

# **UACES 39<sup>th</sup> Annual Conference**

**Angers, 3-5 September 2009**

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## UACES

### **Exchanging Ideas on Europe 2009 : Views from France, Views Beyond the Mainstream**

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#### **The Current Members of the European Round Table : A Transnational Club of Economic Elites**

The European Round Table of Industrialists (ERT) is a big business association most often presented as one of the most influential economic lobby at the European level by the media and the literature (Banlanya, 2005).

The ERT was created at the beginning of the 1980's by Pehr Gyllenhammar (CEO of Volvo) with the help of the European Commission and particularly Etienne Davignon (Commissioner for industrial affairs). The original group was composed of 18 leading European industrialists. The goal was not merely to create another typical lobby group but rather to develop projects to promote the setting-up of the internal market and more generally to relaunch Europe with an industrial initiative.

Nowadays, the ERT gathers about 45 bosses of European multinational industrial firms from 18 different European countries. It is a selective club relying on cooption in which the CEOs and/or chairmen commit themselves personally. The current chairman of the organization is Jorma Ollila (Nokia) and the two vice-chairmen are Peter Sutherland (BP) and Leif Johansson (AB Volvo). The ERT has a small Secretariat general office in Brussels head by Wim Philippa.

The European interest groups were put at the centre of the analysis since the first studies of the European construction (Haas, 1958; Lindberg, 1963), printing a durable mark on the field of European studies. The role played by leaders of big business in the European construction has always been at the core of the academic debate<sup>1</sup>. Neofunctionalism considers them as a leading

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<sup>1</sup> . For a synthesis of the debate, see : Donald J. Puchala, « Institutionalism, intergovernmentalism and European

force in the bargaining among elites that carried out the European integration process (Sandholtz and Zysman, 1989). On the other hand, intergovernmentalism enlightens the predominance of the national governments in this process (Moravcsik, 1991).

The few studies dealing with the ERT are anchored in this framework and focus mainly on its “influence” on the process of European integration. They notably underline the important responsibility of the ERT in the creation of the Single Market (Cowles, 1995; Nollert and Fielder, 2000).

It can't be denied that the European economic lobbies are the most powerful in terms of financial means and people employed (Greenwood, 2007) but the concept of “influence” remains vague and difficult to objectivize (Offerlé, 2009). Besides, rooted in the theoretical debate about the European construction, those researches don't give a clear view of the specificity of the ERT as a group of economic agents, and more generally of the sense of their involvement at a transnational level.

Some works tried to focus the analysis more directly on the European collective action (Mazey et Richardson, 1993; Greenwood, 2002). Illustrating this effort, one proposes to analyse the ERT as a transnational elite platform that constitutes the sign of the emergence of a transnational capitalist class (Van Apeldoorn, 2000). However, beyond the problems of the concept of a transnational capitalist class<sup>2</sup>, those approaches are too all-embracing and don't give a good understanding of the logics of constitution of a group like the ERT, notably as a club, and the strategies that conduct certain economic agents to involve themselves in it. The consideration of the European level by the economic agents is not questioned and the fact they share common interests go without saying. Moreover, the people who form the ERT group remain largely unknown and nothing is said about their position in the social space.

In short, the existing works leave opening questions concerning its specificity as an economic lobby in the European space and about its place in it. Who are concretely the members of the group ? How can one become a member ? What are the common denominators of the members that structure the group ? Are their interests as industrialists similar ? In what extend are the members European ? Do they have specific European capitals that can explain their involvement at

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integration : a review article », *Journal of common market studies*, vol. 37, n°2, 1999, pp. 317-331

2 . Without entering this specific debate, it must be underlined that the main problem of the researches about a transnational capitalist class (see for instance Sklair (Leslie), *Transnational capitalist class*, Oxford, Blackwell, 2001) is that they deliver little evidence about the relations their members concretely develop. Besides, another problem of such a concept refers to the idea of a complete emancipation of the economic elites from their national framework. However, the withdraw of public authorities in the regulation of economy and more generally the globalization don't necessarily imply the end of national modes of organization (Hall et Soskice 2001).

a European level in this group ? And if no, how can we explain it ? In what extend is the organization mode of the ERT specific ? What does it mean to form a club and what are the implications of such a form of organization ? What are the benefits for the members and for the organization of such a form ?

In order to answer those questions and breaking with the approaches mentioned before, we propose to apprehend the ERT as a group of economic agents involved at the European level through a political sociology framework of analysis. This means that our starting point is a bottom up perspective starting from modalities of exchange and aggregation between individual agents. In this way and following recent works on European lobbies (Michel, 2005), the group of the ERT will be deconstructed pointing out the specificities of its agents. The purpose is not to show the type of relations they have with the European institutions but to emphasize the way these agents invest these relations, and generally speaking, the European space. Consequently, our study will integrate prosopographical data to put in evidence the properties, the trajectories and the different sorts of capitals owned by the ERT members. For that part, our approach also refers to the field of the sociological studies of elites (Charle, 1987; Georgakakis and de Lassalle, 2006) that provides morphological apprehension of dominant groups. These studies invite us to consider the elite characteristics as a key to understand the strategies of economic agents who invest politically the European space. Following Charle, we consider elites, and particularly economic elites, as social agents occupying dominant positions in the economic field. We do not consider elites as a fixed group but rather as a group in constant construction with changing borders. So, more generally our framework analysis is anchored in a bourdieusian perspective (Bourdieu, 1989) that considers political activism as a strategy in a social field in which agents try to monopolize, to accumulate resources and to reproduce advantages in order to construct and reconstruct their dominant positions.

With such analytical perspective, we argue that the specificity of the ERT, the way it acts and behaves collectively, the position it tries to have at the European level, relies on the fact that it is a group of elites. This implies that the economic agents involved in the ERT, and more generally in the European space, carry out strategies of power that go beyond the frame of a mere economic pressure. Their European involvement in the ERT “club” continues national social elite strategies. It has to be understood as a European social strategy giving them new specific European capitals<sup>3</sup>. So we assume that in the ERT is at stake something more than the mere defence of economic interests. In such a process, the fact that the ERT is a “club” is far from being neutral. The specific

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<sup>3</sup> . We consider “European capitals” as a sort of capital of which value and acquisition take place in the European space.

functioning implied by this organizational form constitutes a necessary condition to transcend the heterogeneity of the members and explains, at least partially, the sense of the involvement of some economic agents in a transnational social space.

To explain it, this communication is divided in two parts. The first one relies on prosopographical data collected about the current members of the ERT. From this, we will show that the ERT group is not homogeneous revealing that the gathering of economic agents at the European level cannot be taken for granted. To understand this social construction and the logics of involvement in the ERT, the second part will give elements focusing on the functioning of the ERT as a club.

## **I. The group of the ERT current members**

The group of the current members<sup>4</sup> of the ERT is composed of 46 bosses of leading European industrial firms from 18 European countries<sup>5</sup>. In order to figure out the morphology of the group, its possible divisions and hierarchies, the biographical analysis is a fundamental step. The analysis of several variables reveals that, contrary to a spontaneous hypothesis of homogeneity, the ERT members have diversified profiles.

### ***A group of bosses of leading European multinational industrial firms***

The ERT members share a limited number of common characteristics. Apart from being exclusively a group of men<sup>6</sup> of similar age (between 45 and 65 years old), the fact that they all occupy a relatively dominant position in the economic field is the main property of the group. Several variables have been studied to examine the economic position of the members in their own national economic fields and broadly in the European economic space<sup>7</sup> : the position they have in the firm, the sector of activity of the firm, the ranking of the firm<sup>8</sup>, its turnover and its number of employees (see table 1).

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4 . The population studied here is composed of 46 biographies corresponding to the ERT members in December 2007.

5 . Among the 18 countries, 15 are member States of the European Union (United-Kingdom, Spain, Portugal, France, Germany, Italy, Greece, Finland, Hungary, Sweden, Ireland, Belgium, Netherlands, Austria, Denmark) and three are not (Turkey, Norway et Switzerland).

6 . Since the second semester of 2008, there is a woman in the ERT group : Güler Sabançi, from Turkey.

7 . We are here talking about a European economic space and not about a European economic field. This concept would imply a space objectively structured by social relations between economic agents and a system of representations organizing these relations. We don't want to enter here in this discussion. But, for an apprehension of the European economic space in terms of field, see : Fligstein (Niel) et Merand (Frédéric), « Globalization or Europeanization? Evidence on the European Economy Since 1980 », prepared for the conference *Shareholder Value-Capitalism and Globalization*, Hamburg, May 10-12 200.

8 . We here use the ranking of the 2000 biggest companies worldwide established by the magazine *Forbes* and untitled "Forbes Global 2000" for 2007. It takes into account the sales, the benefits, the resources of the firms and the value on the markets.

Table 1

| Names of the members    | Country (nationality member) | Position in the firm | Name of the firm       | Sector of activity of the firm        | Ranking of the firm | Turnover / Sales | Number of employees |
|-------------------------|------------------------------|----------------------|------------------------|---------------------------------------|---------------------|------------------|---------------------|
| Adams Paul              | UK                           | CEO                  | Brit. Amer. Tobacco    | Tobacco industry                      | N°181               | 19.88            | 97 431              |
| Alierta Izuel Cesar     | Spain                        | Chairman             | Telefonica             | Telecommunications                    | N°34                | 82.40            | 19 508              |
| Azevedo (de) Belmiro    | Portugal                     | Chairman             | SONAE SGPS             | Holding                               | N°1460              | 5.78             | 30 386              |
| Beffa Jean-Louis        | France                       | Chairman             | Saint-Gobain           | Construction materials                | N°185               | 54.88            | 206 839             |
| Bernotat Wulf           | Germany                      | Chairman             | EON                    | Energy (electricity and gas)          | N°27                | 94.04            | 80 453              |
| Bozotti Carlo           | Italy                        | Chair. + CEO         | STMMicroelectronics    | Microelectronics                      | N°931               | 10.78            | 45 000              |
| Brabeck-Letmathe Peter  | Switz. (A.)                  | Chair. + CEO         | Nestlé                 | Food industry                         | N°45                | 94.76            | 265 000             |
| Brennan David           | UK (USA)                     | CEO                  | Astra Zeneca           | Chemicals                             | N°148               | 29.21            | 67 000              |
| Broughton Martin        | UK                           | Chairman             | British Airways        | Air services                          | N°702               | 16.72            | 48 070              |
| Brufau Antonio          | Spain                        | Chairman             | Repsol YPF             | Energy (hydrocarbons)                 | N°113               | 61.80            | 35 909              |
| Cescau Patrick          | UK (Fra.)                    | Chair. + CEO         | Unilever               | Food industry - Consumer goods        | N°94                | 54.82            | 189 000             |
| Collomb Bertrand        | France                       | Chairman             | Lafarge                | Construction materials                | N°241               | 22.31            | 82 734              |
| Cromme Gerhard          | Germany                      | Chairman             | ThyssenKrupp           | Steel – technologies – services       | N°166               | 73.68            | 190 000             |
| Daskalopoulos Dimitris  | Greece                       | Chairman             | Delta Holding SA       | Food industry                         | -                   | -                | 13 000              |
| De Benedetti Rodolfo    | Italy                        | CEO                  | CIR                    | Holding                               | N°1902              | 5.46             | -                   |
| Desmarest Thierry       | France                       | Chairman             | Total                  | Energy (hydrocarbons)                 | N°15                | 199.74           | 95 070              |
| Eczacibasi Bülent       | Turkey                       | Chairman             | Eczacibasi Group       | Holding                               | -                   | -                | 9 300               |
| Elkann John             | Italy                        | Vice-chair.          | Fiat                   | Holding – car industry                | N°155               | 80.11            | 173 726             |
| Hambrecht Jürgen        | Germany                      | Chairman             | BASF                   | Chemicals                             | N°80                | 84.60            | 87 413              |
| Herlin Antti            | Finland                      | Chairman             | KONE Corporation       | Engineering – automated services      | N°1354              | 5.95             | 28 366              |
| Hernadi Zsolt           | Hungary                      | Chair. + CEO         | MOL Hung. oil & gas    | Energy (hydrocarbons)                 | N°525               | 15.18            | 15 000              |
| Humer Franz             | Switz.                       | Chairman             | Hoffmann La Roche      | Chemicals                             | N°74                | 40.65            | 78 604              |
| Johansson Leif          | Sweden                       | Chair. + CEO         | AB Volvo               | Motorized vehicles                    | N°177               | 44.15            | 82 300              |
| Kargermann Henning      | Germany                      | Chair. + CEO         | SAP                    | Technology applications & services    | N°319               | 14.96            | 38 053              |
| Kleisterlee Gérard      | Neth. (Ger.)                 | Chair. + CEO         | Royal Philips Electro. | Electronics                           | N°133               | 39.11            | 121 732             |
| Leysen Thomas           | Belgium                      | Chairman             | Umicore                | Materials technology (mining)         | N°939               | 12.13            | 14 800              |
| Löscher Peter           | Germany                      | Chair. + CEO         | Siemens                | Electronics                           | N°50                | 103.20           | 398 000             |
| McGann Gary             | Ireland                      | CEO                  | Smurfit Kappa Group    | Holding                               | N°1317              | 10.62            | 40 000              |
| Mestrallet Gérard       | France                       | Chair. + CEO         | Suez                   | Energy (gas - hydrocarbons)           | N°64                | 64.96            | 186 198             |
| Michielsens Aloïs       | Belgium                      | Chairman             | Solvay                 | Chemicals                             | N°570               | 13.97            | 29 000              |
| Ollila Jorma            | Finland                      | Chairman             | Nokia                  | Telecommunications – Electronics      | N°69                | 74.54            | 65 324              |
| Pizarro Manuel          | Spain                        | Chairman             | Endesa                 | Energy (electricity – gas)            | N°133*              | 25.91*           | 27 204              |
| Potier Benoît           | France                       | Chair. + CEO         | Air Liquide            | Industrial and medical gases          | N°345               | 14.44            | 36 900              |
| Reiten Eivind           | Norway                       | Chair. + CEO         | Norsk Hydro            | Energy (electricity – petrochemicals) | N°408               | 17.35            | 36 000              |
| Rose John               | UK                           | CEO                  | Rolls-Royce            | Motorized vehicles                    | N°423               | 17.75            | 37 300              |
| Ruttendorfer Wolfgang   | Austria                      | Chair. + CEO         | OMV                    | Energy (petrochemicals)               | N°309               | 25.03            | 33 665              |
| Scaroni Paolo           | Italy                        | CEO                  | ENI                    | Energy (petrochemicals)               | N°28                | 119.27           | 72 915              |
| Schneider Manfred       | Germany                      | Chairman             | Bayer                  | Chemicals                             | N°141               | 38.20            | 106 200             |
| Schweitzer Louis        | France                       | Chairman             | Renault                | Motorized vehicles                    | N°128               | 54.79            | 134 236             |
| Skinner Paul            | UK                           | Chairman             | Rio Tinto              | Mining                                | N°77                | 29.70            | 35 245              |
| Smedegaard Andersen Nil | DK                           | CEO                  | A.P. Moller Maersk     | Energy – Container shipping           | N°151               | 46.83            | 110 000             |
| Sutherland Peter        | UK (Ireland)                 | Chairman             | BP                     | Energy (petrochemicals)               | N°7                 | 281.03           | 97 000              |
| Van Boxmeer Jean-Franç. | Neth. (Belg.)                | Chairman             | Heineken               | Beverages                             | N°473               | 18.34            | 65 648              |
| Van der Veer Jeroen     | Netherlands                  | CEO                  | Royal Dutch Shell      | Energy (petrochemicals)               | N°6                 | 355.78           | 108 000             |
| Wallenberg Jacob        | Sweden                       | Chairman             | Investor AB            | Holding                               | N°1107              | 0.43             | -                   |
| Wijers Hans             | Netherlands                  | CEO                  | Akzo Nobel             | Chemicals                             | N°393               | 18.12            | 61 900              |

(\*) : figures for 2005

All the members really are the bosses of their enterprises inasmuch as they are all CEOs and/or chairmen except John Elkann who is vice-chairman of Fiat. They have in consequence a concrete power of decision in their firm, even if it is *de jure* collegial.

The firms they manage are European -their headquarters are in European countries<sup>9</sup> - and in majority big ones. Indeed, 26 of them rank among the 200 largest companies worldwide, and 7 rank among the 50 biggest. Nevertheless, two of the firms they manage are also smaller sized and don't belong to the top 2000 : Delta Holding SA (Greece) and Eczacibasi Group (Turkey). But these companies are, in their respective countries and fields of activity, important ones, above all because of the number of their employees. But the members from the biggest European countries, such as Germany, United-Kingdom, France and Italy are practically all at the top of global leading companies, listed at the main Stock Exchange indexes of their respective country.

In accordance with the name of the group, the firms are in majority industrial ones. But 6 of them are holdings which have per definition financial activities and in some cases services activities. Moreover, a company such as British Airways provided air services. That means that the ERT group, that continues to claim its industrial identity, includes nevertheless other types of activities.

Among the industrial activities, the energy sector is overrepresented with 12 companies . More generally, we can notice that several companies evolve in the same sector of activities which means that some members are directly in competition. However, there is no representatives of firms belonging to the same country that are in direct competition.

The ERT group is thus mainly characterized by the fact that its members are at the top of leading multinational European companies, which gives them *de facto* an important economic capital<sup>10</sup>. In this way, they can be qualified of economic elites. But a more detailed analysis, beyond the economic capital, reveals that the members don't share the same resources.

### ***The resources of the ERT members : diversity and unequal distribution***

The diversity of the group can be observed through various indicators : the studies, international, political and social resources of the members<sup>11</sup> (see table 2).

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9 . For precisions on the notion of European enterprise, see Harm G. Schröter (dir.), *The European enterprise. Historical investigation into a future species*, Londres, Springer, 2008

10 . The *economic capital* is here understood as the effective control of financial flows, i.e. the ability for an individual to catch and to direct them. The property of the capital is not the only criterion to measure the economic capital because even a company-owner may just have a limited power of control in the firm.

11 . All those elements are presented in table 2 except for the training resources.

**Table 2**

|                      | International resources |                |                                      |                                    | Political responsibilities  | Positions in employers / enterprises / sectoral associations                 | Positions in international economic orga. / forums                             | Positions in other spheres (Univ./cultural/ associative)       | Clubs                                  |
|----------------------|-------------------------|----------------|--------------------------------------|------------------------------------|---|--|--|--|--|
|                      | Jobs abroad             | Studies abroad | Difference nation. / working country | Positions of power inter. / abroad |   |  |  |  |  |
| <b>Adams</b>         | X                       |                |                                      |                                    |   |  |  |  |  |
| <b>Alierta</b>       |                         | X              |                                      | X                                  |   | Board European and Spanish federations of financial analysts                 |  | Univ. Columbia (USA)   |  |
| <b>Azevedo</b>       |                         | X              |                                      | X                                  |   |  | World Bus. Council for Sust. Dev. + EU H-K Bus. Coope. Committee               | Univ. (UK + Port.)   | Club Mexico – Europa 2000              |
| <b>Beffa</b>         |                         |                |                                      |                                    | Mission for gov. + Board chair. of industrial agency for innovation (Fr.) | French asso. of private enterprises (AFEP)                                   |  | Univ. (Fr.) + Cult. (Fr. opera asso.)                          | Le Siècle (Fr.) + Club des Cents (Fr.) |
| <b>Bernotat</b>      | X                       |                |                                      |                                    |   |  |  |  |  |
| <b>Bozotti</b>       | X                       |                |                                      |                                    |   |  |  |  |  |
| <b>Brabeck</b>       | X                       |                | X                                    | X                                  |   |  | Founding board World Economic Forum  |  |  |
| <b>Brennan</b>       | X                       |                |                                      | X                                  |   | European Federation Pharmaceutical Ind.                                      |  | Medical asso. (US)   |  |
| <b>Broughton</b>     | X                       |                |                                      | X                                  |   | CBI (Confederation of British Industry)                                      | Transatl. Bus. Dialogue (European chair) + Board British American Bus. Council | Asso. Chairman British Horseracing                             |  |
| <b>Brufau</b>        |                         |                |                                      |                                    |   |  |  | Circulo de economia (Spanish think-tank)                       |  |
| <b>Cescau</b>        | X                       |                | X                                    |                                    | Adviser for France's foreign exchanges with the Netherlands               |  | World Bus. Council for Sust. Dev.  |  |  |
| <b>Collomb</b>       | X                       | X              |                                      | X                                  | Minister's private staff  | French asso. of private enterprises (AFEP)                                   | World Bus. Council for Sust. Dev.  | Board Research Institutes (Fr.)                                | Le Siècle (Fr.) + Bilderberg           |
| <b>Cromme</b>        |                         | X              |                                      | X                                  | Mber gov. Commission for German code of enterprise governance             |  |  |  | Bilderberg (2000)*                     |
| <b>Daskalopoulos</b> |                         | X              |                                      | X                                  |   | Greek Fede. Dairy Industry (SEVGAP) + Euroglaces + Greek Indus. Fede. (SEV)  |  | Cult. (Inter. Directory Council Museums Guggenheim + Tate Gal) |  |
| <b>De Benedetti</b>  | X                       | X              |                                      | X                                  |   |  |  | Univ. (Euro. Board Harvard Bus. School - USA)                  | Bilderberg                             |
| <b>Desmarest</b>     | X                       |                |                                      |                                    | Minister's private staff  | French asso. of private enterprises (AFEP)                                   |  |  |  |
| <b>Eczacibasi</b>    |                         | X              |                                      |                                    |   | Turkish Indus. and bus. asso (TUSIAD) + Asso of drug industry employers      | World Bus. Council for Sust. Dev.  | Univ. (Eco. and social studies Foundation : TESEV)             | Rotary Club                            |
| <b>Elkann</b>        | X                       | X              |                                      | X                                  |   |  |  |  | Bilderberg                             |
| <b>Hambrecht</b>     | X                       |                |                                      | X                                  | Chairman Asian-Pacific Committee for German business                      | BDI (Fede. of German industries) + German asso. of chemical industry         | World Bus. Council for Sust. Dev.  |  |  |
| <b>Herlin</b>        |                         | X              |                                      |                                    |   | Confederation of Finnish enterprises   |  |  |  |
| <b>Hernadi</b>       |                         |                |                                      |                                    |   | Association of Hungarian Banking   |  |  |  |
| <b>Humer</b>         | X                       | X              |                                      | X                                  |   | European Federation of Pharmaceutical Industries + Swiss Business Federation | World Bus. Council for Sust. Dev.  | Paul Ehrlich Foundation (Research) + Charities                 |  |
| <b>Johansson</b>     |                         |                |                                      | X                                  |   | Association of Swedish Engineering Industries + Confede. of Swedish Indus.   |  | Royal Swedish acad. engineering sc. (Think-tank)               | Bilderberg                             |

|                      |   |   |   |   |  |   |  |   |   |
|----------------------|---|---|---|---|--|---|--|---|---|
| <b>Karger</b>        |   |   |   |   |  |   |  | Technical Univ. of Munich + Honorary Council of the Foundat. Lindau Nobel Prizewinners Meet.      |   |
| <b>Kleisterlee</b>   | X |   | X | X |  |   | World Bus. Council for Sust. Dev.                                  |   | Bilderberg  |
| <b>Leysen</b>        | X |   |   | X |  | Fede. of tech. Ent. (AGORIA) + EURO-METAUX + Fede of Belg. Ent. (FEB)                                 | World Business Council for Sustainable Development                 | Cult. (Rubens House) + King Baudouin Found. + Research cent.                                      |   |
| <b>Löscher</b>       | X | X | X |   |  |   |  |   |   |
| <b>McGann</b>        |   |   |   |   |  | Irish Employers Council (IBEC)  |  |   |   |
| <b>Mestrallet</b>    | X |   |   |   | Minister's private staff   |   |  | Univ. (Fr.) + Asso. (social matters)  |   |
| <b>Michielsen</b>    |   | X |   | X |  | European Fede. Chemical Indus. (CEFIC)  |  |   |   |
| <b>Ollila</b>        |   | X |   | X |  | Finnish Confede. of Indus and employers + Research Inst. of the Fin. Eco (ETLA)                       | World Business Council for Sustainable Development (Vice-Chairman) | Cult. : Savonlinna Opera Festival + Finnish Cult. Foundation                                      | Bilderberg  |
| <b>Pizarro</b>       |   |   |   |   |  | Spanish Confede. of savings bank  |  | Univ. (Spain) + Monte Perdido Nat Park + Nat. Archeologic Museum                                  |   |
| <b>Potier</b>        |   | X |   |   |  |   |  |   |   |
| <b>Reiten</b>        |   |   |   | X | Secretary of State for financial affairs + Ministry for energy and petrol  |   | World Bus. Council for Sust. Dev.                                  |   | Bilderberg (2000)*  |
| <b>Rose</b>          | X |   |   | X |  | Europ. Asso. of Aerospace Ind. (AECMA) + CBI International  | Economic Development Board of Singapore                            | The Prince's Trust (Charity) + The Eden Project (Cult.)   |   |
| <b>Ruttenstorfer</b> | X |   |   | X | Chairman council of governors of : Inter. Monetary Found + World Bank + budgetary council of EU + Secretary of State for fi. affairs |   | IMF + WB   |   |   |
| <b>Scaroni</b>       | X | X |   | X |  | Cofindustria (Confede. of Italian Indus.)   | World Bus. Council for Sust. Dev.                                  | Univ. of Columbia (USA) + Foundation Teatro alla Scala  | Bilderberg  |
| <b>Schneider</b>     |   |   |   |   |  | German asso. of chemical industry   |  | Fritz Thyssen Foundation  |   |
| <b>Schweitzer</b>    |   |   |   | X | Minister's private staff + Chairman HALDE (Fr.)  | Europ. Found. for Quality Management + Medef + Medef Inter + European car industry association (Acea) |  | Museums (Fr.) + Nat. Found. of pol. sc. (FNPS) + Univ. (Fr.) + Avignon Festival + Paris Orchestra | Le Siècle (Fr.) + Bilderberg (2002)*                          |
| <b>Skinner</b>       | X |   |   | X |  | Chamber of Shipping (UK)  | International Chamber of Commerce                                  | Insead Bus. School (Fr.)  | Hawks Club (Cambridge Univ.) + Roehampton Club (Sport London) |
| <b>Smedegaard</b>    |   |   |   |   |  |   |  |   |   |
| <b>Sutherland</b>    | X |   | X | X | EU Commissioner + NATO ambassador  |   | Trilateral Commission  | European Policy Center (Think-Tank) + Univ. (Spain)   | Bilderberg  |
| <b>Van Boxmeer</b>   | X |   | X |   |  |   |  |   |   |
| <b>Van der Veer</b>  | X |   |   | X |  | World Society of Chemical Industry  |  |   | Bilderberg  |
| <b>Wallenberg</b>    | X | X |   | X |  |   |  | Alice Wallenberg Foundation + Nobel Foundation  | Bilderberg  |
| <b>Wijers</b>        |   |   |   | X | Ministry for economic affairs + Democratic Party   |   | World Bus. Council for Sust. Dev.                                  |   | Bilderberg (2004)*  |

(\*): The year is mentioned when the member attended only once the Bilderberg conferences.

It appears that there is no single model of training among the ERT members nor a unique way to access to the top of industrial multinationals in Europe, as shown by the researches on the recruitment of European economic leaders (Bauer, Bertin-Mourot, 1996). This underlines the bursting of the economic elites at the European level, which tends to show that these elites don't form a coherent social universe with its own European logics of reproduction.

The ERT membership and the fact of being at the top of a multinational firm certainly give some international resources and socialization to this special area. But, apart from that, the examination of other elements shows that the ERT members do not share a similar development of their international resources. We have included four indicators to measure it : the fact for a member to have had a job abroad, to have done studies abroad, to lead a firm in a country different from his own and to occupy (or to have occupied) positions of power in international organizations/clubs.

The results show that 8 members do not have any of those 4 resources. The internationalization of carriers as a developed socialization to the international level does not seem to be a key criteria to join the ERT. Less than a quarter of the group have 3 types of resources among the 4 investigated, testifying of an important socialization to the international area.

Generally speaking, the international resources of the ERT members have unequal value and imply different modalities of socialization to the international level. For instance, having had jobs abroad for several years implies a familiarity with internationalized spheres which is not provided by the occasional attendance of elite international spaces like the Bilderberg conferences (13 cases), even if it can deliver a high-level social capital.

Concerning the political capital of the members, understood as the relations developed with the political institutions, about a quarter of the members has had political responsibilities. Whatever the type of function, they consequently have contacts and familiarity with the political field. But, the accumulated political capital can vary with the nature of the responsibilities from full-time and high ranking positions such as being a national Minister to a secondary and part-time job such as being an adviser for the government.

Regarding now the involvement of the members in employers, sectoral or enterprise associations, about half of the members (24 cases) are concerned<sup>12</sup>, which constitutes a considerable proportion of the studied population. This type of responsibilities gives to the members an important capital of relations in the different national economic and political fields and also in the European or international areas when the responsibilities are exercised at these levels.

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12 . We count both past and present positions.

If we now observe all the positions of power occupied by the members, several comments must be done. Following Boltanski (1973), the analysis of the positions of power can be used to measure the social surface area of the members -that is to say to assess the extent and the nature of their social capital- and, at least for a part, the extent and the power they have. In this line, the social surface area of someone is the part of the social space that one can cover and control occupying successively different positions of power. So the social surface area depends on the dispersion of the positions in various social areas, on their value and on their number.

A majority of the ERT members are characterized by a multipositionality, that is to say by the fact that they hold concurrently, or most of the time successively, positions of power in different areas of the social space<sup>13</sup>. For instance, Bertrand Collomb (Lafarge) has a very broad social surface area. Other members have a more limited social surface area such as Peter Brabeck-Letmathe, Gerhard Cromme, Antti Herlin, Zsolt Hernadi, Manfred Schneider or Gérard Mestrallet. Others admittedly have a limited social surface area but characterized by the occupation of very high-level positions as for instance Wolfgang Ruttensstorfer or Eivind Reiten. So there is also a difference in terms of value between the different positions of power occupied by the members. More generally the differences between the positions can be translated by the holding of different types of social capital. For instance, it can be noted that a position such as the attendance of the Bilderberg Club<sup>14</sup>, that concerns a third of the members, gives a specific social and symbolic capital to their members that could be named “bourgeois” or “mondain”.

The detailed examination of the resources of the members points out that a limited number of ERT members differentiate themselves from the group because of the extent, the value and the level of their resources (Bertrand Collomb, Jorma Ollila, Peter Sutherland, Louis Schweitzer, Wolfgang Ruttensstorfer and some others). If all the members occupy positions of domination, at least in their national economic field, discrepancies of resources exist inside the group so that a certain hierarchy can be observed between the members.

### ***The ERT group : an implicit union of several profiles of economic leaders***

The heterogeneity of the ERT group can also be observed through several profiles of economic leaders that refer to different types of careers and different modes of accession at the top of the firm. Each profile corresponds to a specific economic universe and to a particular strategy of

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13 . The positions of power occupied by the members in different social areas are mentioned in columns 2,3,4,5 and 6 of the Table 2. The positions mentioned are not all occupied at the same time. So the table mixes past and present positions and there can be a time-lag between the occupation of two different positions.

14 . The “Bilderberg Club” or the “Bilderberg conferences” is a space of sociability that gathers since the 1950's each year and non-officially more than a hundred of members selected among political and economic elites from Europe and North America.

accumulation and perpetuation of the economic capital held.

The first profile observed among the ERT members refers to the model of the “heir” (Bourdieu, de Saint-Martin, 1978). An economic leader who is a heir is characterized by the fact that he rules a familial enterprise, that is to say an enterprise founded, controlled and hold, at least partly, by his family (Daumas, 2003 : 35). The access to the top of the firm is in a way inherited and is anchored in a familial strategy of reproduction of the economic capital. There are 5 heirs in the ERT group : Rodolfo de Benedetti (CIR/COFIDE), Bülent Eczacıbasi (Eczacıbasi Group), John Elkann (heir of the Agnelli family who founded Fiat), Antti Herlin (Kone Corporation) and Jacob Wallenberg (Investor AB).

In opposition to this profile, the others are managers. But their economic position is not due to the same types of resources and trajectories.

Among the managers we can first point out those who have had during their career special links with the political field. Indeed, 8 of the members didn't spend their whole career in the private sector and have had full-time political-administrative responsibilities. This profile does not only concern French people who have left the civil service to work in the private sector but also other members who have been Minister of State or European Commissioner for instance. The 8 members characterizing this profile are : Bertrand Collomb, Thierry Desmaret, Gérard Mestrallet, Eivind Reiten, Wolfgang Ruttenstorfer, Louis Schweitzer, Peter Sutherland and Hans Wijers. Their position in the economic field has undoubtedly to do, at least partly, with their important political capital. Their integration into the economic field can thus be seen as a continuation, a strategy of extension of the social space they control.

The managers who spent their whole career in the private sector are however the most represented in the ERT group (33 cases). For them, a career in the economic field is the only professional reference. But two distinctions can be made. Some of them have spent almost their entire career in the same company, such as Peter Brabeck and Patrick Cescau, whereas others had an important professional mobility between different companies evolving most of the time in different sectors. Another distinction can be made between those who remain in national frameworks having jobs in the country of their nationality and those who can be assimilated to “super international managers” in reference to the study of Anne-Catherine Wagner (1998).

It is now clear that the ERT is not as homogeneous as we could imagine. The diversity of resources of its members shows that the ERT membership does not rely on the possession of specific resources. The group is an implicit union between at least three profiles of economic

leaders referring to different economic worlds with several trajectories and dominant resources. Consequently the similarity of interests is far from being obvious, especially because the members have different strategies of production and reproduction of the economic capital. The reason for such a union at the European level stays therefore open. To better understand what is at stake in the involvement into the ERT, the analysis of the way the group functions is necessary.

## **II. The ERT as a European club of economic elites**

The fact that the ERT works as a “club” is a fundamental specificity of this group. As a club, the ERT is a selective organization one can join only by invitation and whose few members are committed in their own name. So, the organizational form of the ERT must be brought closer to the properties of its members. Indeed, the way the club works, that will be detailed, can explain, at least partly, the logics of the commitment of the members in the ERT. As a club, the ERT transcends the original heterogeneity of the members and gives them an opportunity to develop strategies of distinction (Bourdieu, 1979) and to acquire European social, political and symbolic capitals.

### ***The rules of the ERT club***

Forming a club implies several rules. First of all, the ERT is an exclusive club : anybody cannot become a member and the number of members cannot go beyond 50. The selection of the members clearly aims at creating a high-level group. But it is not based on the holding of a specific resource and being at the top of a big company is not enough. The members are rather selected on the basis of the recognition of a set of various capitals they hold at the national and international levels, that is to say on the basis of clues of belonging to a certain elite.

The cooption of new members is debated at first inside the Steering Committee (composed of less than ten members, it is the decisional core of the organization<sup>15</sup>). Several criteria are examined : personal, economic and European ones.

Indeed, a careful attention is given to the personality of the potential member, that is to say to his social and especially symbolic capitals. The members of the Steering Committee look at the reputation and the respectability of the economic leader who must be perceived as somebody close

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15 . The current members of the Steering Committee are : Jorma Olilla (Nokia), Leif Johansson (Volvo), Peter Sutherland (BP), Jean-Louis Beffa (Saint-Gobain), Gerard Kleisterlee (Philips), Henning Kagerman (SAP), Paolo Scaroni (ENI).

to them, of the same rank, that is to say as an elite.

*“Was he personally respected ? Would he personally contribute to the debates ? Would he spread ERT messages back among his own national politicians and other business groups and would he command attention when he did so ? [...] Do we know him ?”*<sup>16</sup>

Moreover, the company ruled by a potential member must be a giant industrial one with international interests and a solid reputation. Furthermore, it has to be a European one, defined as a company having its headquarters located in a European country. The insistence on this criteria reveals the attachment of the members to the European character of the label they want to construct and to claim.

However, some nuances must be underlined. The desire to have representatives from the whole continent implies the membership of leaders from smaller companies with a more limited international development. This element illustrates the importance of finding a balance inside the group. Indeed, the Steering Committee constantly tries to find a balance between the quality of the members, their nationality, the sector of activity of their firm etc.

*“There is a certain strategy behind this : to find the balance, you know like we have to try a balance over the members. We should have comparable size members of the major countries : 6,7,8... France, Germany, UK, but we should not have 17 from Switzerland, I mean there would not be good. I mean we should not have a dominant number of oil producers. We should not have, there the conflict is back, two competing companies from one country.”*<sup>17</sup>

The aim of the selection is thus not only to guarantee a certain representativeness but also to avoid some conflicts. Above all, selected as economic elites, the members of the club can find in it the same extra-values, beyond their initial heterogeneity in terms of resources and profiles.

### ***The ERT club as a tool of accumulation of European capitals***

The process of selection, and more generally the club aspect, recognizing and flattering the elite status of the members, like a magic operation of consecration, gives to the members a same label and, by joining the group, they completely become peers. Beyond their differences, and because of the exclusiveness and the high level of the ERT, becoming one of its members is already a *distinction*. Therefore, by being a club, the ERT gives to its members an opportunity of extending elite strategies at the European level acquiring a new position of power. Thus, the ERT is a noteworthy tool of accumulation of European capitals -understood as a sort of capital of which value and acquisition take place in the European space- for its members.

Three different types of capitals can be acquire at the ERT : social, economic and symbolic

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16 . Words from an ex Secretary General of the ERT : Richardson (Keith), « Big business and the European agenda. Reflections on the activities of the European Round Table of Industrialists, 1988-1998 », *Sussex working paper*, n°35, août 2000

17 . Interview with an ERT official, Brussels, June 2009

ones.

First of all, the ERT constitutes a space of sociability between economic leaders of the same rank really privileged. The congenial atmosphere of the meetings, guaranteed by the selection, gives to the members the possibility of acquiring a transnational social capital, that is to say a remarkable set of relations that they could directly use in their business life. It must be underlined that the ERT has been created partly to favour the exchanges between economic elites through Europe. During the semi-annual Plenary Sessions, when the whole group gathers, it is noteworthy that a part of the programme is dedicated to conviviality. This “social programme” is a leisure activity, often a cultural one, to which the wives of the members are invited. A formal dinner is also planned at each session.

*“Oui, alors c’est se connaître aussi. On a fait un club où on se connaît donc après si on a besoin de quoi que ce soit, on sait qui appeler, on l’a connu personnellement, on a fait un programme avec son épouse, on a fait des choses ensemble lors de nos réunions. Donc il y a un aspect club de connaissances personnelles.”*<sup>18</sup>

However, the ERT is not a mere place of sociability, such as some national clubs like the French one “Le Siècle” (Martin-Fugier, 2004). The organization develops a political discourse on Europe and tries to promote some ideas, some (industrial) views on a “better future for Europe”<sup>19</sup>. The ambition of the ERT is to try to shape the priorities and the political approaches of the European Community in a forward-looking perspective. To achieve it, the ERT doesn't work on the European legislation making some proposals. The organization leaves this specific task to the European employers' association Business Europe. The ERT members favour regular, personal and high-level meetings with national politicians (heads of government) and European officials (Commissioners) or with international or European economic organizations officials (Head of the European Central Bank for instance). Some politicians are sometimes also invited at the Plenary Sessions.

The close relationships of the ERT with high-level politicians exist since the beginnings of the organization. For instance, Etienne Davignon and François-Xavier Ortoli, European Commissioners at the beginning of the 1980s, were present on the photography of the founding meeting of the ERT. Therefore being a member of the ERT gives a transnational political capital that adds further to a set of political resources more or less substantial among the members.

Being a member of the club also gives a form of privilege, of reputation : it is a distinction

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18 . Interview with a current French ERT member, Paris, April 2009

19 . Interview with an ERT official

that makes sense and that classifies somebody in a specific social category. Thus, the ERT members can (re)construct and claim a specifically European elite status or identity because of the European focus of the group. As a member, one can flaunt oneself and be recognized as a *European economic elite*. The ERT group indeed benefits from the elite properties of its members. By a cumulative phenomenon and a reciprocal promotion of the capitals, these properties contributes to make the ERT a European group of economic elites. At the same time, the individual participation to the ERT gives to the members a high-level European reputation allowing them to express the social category in which they want to be classified. This adds to the constant shaping of their elite identity but this time at the European level.

*“Practically all of them [the members], certainly those in the Steering Committee, or the vice-chairmen, or the chairman, they all mention their membership of ERT in their CV. And that's an indication that they are proud to be a member, that it gives extra value to them, it's a richness. And if they don't have that feeling, they would either don't stay that long [...] If you are an industrialist and you can be a member of this exclusive club that has fantastic contacts in the political world, that is developing futuristic positions but which also gives you a tremendous network which you can use for your own benefit [it is really a plus]. [...] Most industrialists have also a task in cultural organizations or in a board of a museum or in a board in a university, in theater, in music-hall, whatever and this [the ERT membership] is a bit part of it, a sort of value [...] which they get in addition [to their own work]”<sup>20</sup>*

Therefore, the ERT membership gives a richness, an extra-value that adds to the whole capital held. In this way, it gives to the members a symbolic European capital, understood as all the properties that objectivize a social position by making it knowledgeable and recognizable at the European level.

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The prosopographical analysis revealed an unexpected morphology of the ERT current group. It appears that their resources have a high value, particularly their economic ones since all the members can be seen as economic elites, and these resources are widely diversified. More striking is the fact that these resources are unequally distributed between the members, some of them showing extended social surfaces while other don't. Only a minority of the members has European resources so that this element cannot explain their membership. Moreover, the current members are anchored in distinct profiles of economic leaders adding to the idea that their interests, notably to invest themselves at the European level and particularly in the ERT, are not similar.

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20 . Interview with an ERT official, Brussels, June 2009

Consequently, the existence of this group is far from being natural : it is a social construction that the club form contributes to organize.

Since the ERT works as a selective club, the membership can be understood as another position of power that adds to the others, held in particular at the national level, all of them being anchored in a social elite strategy of distinction. Being an ERT member provides social, political and symbolic capitals with a specific European value. Therefore, the meaning of the ERT membership relies, at least partly, on the elite character that the organization contributes to (re)construct beyond the initial differences of the members.

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