

8. Note that this is not only a problem of inside advising of governments, but also a problem related to the performance of a similar role in trade unions, farmer's unions etc., not to talk about business firms. In fact, one of the most disquieting aspects<sup>13)</sup> of the „communication problem“ in relation to the public-at-large is that the experts, able to sort out the problems, to a larger and larger extent owe loyalty to governments, lobby-groups or corporations for whom they do consulting work<sup>14)</sup>. At the same time, the scene in the public debate is mainly occupied by the top politicians and heads of organizations. Unfortunately, such top politicians will usually take rather one-sided and unshaded stands on the issues (or try to dodge the difficult questions completely). Anyone who has followed the inside discussion (in government or in organizations, between those responsible and their inside advisers), and compared it with the subsequent public debate in parliament or on TV, cannot help being struck by how little of the information and analysis of the first (confidential) phase is being reflected in the second (public) phase.

9. There is probably no easy way to solve this problem, viz. the tendency for the public debate to become much narrower than one would want it to be. But to try to remedy this deficiency is, in my view, one of the main reasons for having permanent outside advisory groups like the German SR or the chairmanship of the Danish EC<sup>15)</sup>. Their job is to „provide vitamins for the public debate“, „to improve the basis — in the

broadest sense of the word — on which economic policy decisions are made“, just to mention a few phrases, quoted from the Danish debate on the DEC. But they must never forget that they are only experts — or technicians — not politicians.

In principle such a role is, of course, impossible to live up to. As we all know, even the choice of issues to be discussed may involve a political choice. Coming too close to hot political issues implies a risk of being accused of trying to get political power; staying too far away from political issues implies a risk of being accused of making „trivial“ — or even „completely uninteresting“ — analyses. So the work of such permanent outside advisory groups is bound to take place on a knife-edge.

10. Obviously, for such groups to be able to serve their function properly, they must be as independent as possible. This issue could be explored at great length, but I will limit myself to a few comments on a few aspects.

According to the Danish law, the members of the chairmanship are appointed by the government for periods up to six years. In practice, the period of appointment varies from three to six years. No change takes place when the government changes. Furthermore, a practice has been established, according to which the chairmanship itself suggests the name of a successor. In principle, the government may turn down such a suggestion, but in such an event the chairmanship is entitled to bring

<sup>13)</sup> Another is that while, in the TV-age, the public knows (believes to know) the top politicians better and better, the top politicians know less and less about what concerns “the man in the street”.

<sup>14)</sup> Henry C. Wallich, “Economists and the Press — A Progress Report”, *American Economic Review*, Papers and Proceedings, May 1972, pp. 384-85: “Professors, we know, have special opportunities to turn their expertise into cash. Hence, my good friend Eileen Shanahan said, when they publicly propound their views on economic policy, they should indicate the corporations for whom they do consulting work”. — Yes, of course.

<sup>15)</sup> Schmidt mentions that our reports might as well have been worked out and published by a university institute. In principle he may be right, but in practice the most likely result would be that most of the reports would not have been prepared at all. Unless given some special responsibility, university economists cannot be expected to contribute to the current economic debate in a systematic way and in a reasonably digestible form. One of the main advantages of bodies like the CEA, the GSR or the chairmanship of the DEC is precisely that their members can be expected to contribute to bridging the gap between the university economists and those occupied with economic-policy problems in the administration and elsewhere.