

Interview with Margrethe Vestager, European Commissioner for Competition¹

Krisztián Kecsmár: I was in Copenhagen for the end of the Danish Presidency of the Council of Europe. The Danish economy is impressive. Small country, high GDP, innovative or big companies such as Maersk, Lego, Coloplast, Lundbeck or Bang & Olufsen. What is the secret of the Danish competitiveness?

Margrethe Vestager: I think it is a combination of a number of different things that work well together: people are highly skilled; you can come back and learn more; you have a close relationship with research and development infrastructure; you can work well with the Government; things work fast and with a very lean approach. There is also one sort of fundamental thing: Denmark being a small country, people tend to trust each other quite a lot and take a lot of responsibility in their positions. It applies also to the youngest employees, such as a trainee: if they find that something is not working well, they will tell you. They may even also try to take an initiative to correct things. For us this is very important: for one field of responsibility what you do, you are trusted.

KK: So there is a very fruitful dialogue between the different actors if I understand correctly.

MV: Yes. I think so. We have this very long tradition for our labour market with a very high degree of governance by the social partners. The unions and the employers' organisations, with very little political interference.

KK: As a Danish Commissioner with economic background what is your added value in the competition policy at the European Commission?

MV: That is actually a difficult thing to know whether your nationality is an add-on. Because you are a law enforcer. And the basics were formulated 60 years ago and have been enforced ever since. So, I don't know whether the Danish approach has an added value in that sense. I think, sometimes, maybe, the sort of Northern, direct, hands-on approach to things may be different from how other people would do it, but if you

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do something wrong on the market place, well, it is the same no matter whether the commissioner is Danish, Italian, Portuguese or Hungarian.

KK: Just to stay a little bit more in the field of competition policy. You just adopted the Bayer/Monsanto decision. Do you think that undertakings resolve everything or more mergers should be prohibited? Should competition policy remain an investor friendly environment?

MV: To tell the truth, the most important thing is that consumers get a fair deal. This is one of the important decisions taken in Europe that the markets should serve consumers. In the market place you shouldn't just serve the interest of your undertaking. It is a very important card of being a citizen that in your role as a consumer you are in charge of. If you do not feel that you get the best offer, good service with one provider you will go to another one. And that is for me the most important element. In that, of course, we have the possibilities to make sure that companies don't exclude other companies from trying to compete against them, that cartels do not make it difficult for consumers or for competitors not being part of the cartel. But when it all boils down, it boils down to the right of the citizens to have a fair deal as a consumer.

KK: Do you feel that you need to revitalise anti-trust investigations including cartels? Or is it imperfectible?

MV: Unfortunately, I do not think that we will ever be done. It seems like this: when we are done with one cartel case there is another coming up. Most probably because some of the underlying reasons are very old human characteristics: that you are greedy or you want to obtain something that you don't really want to work for, that you've been pushed out of the market or that you want to exercise more power. Greed and power if they go alone or in combination, they are very powerful reasons. And, unfortunately, I don't think that we can overcome them; there will always be a minority who will not take by the rules.

KK: As a European Commissioner for Competition what's your opinion on the debate that was surrounding the posting directive review? Lower wages, bundled with some of the four freedoms such as the free movement of persons and provision of services, constitute in your view a competitive advantage or social dumping?

MV: I think there is a number of things to be set in this context such as the right you have to go for a job in another country. I think one of the surprising things for many people was to realise how few Europeans are doing that. I think it is less than 5% of Europeans that work in another country than where they are settled. Because most people want to have a nice job at home, close to their family and their friends. But that being said I think it is very important that we can do that, that you can apply for a job in another country, that in your quality of employer you can hire the people that you want to hire. I think those are important possibilities on an individual basis and for the different societies in Europe. And I think that the changes that were agreed when it comes to posting the



workers enabled the balance, but I think these are very important rights for individuals and societies.

KK: At the beginning of his mandate President Juncker made clear that the European Commission will work as a political institution. Do you think it constitutes a positive precedent or this concept should be reviewed?

MV: The first perspective of this question is that, for me, it has not been an everyday issue, because being a law enforcer I enforce the political choices made 60 years ago. Obviously when they wrote the first Treaty, they made the choice that they wanted to have competition law enforcement. They did not want the law of the jungle or monopolies to raise the market place. So, these are fundamental political choices but they were made a long time ago. And no political party can play any role in what we do now in our case work. Because the cases have to rely on the facts of the case, the evidence, as set in the case law. The second perspective of the question is: what do we think when we talk about a political Commission? Because I think it is a good thing to make priorities. In the Commission we do things that have a sort of view at a European scale and advise the Member States what can be done in a national democracy. And if that's being political, I am absolutely fine with that. There is a limit of the politics of a Government. Because you have so many Governments in Europe but you have only one Commission, with a very unique mission. And I think it is very important to maintain that. And part of that, an important cliché: it's of course you treat everyone the same, no matter the geography, no matter the history of membership, no matter the colour of the concerned Government, these are values that are very, very fundamental for the working of the Commission. And they are unique for the Commission and the mission we have.

KK: Emmanuel Macron's election one year ago was warmly welcomed by the European Commission. What do you think about his proposal made during his Sorbonne speech to reduce the number of Commissioners to 15?

MV: I can say that I am very happy to have colleagues from every Member State. Not because we serve a Member State since we serve the values of the Treaties without instructions from Member States. But the knowledge and the insight about the sort of real everyday life of the political culture, how the medias work in the country among other things are very important in the decision making process. Because I don't know in any detail what goes on in your country, in Bulgaria, in Portugal not even in Sweden, a Denmark neighbouring country. And I learn a lot from my colleagues, and I think that together we make better decisions when this knowledge and these insights are represented in the decision making process.

KK: In your view was President Macron right stating that "*the founding fathers built Europe in isolation from the people*"? How should the EU be maintained connected with people, with less or with more Europe?



MV: I don't think that we can talk about that in abstracts: more or less Europe. Because, I think, in some areas like third border control, managing illegal immigration, protecting refugees, handling climate change it is important to work more together. In other areas we may say, actually we don't need European initiatives because Member States could deliver this on their own or in a different way. So maybe actually we can have both: in some areas you want more a classical relation, and in other areas not so much allowing to take another direction. I think any democracy being local, national, regional or European sometimes can see victims in some citizen's point of view and I think one of the important things that Macron also proposed that you actually make a real effort to listen to when people, sort of, engage in discussions about the use of our European democracy. What do we want from the future? Because I think that the only way to come close to one another is of course to talk with one another. It is therefore important to listen when people discuss about the future.

KK: Today when one evokes the European Union, it is impossible to pass by the question of the next MFF. Do you agree to include a kind of rule of law mechanism or independence of judiciary aspects in the MFF structure or you would consider that the current provisions of the Treaties are enough to guarantee the conformity with EU law such as Articles 7, 258 or 260? Or more needs to be done in terms of safeguards in the MFF?

MV: Yes. I think it is important. Because what we have seen over the last year, even when the rule of law is present, it is in discussion, but there is very little concrete action taken. Even if you have doubts, if things can be done in a way that actually making sure that you have independence in looking it also the way of dealing with legislation that has been decided in common in the European democracy. And I think that it is part of the premise of being a member of the Union that you as a citizen can be absolutely certain that the judiciary is independent. I think for me as a Dane it is a huge privilege to live in a country where we never ever question that. I think Denmark is one of the countries where citizens have the highest degree of trust in the judiciary and also see it as independent. So for me it is very important as a citizen that you can trust that if your authorities do something wrong you can actually go to the judiciary and they will take an independent view, maybe they will not get your way but they will get the fair way.

