related to incomes policy dominated the reports of the chairmanship during its first years of existence. Subsequently, for a variety of reasons which have to be left out in the present context, incomes policy was given lower priority from 1968 onwards. However, a revival of analyses in this field has taken place recently.

Obviously, *short term forecasting* has been a more or less permanent aspect of our activities. Unavoidably, this has implied

⁴⁾ In October 1974, the Danish minority government proposed an amendment to the law. According to this, the chair of the large Economic Council would be taken over by the Minister of Economic Affairs; the chairmanship and its secretariat would, however, maintain its independent status.