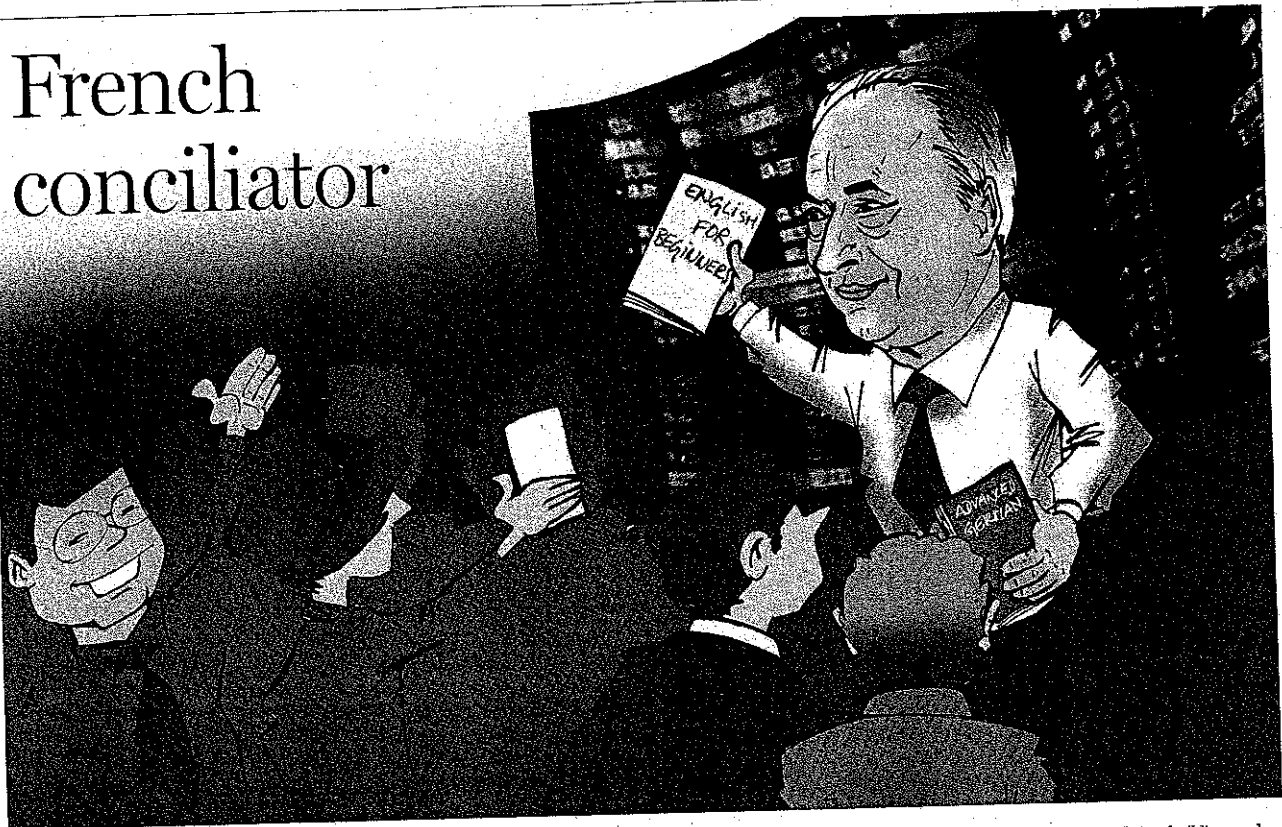


French conciliator



If the EU succeeds in adopting a law regulating hedge funds, it will owe a lot to one man: Jean-Paul Gauzès, a French centre-right member of the European Parliament.

A politician, an expert in finance, a negotiator skilled in the art of compromise, and a legislator who has spared no effort in meeting every political group and 150 lobbyists to agree on "a genuine European regulation that would not threaten the fundamental economic interests of countries such as the United Kingdom", Gauzès does, however, have one weakness: he does not speak English. He acknowledges that this has complicated his work and confesses: "That is my only regret."

But he has a trump card, one that has enabled him to overcome that handicap and that helped secure his place in the powerful committee for economic and monetary affairs (ECON) in 2004: he does speak German. Gauzès admits that it was this particular skill that secured his selection, in October 2008 and again in September 2009, to the highly strategic post of co-ordinator for the European People's Party (EPP). A parliamentary source acknowledges that a "Franco-German spirit reigns over the committee, in opposition to the British Liberal Democrat Sharon Bowles, who chairs the committee, and to the European Conservatives and Reformist group" launched in 2009 by the UK Conservatives.

Today, Gauzès and Bowles have a good working relationship, but that was not always the case. In July 2009, following the European Parliament elections, the Parliament's complex and informal rules suggested that the chairmanship of ECON should go to a British member of the Parliament's liberal group, ALDE. Bowles was the natural choice. Gauzès, however, challenged her election, arguing that "it would not be appropriate for a Briton to lead a committee dealing with the euro". Supported by other colleagues, he went to Guy Verhofstadt, ALDE's leader, to tell him that they would vote for Bowles only if she made a written commitment on three points: to support adoption of the euro by the UK, to chair with impartiality and to take into account the opinions of party co-ordinators. A deal was agreed and Bowles signed the

paper. "After that we supported her en masse...and I am now a loyal servant of Her Gracious Majesty Sharon," the French MEP jokes, adding, in passing and with irony, that they "never speak to each other directly" because she does not know a word of French.

It is not just on account of his facility with Goethe's language that Gauzès was chosen as the EPP's co-ordinator. His "expertise", his "deep knowledge of the subject", his "teaching skill", and "his skill at consensus-building" also mattered, those close to him say. These are skills and knowledge built up over a career in education, law and finance. After studying economics and law and lecturing in Toulouse, the newly married Gauzès moved to Paris in 1972, working in the French education ministry before moving into legal practice. Gauzès won a prestigious post as lawyer in the Council of State and in the Court of Appeals, where he stayed for 15 years. He then played a major role in the creation of the Dexia group in 1996; two years later, he became its director on legal and tax matters in France. He is a politician with a true mastery of finance.

Where did politics fit in this mix? Born in Toulouse, where his family owned a small printers, Gauzès has been the mayor of a tiny village near Paris since 1983 and, from 1993 to 2010, served as a regional councillor in Upper Normandy. In 1998, he ran for the presidency of Upper Normandy. He won, but only thanks to supporters of the far-right. Upset, he resigned and explained his decision on the evening news.

Gauzès jumped directly from local politics to the European Parliament, bypassing the national stage. He never really believed he could stand in European elections. He was persuaded to take the plunge by Antoine Rufenacht, a campaign manager for former president Jacques Chirac, who negotiated second place for him on the list of the Union pour un Mouvement Populaire (UMP) for the North-West region.

An unknown when he arrived at the Parliament in 2004, Gauzès quickly integrated himself. Appointed rapporteur for the payment services directive in 2006 and for the directive on credit rating agencies in 2008, he demonstrated his ability to handle complex legislative dossiers and a finely

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tuned sense for coalition-building, and moved from the Parliament's shadows into its limelight.

In 2009 he was re-elected without the help of a mentor and inherited another dossier in the media spotlight: the proposal for a law on alternative investment fund managers (hedge funds). It was a job coveted by Rachida Dati, a former justice minister for the UMP who had just arrived at the Parliament. "She asked me to have the report and I refused, because I could not entrust such an important subject to someone without parliamentary skills and without relationships with other groups," Gauzès explains. When the EPP chose him for the job, Dati was offended and exploded with anger at her colleague in front of other members of the Parliament. It was to no effect, although she was awarded some compensation – a report on observation of the earth, the Global Monitoring for Environment and Security programme.

Since then, their relationship has been "very cold, absolute zero". According to French EPP MEP Françoise Grossefête, "the two of them were involved in a real clash. It affected Jean-Paul deeply". Pascal Canfin, a French Green, was relieved. He believes that "if Rachida Dati had been the rapporteur, the report would have imploded...mainly because she would certainly have been under Paris's control". By contrast, Canfin believes Gauzès has demonstrated his "open-mindedness" and "a great deal of independence from Paris, not something that could have been presumed since he is from the same party as the government".

Gauzès views himself as being "obedient and loyal" by nature, but he feels "free" of the Elysée, with which, he says, he has little contact. "I am not a sales representative of France here; my job is, rather, to try to convince French members of the EPP when they are not in line with the majority of the group."

A father of three and grandfather of three, Gauzès continues to work late into the night on his report. His goal is to reach a first-reading agreement with the Council of Ministers to avoid "a gap between the financial world, which changes every second, and the EU, which takes three or four years to adopt a regulation".

Jeanne Méric

CURRICULUM VITAE

1947	Born, Toulouse
1968	Degree in economics, Toulouse University for Social Sciences
1969	Higher degree in public law, Toulouse University for Social Sciences
1969-72	Lecturer at Toulouse University for Social Sciences
1972-79	Head of administrative staff, Ministry for Education, Paris
1973-79	Lawyer, Paris
1980-94	Lawyer in the Council of State and Court of Appeals
1983	Mayor of Sainte-Agathe-d'Allermont
1993	Member of Haute-Normandie regional council
1994-98	Lawyer, Paris
1998-2007	Legal and tax adviser, Dexia group
2004	Member of the European Parliament
2009	Member of the economic and monetary affairs committee