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REGIONAL AND COHESION POLICY – INSIGHTS INTO THE ROLE OF THE PARTNERSHIP PRINCIPLE IN THE NEW POLICY DESIGN

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Regional development is the main challenge for the states from the area of Central and Eastern Europe after their accession to the European Union, and territorial cooperation is an efficient means for the harmonious and balanced integration of the EU's territories, with a view to modernize the regions lacking economic and social development. With the major goal of promoting economic, social and territorial cohesion, the EU's economic development policy supports the efforts by each Member State of mitigating the interregional disparities through transfers of financial resources to the backward regions.

Multi-level governance engages, at the highest level, the participation of the regional and local authorities to the elaboration and implementation of the development programs and plans; hence, the initiative of the Committee of the Regions (CoR) to open up a large debate forum on the subject of the involvement of the sub-national authorities was well received by the entire spectrum of stakeholders, from the regional and local levels to the business community, civil society and academic field.

The Committee of the Regions (CoR) White Paper of Multilevel Governance was launched in 2009 and proposes to bring to the public discussions about how multilevel governance could support the implementation of the provisions of the Lisbon Treaty.

The Institute for Euroregional Studies (IERS), "Jean Monnet" European Centre of Excellence of the Universities of Oradea and Debrecen has engaged in this debate. After December 2009 when IERS was the only Romanian institution and one of the very few within Central Europe that expressed a point of view on the White Paper of Multilevel Governance of the Committee of Regions (<http://www.cor.europa.eu/governance>), IERS took part in the second stage of debating upon the White Paper, with the conference titled Regional Development and Territorial Cooperation in Central and Eastern Europe in the context of the White Paper of Multilevel Governance of the Committee of Regions (20-21 May 2010). It was the stage of conferences designed to develop the debate on this document which comes not only as a continuation of the Lisbon Treaty, but also, when applied, will help the decentralization process in Europe change from vision to reality. This debate was held in collaboration with the "Altiero Spinelli" Centre for the Study of European Governance of Babes Bolyai University from Cluj-Napoca, the Academic Club for European Studies (CASE) of the National School for Political and Administrative Studies Bucharest, the "Alcide de Gasperi" Centre for European Studies of the Western University in Timisoara, the University of Debrecen and the National University of Ushorod.

The conference targeted to synthesize some reactions and contributions of academic world "vis-à-vis" of the Multilevel governance problem, defined in CoR White Paper of Multilevel Governance as: "coordinated action by the European Union, the Member States and local and regional authorities, based on partnership and aimed at drawing up and implementing EU policies"¹.

¹White Paper of the Committee of the Regions on Multilevel Governance, CoR 89/2009.

Multilevel governance represents an “action grid”, a political rather than a legal instrument. In other words, CoR Multilevel Governance proposes a political method (which is a legal method) that complements the European Commission methods.

In general, the notion of “governance” has an ambiguous character, but in relation to this and with the many interpretations of multilevel governance is not only a governance with multiple characters but a government in the levels of interdependence.

This means that on the one hand the decision-making process goes beyond the representative institutions, and other formal power was dissolved between central and institutions “above” and “below”. In other words, it is “a creative process in which political power and political influence are distributed between different levels of government”.

This volume brings together the works presented during the conference, plenary meetings and workshops. The two parts of this volume - Regional Development: Performances and Perspectives; Territorial Cooperation and CoR White Paper on Multilevel Governance, interfere in certain aspects, but from the multidisciplinary perspective given to the debate they are clearly distinctive.

The sub-theme *Regional Development: Performances and Perspectives* contains studies addressing the role of the nation in communitarian-oriented debates, as well as in the process of regionalization, thus aiming to clarify such divergences as the dichotomy between solidarity and individualism in modern society (Nicolae Păun). The role of the companies in the efforts with state-of-the-art and standardized information and communication technology (ICT) developed at international locations – that is the mission of IT outsourcing, as studied and argued by Peter Ilosvai.

In her study called *The Europeanization of regional governance in Post-Lisbon EU: the role of regional legislative assemblies*, Cristina Ares Castro-Conde considers that the potential of subsidiarity is much greater than it can be seen at a first glance. This is due to the fact that a sustained dialogue of this kind between supranational, national and sub-national actors is a political process in which the core topic of discussion is what Europe is and what Europe should be doing and why. This applies not only to governments, but also to legislatures. This entails that not only national actors but also sub-national tiers are involved in the political definition of goals. Thus, under the Lisbon Treaty, the potential for enhancing the democratic credentials of the EU is noteworthy.

Alina Bârgăoanu and Ruxana Maria Dascălu study in *Regional and Cohesion Policy – insights into the role of the Partnership Principle in the New Policy Design* the evolution of EU Regional and Cohesion Policy from a simple redistribution mechanism to a genuine structural policy, driven by the aim to reduce the existing gaps between member states and regions and to prevent the creation of new ones. Given the contemporary requirements of global competitiveness and the new set of challenges brought about by globalization and the global economic crisis, this policy seems to have embarked on a new path, focusing more on competitiveness and less on convergence and cohesion. This new design of Regional and Cohesion Policy is based on the awareness of the fact that development cannot be achieved only by eliminating disparities, but also by exploiting the strengths of member states and regions. In this context, the reinforcement of the partnership principle – of the public-private partnership in particular – by the CoR White Paper of Multi-level Governance, is considered to be a core feature of the new philosophy underlying EU Regional and Cohesion Policy. Both the vertical and horizontal participation in the design and implementation of this policy are fundamental for a successful implementation of Structural Instruments.

In her work, *Joining the EU's Multi-Level System of Governance – is there an East European Model of Regionalization?* Ramona Unița shows the decision-making actors' role in formulating and implementing regional policy, arguing that the problem lies in the

politics of regionalization. First, because of a lack of good recipe, the Commission formulated a policy which is confusing and vague. Article 21 on regional policy of the *acquis communautaire* is the only one that proposes and not imposes guidelines. Second, national governments in East-European countries still retain the inherited centralist politics, legacies of the previous regimes. However, this common past failed to determine a common model of regionalization.

Ferenc Mezo, Barta Attila, Gabor Kozma, in their study *Changes in the System of Deconcentrated Public Administration in Hungary*, on the one hand, provide a brief overview of the history of the deconcentrated state administrative organisations in Hungary, and discuss the regional characteristics of the organisational transformations after the political changes, taking five moments in time (the middle of 1994, 1998, 2002, 2006 and 2010, respectively) as the basis of their study. On the other hand, using the same five snapshots in time, it examines which settlements experienced favourable or unfavourable changes, and what factors influenced the selection of the seat for these institutions.

Administrative Reform and Regional Development in the context of Croatia's EU Accession, written by Claudia Iov, shows that the perspective of European Union membership for Croatia represents an additional driving force of reforms and modernization, required by the fundamental adjustments to the European governance principles and standards, as well as strengthening the administrative capacities, promoting horizontal decentralization and strengthening the role of local and regional self-government for the successful implementation of the *acquis communautaire* within a relatively short period of time.

Janos Penzes, in *The Question of Territorial Cohesion – Spatial Income Inequalities in the two different regions of Hungary* is looking into the development of spatial income inequalities in the investigated Northern Great Plain region and in the Western Transdanubia region represents characteristics that can be fitted into general theories. The economic recession after the political transition caused a significant rise in spatial disparities, but developed regions faced only a moderate increase in income inequalities. The trends of income inequalities reflect the successful economic transition of Western Transdanubia, while the long-term economic decay is the most important factor concerning the high-level and stagnating inequality tendencies of the Eastern regions.

Kincsö Izsak, in his work *Potential for Transnational Cluster Development in EU Macro-Regions* presents the positive effects of industry clustering that have been analysed through several academic research and empirical studies. Clusters provide a fertile ecosystem for regional development and innovation and reinforce competitiveness through spill-over effects, synergies and by joint use of resources. Today internationalisation of clusters is increasingly becoming a more important policy priority in the EU than ever, as a way to harness the advantages of transnational alliances and to build critical mass at a global level. Transnational cluster cooperation has been piloted both in the Baltic Sea Region and in Central-Eastern Europe within the Danube Region.

In his work titled *Industrial Restructuring in the North Great Plain Region (Hungary)*, Ernő Molnár formulates the hypothesis that the industrial restructuring of the region (strengthening machine industry against other industries) follows the trends in Hungary, but the significance of the leading industrial sector is smaller; meanwhile the traditional food and textile industries have a greater weight in the industrial structure of the region, as compared to the case of Hungary. In most of the regional settlements, industrial employment has decreased significantly in the years following the change of the regime. The most important industrial activities are still concentrated in county centres and in their immediate environment, but due to a dynamic growth in the past two decades, the significance of the 'industrial triangle' in the Jászság area has also become regionally important.

Stelian Nistor and Sorin Sipos, in their work *The geographical potential and historical tradition, premises for local development. Study case – Upper Bistrita Valley (Bihar County)* argue that a complex potential rests on two major components, nature and history, the connection between the two components is indissoluble, being impossible to make any prediction on the future evolution of the area without taking simultaneously into account the two elements.

Janos Levente Némethi presents an essay titled *Self, Solidarity and Public Space. The city of Modernism – the Principle of Solidarity* on the phenomena of the modern city, with the different models and problems of urbanization, those opportunities which might be useful for new tendencies draw up and assign new points of views of Eastern European urban-researches.

The theme called *Territorial Cooperation and CoR White Paper on Multilevel Governance* brings together works that address mainly the problem of the new spatial dimensions of the EU.

István Süli-Zakar and Mihály Tömöri consider that the role of spatial dimension in the EU's integration process will strengthen in the future. Through this it could be ensured that local and regional authorities should not only cooperate as mediators, but rather as 'real', responsible partners in the relationship between the EU and its citizens. Therefore, the Committee of the Regions should put the case of the continuation and completion of the blocked regionalization, in countries of the Eastern periphery, on its agenda. In post-communist countries, the major obstacle to realizing multilevel governance is that 'real' self-governing regions still does not exist. In these countries, the precondition of inevitable decentralization (and together with it, multilevel governance) is the establishment of 'real' (self-governing) regions. Thus, in opposition to governmental centralization, the intermediate level self-governing, cross-border organizations that are not hindered by the central government, and where there is a need, geographical and ethnic autonomies may help the realization of multilevel governance, which in the end may efficiently strengthen participatory democracy.

Ioan Horga and Florian Gyula, in their work talk about the subsidiarity principle that is part of the multilevel governance. The trend is towards 'dynamic subsidiarity', understood as collaboration between different levels of governance in which each participant unit contributes with a personal and distinctive expertise and resources to resolve the common problems. According to the subsidiarity principle, the political arenas could easily stay interconnected rather than nested, as stated by a major thesis of the multilevel governance paradigm. In this way, the sub-national actors are allowed to operate simultaneously in both national and supranational arenas without being restricted only to the horizontal level. Subsidiarity considered through the Lisbon Treaty seems to allow CoR to become a genuine community institution, which seems to be a paradox considering that it has been conceived to prevent community institutions from blocking the competences of the Member States. Yet the reading of the White Paper on MLG protects CoR from such a perspective and its subsidiarity cannot be accused of having led to institutionally strengthening the European Union to the detriment of national and sub-national stakeholders.

This new design of Regional and Cohesion Policy is further explained by the case study proposed Grigore Silasi and Paulo Maganotti, titled *Cooperation between regions of different Countries and Cross-Border Cooperation in Europe. The Case-Study Euroregion Tirol-South Tirol-Trentino*.

Viktoriya Serzhanova looks into the European data protection supervisor to see who exercises these tasks and who is responsible for monitoring the application of such union acts to the EU institutions and bodies. This legal solution appeared to be necessary to

provide an individual with legally enforceable rights, to specify the data processing obligations of the controllers within the union institutions and bodies, and to create an independent, real possibility of monitoring the processing of personal data by the EU institutions and bodies. Together with the Court of Justice of the European Union procedures, the activity of the European Data Protection Supervisor seems to create a rather effective system of protecting an individual's right to privacy with regard to the protection of his personal data.

Irina Ionela Pop, in her paper called *Multilevel Governance and the European Neighbourhood Policy: The ENPI CBC Programmes* shows firstly that the role of the regions in the EU's external policy must be explored. A developed European region can serve as an international model of management, supporting the UN Human Development Indicators. Secondly, the European Neighbourhood Policy needs a flexible, specific approach and a long-term vision. Furthermore, the different speeds and self-differentiation should be maintained. Finally, there are necessary efficient arrangements and simplified procedures for the cross-border regions needed in order to obtain technical and financial assistance. Additionally, the European Commission can: intensify the existing forms of cross-border cooperation and discover new opportunities of cooperation; extend the CBC programmes to all countries included in the Eastern Partnership; promote a broader involvement of all stakeholders (civil society, academics, local elites). We will soon find out how the new ENPI CBC programme looks like for 2011-2013.

Mauice Buangi Conde in *Comment reduire le deficit de communication dans les euroregions transfrontalieres* tries to meet this demand by offering the teaching of cross-border languages as a tool. He considers that this White Paper has overlooked them. As methods, he reminds the school programs, local or regional media, local or regional government and local or regional cultural cooperation, as announced since 1992 in the European Charter for regional and minority languages so far signed, ratified, and already put in force in 16 EU Member States.

In her study *European Media Conglomerates on the Communication Market*, Luminita Soproni notices the ambition of the new communication empires: to control the whole network, as everything is passing through these networks - broadcasts, movies, books, music, magazines - means communication.

Florentina Chirodea studies the *Standard of Product and Advertising*, finding that between information campaigns and the products standard or the promoted service it should be a connection. In order to determine the nature of this connection we should begin from the premises that advertising informs the consumer upon the characteristics of the product together with the supplied service and specified properties in the product standard. Based on the analysis of case studies representative for the Romanian advertising market, the study tries to answer a few questions that place face to face the standard of product with the advertising in the context that has recently shown a decreasing trust and interests of the consumers in advertising.

Gabor Huszthy, *Dilemmas of Development of Territories in two Neighbour Regions along the Hungarian-Romanian Border*, argues that like other states of the Eastern-Middle European regions, Hungary and Romania have been intent on becoming part of the European Union as effectively as possible, by using the sources provided by the EU in order to mitigate the regional differences. However, different paths may lead to such mutual goal. The two countries –beside their likeness- show a tendency to be different in respect with the NUTS System-related regional unity, regional institutional systems, law and the creation of developmental policies. This study aims to outline both similarities and differences giving the examples of the Northern Great Hungarian Plain and the North-West regions.

Zoltan Balogh, *The Role of Regional Networks in Multilevel Governance. The case of Neighbour Network*, believes that it is important to use the knowledge of networks on the level of European institutions as a specific input for policy development, but it is also important to feed back this information to the member regions level. The networks should be linked also to Member States, as the policy decisions and budget issues (especially related to cohesion policy and its future post-2013) are decided on an intergovernmental basis.

Diana Gal and Mircea Brie, *CoR White Paper on Multilevel Governance – Advantages and Disadvantages*, consider that the notion of “governance” has an ambiguous character, but in relation to this and with the many interpretations of multilevel governance it is not only a governess with multiple characters but a government in the levels of interdependence. This means that on one hand that the decision-making process goes beyond the representative institutions, and other formal power was dissolved between central and institutions “above & below”. In other words, multilevel governance is “*a creative process in which political power and political influence are distributed between different levels of government*”.

Gyula Szabo, *Decentralization and its effects on development at subnational level*, addresses the effects of decentralization on the economy at national and subnational level. After a short summary of the possible interpretations of economic and political decentralization he focuses on the potential role of this process in local economic development. At this moment there is no clear strategy in Hungary according to decentralization neither in political nor in economic sense. That is why the paper claimed to focus on a few aspects of the possible conflicts of the decentralization process in the field of economic development.

Claudiu Adrian Popoviciu, *The Frontier Workers and the Cross-Border Cooperation*, believes that this new socio-professional category, with Community valence, discovers a multitude of socio-economic opportunities in border area and creates that critical mass necessary to achieve substantial cross-border cooperation, beyond the interests, primarily economic, which is today the only element of cohesion in many border regions. According to the Committee of Regions, the cross-border, inter-territorial and transnational cooperation, constitute a priority objective of the European Union because, on the one hand, supports European integration and, on the other hand, limits the social and economic fragmentation caused by national borders.

Valentin Nemes, *The role of e-participation in the process of territorial planning*, underlines how important it is for all actors in taking decision in the planning process. Thus, besides identifying all stakeholders it is imperative to know the relations established between them. It is important to not neglect the space or the time in this process in order to achieve effective participation; such solutions must be found to fold the needs of the actors. Difficulties mainly arise during the desired involvement of the users in decision-making process, so it is necessary to take the first step towards its facilitating access to information and encouraging them to express their wishes regarding the project.

This volume brings together renowned specialists in euro regional studies from within this part of Europe, young researchers, doctoral students and experts from public and private institutions, with interests in reflecting the new spatial framework in the full modelling process recorded in Central and Eastern Europe, as an effect of the double action of globalization and Europeanization.

**I. REGIONAL DEVELOPMENT: PERFORMANCES
AND PERSPECTIVES**