

# Interview with Pascal Lamy

## Ramon Torrent

**Pascal Lamy** is a graduate of France's leading business school, the Ecole des Hautes Etudes Commerciales (HEC), the Paris Institute of Political Studies ("Sciences Po") and the ENA civil service college (Ecole Nationale d'Administration). Until 1984, he was adviser to Economics and Finance Minister, Jacques Delors, and to Prime Minister Pierre Mauroy. From 1984 to 1994, Mr Lamy worked in Brussels as chief of staff (chef de cabinet) to Commission President, Jacques Delors, representing him at the G7.

After the privatisation of Crédit Lyonnais, where he was encharged of its restructure, Mr Lamy was appointed in July 1999 by Romano Prodi and the French government to the European Commission. In September 1999 the European Parliament confirmed him as Trade Commissioner.

**Ramon Torrent**, chair professor of Political Economics at the University of Barcelona (UB), director of the Globalisation Observatory (UB-PCB), and promoter and director of the WTO chair, the first chair created by an agreement between the WTO (World Trade Organization) and a University (the UB).

From 1988 to 1998 was a member of the Juridical Service at the Council of the European Union, and since 1993 he is the director of International Economic Relations.

**Ramon Torrent (R.T.)**. In a few words could you please give us your point of view on the relationship between cultural policy, particularly in terms of the audiovisual sector, and external economic and trade relations policy ?

**Pascal Lamy (P.L.)**. Cultural cooperation is an important aspect of agreements concluded between the European Union and other countries. It's all about developing cultural exchange and mutual comprehension between cultures. This aspect also fronts our trade policy, in particular for the audiovisual sector: at the WTO for example, we defend the possibility of co production agreements with other countries. What is more, a better cultural understanding is often one of the things needed to enhance business relationships. I'm referring here for example to countries in the Far East.

**R.T.** Despite frequent use of the expression "cultural exception", no GATS section or schedule allows specific provisions (let alone an "exception") for the cultural sector.

There is simply an absence of specific agreements and certain exemptions from the MFN ("Most Favoured Nation") clause. Do you think that this situation is satisfactory or acceptable ?

**P.L.** You are quite right in your analysis of the General Agreement on Trade in Services (GATS). The flexible structure of this agreement allows us several things: firstly, we have signed no undertaking to liberalise audiovisual services; secondly, the clause on national status will not be applied to this sector; and finally, exemptions from the Most Favoured Nation clause will be included, without it being necessary to specifically refer to this issue in the GATS text. We can thus preserve our cultural policy instruments and adapt them to new needs and contexts. Exemptions from the Most Favoured Nation clause allow us, for instance, to promote television channel broadcasting of European works and to enter into preferential co production agreements with other countries.

**R.T.** According to the GATS Schedule on permitted exemptions, the list of MFN clause exemptions for the European Community and Member States expires "in principal" in 2004. Don't you worry that when it does expire there will be a new Unites States offensive to dismantle protective policies in the sector ?

**P.L.** It is of course essential for us to preserve the exemptions from the Most Favoured Nation clause in order to be able to continue our policy promoting co production and distribution of European works – in the largest sense of the term, not just European Union works – and we will defend these exceptions to the hilt. I am however little worried about a possible offensive by other WTO Members to dismantle these exception in 2004: most of the WTO Members have adopted similar exemptions, in the audiovisual sector or in others, and aren't ready to let them go.

**R.T.** In their lists of undertakings and exemptions, Nation States such as Canada have provided for special measures with regard to certain regions or provinces (Quebec for example). Do you think this possibility should be considered within the European Union?

**P.L.** We've already put this provision into effect. In numerous sectors for which the European Union has undertaken trade liberalisation, certain limitations to be applied only for one or more EU Member States, or even regionally, have been listed. For the audiovisual sector this would be meaningless because in our case we have agreed no liberalisation measures. The Member States and the regional or local public authorities can thus, insofar as their competence extends, continue to implement and develop policies for this sector.

**R.T.** Under Section 151 of the EC treaty, European internal powers in cultural questions are very limited: restricted to the adoption of promotional measures, and precluded from any harmonisation measures. In your opinion, should these powers be extended in the Treaty reforms underway ?

**P.L.** People along with national and local authorities in Europe, are very attached to ensuring that powers in cultural questions remain very close to the community, at grass roots. European policies can however be complementary and should be developed on two fronts. Firstly the broader

principles: the "right to a culture's protection and development " should become one of the founding principles of our future "Constitution".

Secondly there are framework actions and defence of our interests at the international level. The MEDIA programmes, the Television without Frontiers directive, cultural and audiovisual cooperation with other countries, the defence of our interests at the WTO are just some examples where action by the European Union could be useful, even essential. It is not a question of harmonisation, but of combining our forces to better defend and value our cultural diversity.

**R.T.** Do you think that the construction of an international network of public institutions concerned with problems of cultural diversity is a good idea ?

**P.L.** The promotion of cultural diversity carries a "promotion of local cultural products" aspect and also a "development of cultural exchange" aspect. It is then always useful to develop contacts, and international networks, between the authorities and institutions responsible for the definition and implementation of cultural policies.

Translated from French by William Kelleher