

## Pascal Lamy, free-market Frenchman?

AS THE 20 would-be members of the new European Commission filed before the vetting squads of the European Parliament this week, clutching their revision notes and affecting just enough of an air of gravity to protect the hearings from empty ritual, a curious thought sprang to mind. Could it be that Romano Prodi, the commission's designated president, responsible for carving up the jobs between the 19 colleagues supplied to him by the 15 European Union governments, is blessed with an exquisitely refined sense of humour? He has chosen Chris Patten, who drew such Chinese anger over his efforts to safeguard democracy in Hong Kong while he was its governor, to run foreign affairs, a job that will thrust him straight back into the faces of, yes, the Chinese. He has picked a German, Günter Verheugen, to head the Union's eastward enlargement, a matter over which nobody gets quite so twitchy as, yes again, the Germans. Above all, he has put a Frenchman, Pascal Lamy, in charge of trade, whose task at a new round of international trade-liberalisation talks due to start later this year in Seattle will set him on a direct collision course with, no prizes for guessing, the French.

There are two ways of looking at the appointment of Mr Lamy to this job, for which he was grilled by Europeans on September 2nd. The first is that it is a piece of political inspiration. After all, it was chiefly French intransigence that led to the repeated near-collapse of the Uruguay round of trade talks in the early 1990s, when another Frenchman, Jacques Delors, was the commission's chief. The French would not tolerate being bullied by Americans and their "Anglo-Saxon" friends in northern Europe then, goes this argument; and they certainly will not do so now. Far better to leave the job of selling them the case for free trade to one of their own.

More than most Frenchmen, Mr Lamy can straddle a transatlantic divide traditionally marked, at least in trade matters, by deep mutual suspicion. A Socialist, with the ear of his close friend, Lionel Jospin, the French prime minister, he is certainly at home among the French elite. Educated at the Ecole Nationale d'Administration, the finishing school for French high-flyers, where he was a classmate of Mr Delors's daughter (Martine Aubry, now the jobs minister), he has a bulging contacts book built up as he shuffled from the Inspection Générale des Finances, France's top civil-service body, to running Mr Delors's cabinet in Brussels for nine years until 1994, and on to a top job at Crédit Lyonnais, the state bank currently being sold off.

At the same time, he is unusually international-minded. Fluent in English, though little known inside the Clinton camp, he likes Americans. A particular pal is Robert Zoellick, who advised James Baker when he was secretary of state and is now helping George W. Bush in his bid to be president. His foreign circle ranges from Peter Mandelson, confidant of Tony Blair, the British centre-left prime minister, to Joachim Bitterlich, former adviser on Europe to the centre-right Helmut Kohl. Though his thuggish networking often nettled those who worked with him in Brussels,

where he was feared and disliked by many a Eurocrat, Mr Lamy's case in both the American and European political cultures could prove an asset, though not a clinching one, in trade disputes.

More reassuring to the free-marketeer, Mr Lamy talks fluently, if uncontroversially to the non-French ear, about how "liberalisation and globalisation are basically good things". He claims (implausibly, say some suspicious liberals) that he did try, albeit unsuccessfully, to persuade Mr Delors not to let French farmers hold the future of world trade in the Uruguay round to ransom. From a national of a country in which "ultra-liberal" is the ultimate political insult, this sounds breathtaking. For a Frenchman in the mainstream of politics, claims Charles Grant, Mr Delors's biographer, and now director of a pro-European think-tank in London, "Lamy is about as liberal as you can get".

To which you might add: that is not saying much. After all, he hails from a culture that sanctifies the state and distrusts the market's ability to bring either wise or fair results. His recitals of free-market doctrine are punctuated with appeals for "controlled globalisation" and caveats that Europe's economic model should move towards, "but not converge on", America's liberal one. His economic instincts may well, when he is scratched, be more protectionist than liberal.

Moreover, it is far from clear that Mr Lamy has abandoned his own political ambitions. Though he has stood only once (unsuccessfully) for elected office, he is young at 52, and may well hanker after a top job, one day, in government. Hard-working and driven, brainy, frugal, unclubby (he hates parties) and determined (he runs marathons), he is also ambitious. Brussels-watchers long suspected that it was Mr Delors's own presidential aspirations that held him in such thrall to French farmers.

From a wealthy Normandy family (a photograph of the family chateau unapologetically decorated his office wall in Brussels), Mr Lamy may not share Mr Delors's sentimental affection for the peasantry, but his political antennae are just as sharp. Would this not get in the way of a trade deal that could benefit the vast majority of Europeans who do not farm the French countryside?

As ever in France, however, matters are not quite this simple. Clever, pragmatic Frenchmen like Mr Lamy, or Dominique Strauss-Kahn, Mr Jospin's finance minister, who understand the need to embrace globalisation yet belong to a political culture that instinctively rejects it, inhabit a peculiar double world. At once, they are trying to bring about some deeply unpopular changes—privatisation, deregulation—while leaving the French with the impression that nothing they cherish is in peril. The French are as ardent in their faith in a Europe they believe is being fashioned in their image as they are suspicious of the project being hijacked by "Anglo-Saxon ultra-liberals". Should he care to try, Mr Lamy will need all the finesse he can muster if he is to pull off the political trick of delivering radical reform without the appearance of it—and more than a dash of Mr Prodi's sense of humour.

