



Ten reflections on Jacques Delors

by Charles Grant, 4 January 2024

Jacques Delors' impact on history, especially during the ten years that he headed the European Commission, was immense. He was the father of the European single market, while the euro would not have been created, in the way it was, when it was, without him.

It was Delors' role in history that made me keen to write his biography ('Delors: Inside the House that Jacques Built' appeared in 1994). While researching the book I spent long periods with him. That was no chore, because he was likeable, sometimes funny and had a broad hinterland extending to basketball, cycling, jazz and cinema. Here are ten reflections on a remarkable man.

1. The Commission president has few formal powers, but Delors still made an impact, partly because he was a consummate political tactician.

He was able to persuade the national leaders who had real power to back his projects. He was fortunate that his time in charge coincided with a competent and experienced bunch of leaders, committed to European integration, running the key member-states: Helmut Kohl in Germany, François Mitterrand in France, Felipe Gonzalez in Spain, Giulio Andreotti and Bettino Craxi in Italy, Ruud Lubbers in the Netherlands, Wilfried Martens in Belgium – and, at least for his first three years in Brussels, Margaret Thatcher in Britain.

When he became Commission president in 1985, Delors correctly surmised that the best project for reviving a stagnating European Union would be building a single market. The 1970s had been a challenging economic decade. Countries were devaluating their currencies regularly, disrupting intra-European trade. And annual economic growth had averaged just 2.2 per cent from 1973 until 1985 in the 12 countries that would go on to form the eurozone, down from 5.3 per cent between 1960 and 1973. A single market offered an opportunity to rekindle both growth and European integration. Crucially, Delors persuaded Thatcher to back the idea, and she sent Arthur Cockfield as the British commissioner to take charge of the single market.

Delors also, and with more difficulty, persuaded Thatcher to sign the Single European Act, a new treaty which abolished the national veto over much single market legislation. The single market could not have been implemented without that reform.



The success of the single market made Delors more ambitious: he wanted economic and monetary union (EMU). But it was far from certain that Kohl would agree to give up Germany's strong currency, the D-mark. Delors used his friendship with Kohl to persuade him to set up a committee of central bank governors to consider EMU, which Delors would chair. He managed the governors well and persuaded even the difficult Karl-Otto Pöhl – the head of the Bundesbank – to sign the report which called for EMU in three stages.

Delors was crucial in cajoling Kohl to support EMU. At first the argument was economic: the exchange rate mechanism (ERM) which linked the EU's currencies would be destabilised by the liberalisation of capital controls, unless financial markets could see progress towards EMU. Later the argument became political: the EU was facilitating German reunification, against the instincts of some leaders (including initially Mitterrand and for a longer period Thatcher), and Delors worked hard to ensure that the East German *Länder* could enter the EU without any hassle. So, as a quid pro quo, Germany needed to do its bit for European unity by accepting EMU. More broadly, there was the argument that Germany should become more embedded in European structures to prevent the ghosts of its awful past re-emerging. Kohl was much more susceptible to these arguments than subsequent German chancellors.

There were occasions when Delors' idealism got the better of his judgement. Thus in the second half of 1991, during the drafting of the Maastricht treaty, Delors fought hard for 'political union' to be based on federal rather than inter-governmental structures. But most member-states thought that a step too far and he lost the argument.

2. Delors was always brimming with ideas, rather like a good think-tanker.

He was adept at looking for creative solutions to problems, with a strong pragmatic spirit. One example was in 1988, when he forged an agreement on the 'paquet Delors', a seven-year deal on the EU's budget, after months of haggling. The deal that he brokered required him to show acute sensitivity to the priorities and red lines of the various EU governments. The EU has followed a seven-year budget cycle ever since.

Delors once told me: "Je me suis fait imposé par la force de mes idées." He meant that his achievements did not come from his controlling big political battalions, but rather from him having the right ideas at the right time. One of Delors' advisers, Jerome Vignon, said to me that the job of Pascal Lamy, the president's chief of staff, was to tell the president which of his last 20 ideas was the one that could actually work.

Delors was fortunate in having Lamy as his chief aide for most of his presidency. Delors was not a natural administrator, but Lamy created a system which ensured that the Commission was an effective institution. Delors was the strategist and original thinker, while Lamy's qualities complemented those of the president: he was tougher, capable of ruthlessness and did not suffer from the pronounced mood swings that troubled Delors. The man dubbed 'Delors' Exocet' (by Peter Sutherland, a competition commissioner) was prone to cut through formal bureaucratic procedures, and the result was a Commission that could respond quickly to crises and get the big projects moving.

3. Delors' plan for the euro was flawed, but the flaws were not all his fault.

Large parts of the Maastricht treaty, negotiated in 1991, bore Delors' imprint, and in particular the provisions on EMU. Delors thought a single currency would help to keep inflation low, boost trade, strengthen the single market and promote political integration. Those objectives have been more-orless fulfilled. And Delors was right to push for an independent central bank, free of political control – a principle that was far from universally accepted at the time.



But with hindsight, the design of the euro contained several flaws – which I outlined in a <u>short paper</u> in 2015. One, the fiscal rules on budget deficits and levels of public debt were pro-cyclical rather than counter-cyclical. Delors was right in thinking that these rules would be unenforceable, but the Germans insisted on them. Two, nobody thought of creating a banking union, with single supervisory and resolution mechanisms. Three, there was little discussion of a lender of last resort at EU level, which Germany would have opposed. Four, the plan did not include any mechanism to encourage members to adopt structural economic reforms. Five, too many countries joined the euro too soon, before they were ready.

Problems one, two and three have been at least partially fixed over the past 15 years. Delors failed to foresee problems two, three and four, but so did most other European leaders.

4. Through a combination of hard work and talent, Delors rose a long way from humble origins.

His grandparents were peasants in Corrèze in south-west France, his father was a messenger boy at the Banque de France and Delors never had a university education. He had a chip on his shoulder about being uneducated compared with his peers. Yet his career flourished. After joining the Banque de France at the age of 19 he worked incredibly hard, attending night school for six years and rising up in the institution, as he also did when he joined the Commissariat au Plan (the national planning organisation) in 1962. Delors often benefited from far-sighted members of the establishment spotting his talents and mentoring him or giving him a leg-up. One such mentor was Pierre Massé, the commissioner-general of the Plan, who hired Delors for that institution.

Delors was always busy with clubs and journals in his spare time – thus in the 1960s he created 'Citoyen 60', a leftist Christian review and club, and in the 1970s 'Echange et Projets', a journal that sought to bring together left and right in reasoned debate.

5. Delors had an ambiguous sense of political identity.

In the early decades of his career, he kept switching between the left and the right. In the 1950s he was active in the CFTC, the Christian trade union confederation, and a follower of Pierre Mendès-France, the pre-eminent centrist politician of the time. But by the end of that decade Delors was a leading light (alongside Michel Rocard) in the 'second left', which distinguished itself from the traditional left by being less statist, less focused on class struggle and more anti-colonial. Then in 1969 he took a job as a senior adviser on industrial relations to Jacques Chaban-Delmas, the Gaullist prime minister. And in 1974 he rallied to Mitterrand's refounded Socialist Party, though many senior Socialists never really trusted the man from the second left.

Delors was in many respects a moderate Christian Democrat, which is one reason why he and Kohl got on so well. In his confused sense of political identity he resembled Emmanuel Macron, though Delors was more modest. There was also one big difference between them.

6. Delors was hardly a real politician.

He was much more of a political technocrat in the tradition of Jean Monnet (who founded two of the places where Delors worked, the Plan and the Commission). In 1994, shortly before he left the Commission, Delors was offered the chance to stand as the Socialists' candidate in the forthcoming presidential election, against Jacques Chirac. Many were surprised that he turned down the offer: opinion polls suggested he could easily have won.



But Delors did not like electoral politics. He was never elected to anything, except for the 20 months that he served as mayor of Clichy, a commune in Paris, when he was finance minister; and for the two years that he spent as an MEP, after being elected on a party list in 1979. He knew what he was good at and did not think that working a crowd was one of his skills. In 1994 he may have also believed that France was not ready for the reforms that he thought it needed. Another factor may have been that at times he suffered from a lack of self-confidence (which had something to do with his chip about his lack of education).

7. Yet Delors' impact on French politics was considerable.

In the late 1970s he backed Mitterrand against Rocard in the French left's internal wars, because although he agreed with more of Rocard's ideas he thought Mitterrand could win the French presidency. When Mitterrand won the 1981 election, Delors became finance minister, for three years. Mitterrand's hard left economic policies spooked the financial markets and it looked as though France might have to leave the ERM. Delors believed in the European co-operation that the ERM symbolised and was one of the key people who persuaded the president to reject the line of Jean-Pierre Chevènement, a rival minister, that France should pursue reflation-in-one-country, introduce import controls and quit the ERM. France stayed in the ERM but devalued the Franc, Delors imposed austerity and the economy began to recover. The French Socialists have remained largely, though not entirely, pro-EU ever since – even if they are now a very small party.

8. Delors became an important figure in British politics.

Thatcher was impressed by Delors' performance as finance minister. So when in 1984 EU leaders had to choose a new Commission president, and Mitterrand suggested Claude Cheysson, his foreign minister, Thatcher said that she could not accept Cheysson but could accept Delors. Kohl agreed with her and Mitterrand gave them what they wanted. For three years Thatcher and Delors worked well together. Their relationship only turned sour in 1988, when Delors decided to give the EU a social dimension, invented the 'social charter' and spoke at the Trades Union Congress annual conference. All this not only upset Thatcher, but also had a big effect on the Labour opposition. People tend to forget that in the mid-1980s the Labour Party was anti-EU and the Conservatives were the pro-EU party. Delors played a role in switching that around.

In 1989 Delors' efforts to promote EMU – working closely with Kohl and Mitterrand – only added to Thatcher's ire. Things worsened at the Rome summit in October 1990, when all EU leaders bar Thatcher agreed that the single currency should start by 2000. Back in London, speaking to the House of Commons, Thatcher highlighted Delors' plans for a federal Europe and declaimed 'No! No! No!. That outburst prompted Geoffrey Howe to resign from the government, which led to a leadership contest and Thatcher's resignation. These events ensured that Delors would always be a totemic *bête noir* for the eurosceptic right. The Labour Party's pro-EU orientation has also endured.

9. Delors' religious faith underpinned his politics.

His ambivalent political orientation stemmed from his attempts to find a secular position that matched his personal take on Christianity. His faith was more constant than his politics and influenced it. Delors was a disciple of Emmanuel Mounier, the French Catholic thinker who invented 'personalism'. Personalists believe that a person has to engage in his or her community in order to be good and fulfilled. Delors told me that socialism was: "A rejection of the idea that each individual stays in his niche. The individual should become a social being, participate in collective life and see his civic spirit raised."





Thus socialism is about morality and community rather than equality, statism or class struggle. And the single market programme needed to be balanced by a European social dimension. Personalists and German Christian Democrats evidently had much in common. This moral approach to politics gave Delors a sense of mission, made him censorious of those who behaved badly and drove him to work hard – he was obsessed with the idea that he had to be useful to society. His sense of faith led Delors to lead – nearly always – a sober private life.

10. Delors' ideas are not redundant.

After he died quite a few commentators – even those sympathetic to the EU – suggested that his ideas were out of date. I think that is unfair. Forging a more united Europe is a noble ideal. Delors' worldview was shaped by the two world wars. His father, Louis, having been badly wounded at Verdun in 1916, hated Germans viscerally. Delors' teenage years were badly disrupted by World War II: his family had to flee Paris, he lost his best friend in Auschwitz and shortly after he enrolled at Strasbourg University (relocated to Clermont-Ferrand), the Germans closed it down.

Delors exploited the favourable political circumstances of the mid-1980s to promote European integration via the single market and then EMU. He was no dogmatic federalist – he never outlined his personal blueprint for a federal future because he knew that the shape of Europe would emerge through pragmatic compromises based on what was possible at the time.

It is now pretty obvious that 30 plus countries are not going to all take part in a uniform United States of Europe. Some countries will want looser ties to the centre. But Delors himself got that point long ago, coming up with ideas that now sound Macronian. In 2000 he authored a piece for the CER criticising the drafting of a European constitution, since, he wrote, constitutions belonged to nation-states. "My vision of an enlarged Europe is that, at the start, it should consist of both a geopolitical entity bringing together a wider Europe – 'the Union' – and an *avant-garde* that is overtly organised into a federation of nation-states."

Delors will continue to inspire generations of people in Europe and elsewhere who believe that, as I concluded my biography: "If the Europeans can pool their economic, diplomatic and military resources, they will hold their own among the superpowers and exert a benign influence on the world."

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