

one kind of control for another. Here we argue that institutional control is only one possible inducement for government leaders, alongside electoral, party-political, constituency, and policy goals.

10. Aznar's courtship went from the sublime to the ridiculous when he claimed in an interview that he loved the Catalan language and even spoke it in private circles. We thank Ivan Llamazares for this and other information relating to this case.

11. This may happen when "initial choices encourage the emergence of elaborate social and economic networks, greatly increasing the cost of adopting once-possible alternatives and therefore inhibiting exit from a current policy path" (Pierson 1996, 145).

12. Philip Norton observes that British membership in the EU entails "increased demands on ministers' time, especially in attending meetings of the Council of Ministers, but it also has given a greater role to bureaucrats. Most of the documents discussed by the Council are prepared by officials; contact between civil servants in the member states and officials in the European Commission is extensive. The dispersal of power also makes it increasingly difficult for governments to monitor the implementation of policy, especially that which is carried out through EC officials in Brussels" (1994, 201).

Channels to Europe

Subnational governments are no longer constrained to dyadic political relations with national state actors.¹ They have direct access to the European Commission, they mobilize directly in Brussels, they are formally represented in a European assembly, they interact with each other across national borders, and some participate in the Council of Ministers. This multiplication of channels for subnational mobilization is part of a broader transformation in the European Union that we conceptualized in chapter 1—from state-centric to multi-level governance.

During the 1980s and early 1990s, subnational governments came to participate in EU decision making through new and diverse channels (Balme 1996; Hooghe 1995b; Hooghe and Marks 1996b; Jeffery 1996a; Keating and Hooghe 1994; Bomberg and Peterson 1998). Subnational governments were discovering Europe at the same time that Europe, under the leadership of Jacques Delors, was discovering subnational governments. The years since the mid-1990s have been ones of stability and consolidation. No major new channels have opened up, but existing channels have been placed on firmer footing, and they have become more widely accessible.

The channels of subnational representation that we survey are important elements of multi-level governance, but they do not equalize political access. Some are open to almost all regions and localities, while others are only for the strongest; some provide powerful levers for political influence, while others are mainly symbolic.

COMMITTEE OF THE REGIONS

In the Maastricht Treaty, national governments agreed to create a Committee of the Regions (CoR) on lines parallel to the existing Economic and Social Committee. The Council of Ministers and the Commission—and with the 1999

Amsterdam Treaty, the European Parliament—are required to consult the Committee of the Regions on matters with a regional or local component, though they may opt to seek the Committee's opinion on other matters as well.² In addition, the Committee can take the initiative to forward its opinion to Council and Commission "in cases in which it considers such action appropriate." In the first two years of its existence (1994–1996), almost three-quarters of all opinions were either optional or own-initiative.

Some observers have interpreted the high proportion of optional or own-initiative opinions as evidence of a successful start for the young institution. However, the CoR is not an influential body (Millan 1997). It produces many opinions and a great volume of reports, but these do not have much influence on policy making, nor do they frame the debate on issues that the CoR holds dear. It is not unfair to say that up to this point in time, the CoR has severely disappointed regional governments who hoped that it might become a powerful chamber in the EU.

The most obvious reason for this is that the CoR lacks formal authority. It has advisory, not codecision, powers, and no amount of window dressing can hide this fundamental weakness. Sometimes shared weakness can unify actors in a common cause and lead them to demand reform. But this has not happened in the CoR because its members are extremely diverse. While some have little authority outside the Committee, others are able to exert considerable political muscle in their respective national arenas. Regional governments in Germany, Belgium, and Austria have a voice directly in the Council of Ministers, and subnational governments in these federal countries, and to a lesser extent in Spain and Scandinavia, play an important role in implementing EU law in their domestic contexts. Other subnational governments have less impressive political resources, and this has driven a wedge in the constituency of the CoR (Reilly 1997).

The Committee of Regions is also divided between a richer North and a poorer South, between local and regional representatives, and between representatives from federal countries and those from unitary countries. The result is that the opinions formulated by the CoR tend to be bland, reflecting the lowest common denominator across its diverse and divided membership (Christiansen 1997; Hooghe and Marks 1996b). Among commissioners, only Monika Wulf-Mathies, the commissioner for regional policy between 1995 and 1999, made good relations with the CoR a priority. Beyond regional or cohesion policy, the CoR is rarely taken seriously.

An even stronger impediment to an effective CoR has been nationality. Jobs, committee chairs, committee memberships, and even own-initiative opinions are allocated according to fiercely defended national quotas. These practices have bureaucratized the Committee and, in the process, reduced the quality of its opinions (Farrows and McCarthy 1997, 31–32). Paradoxically, the Committee of the Regions is less transnational than its predecessor, the Consultative Council, which was dominated by two overarching associations: the Assembly of European Regions and the Council of European Municipalities and Regions.

COUNCIL OF MINISTERS

The Maastricht Treaty allows regional representatives designated by their member state government to represent and vote for their country in the Council of Ministers. This arrangement applies also to Council working groups. (This is the former Article 146, which was renumbered as Article 203 after the Amsterdam Treaty.)

Article 203 is a breakthrough for regional participation in the EU, though it is limited in practice. Only the most powerful regions—i.e., those in Belgium, Germany, and Austria—have been able to extract representation in the Council from their national governments. The 1999 devolution laws in the U.K. have made limited arrangements for Scottish and, to a lesser extent, Welsh representation in the Council. Though the U.K. government retains overall responsibility for relations with EU institutions and the Westminster parliament continues to legislate for Scotland on EU matters, Scottish ministers represent the U.K. government in the Council of Ministers on issues where the Scottish parliament has responsibility (Bradbury 1998).³ Spanish regions have sought similar arrangements, but so far with limited success (Keating 1998). Beginning in 1989, Italian regions have met biannually with the national government in the Standing Conference on State–Regional Relations to set general guidelines on implementation of EU legislation and EU policies concerning regional matters (Desideri and Santantonio 1996). In 1994, Italian regions were allowed to establish direct contact with EU institutions and to participate in preparatory EU meetings, but they do not exercise voting rights. Some other national governments respond informally to subnational demands. For example, the French system of *cumul de mandats* provides room for regional and local politicians to influence the French position (Smith 1997). However, such personalized contacts tend to weaken the input of elected regional institutions rather than bolster them.

Article 203 is a mixed bag. Most regions have little prospect of participating in the Council of Ministers. Those that do participate do so not as individual regions but to represent their country as a whole. They must, therefore, aggregate their input to the national level. But such constraints do not alter the fundamental fact that the Council of Ministers is no longer the preserve of national governments. Regional governments may use their leverage in the domestic context to break into the major legislative body at the European level. Only regional governments in Germany, Belgium, and Austria have the power to do this today, but regional governments in several other countries have set their sights on achieving it.

LINKS WITH THE COMMISSION

A third channel for regional influence runs through the European Commission. By far the most important is EU structural or cohesion policy, which aims at

reducing disparities among regions in the European Union. The 1988 reform of the structural funds instituted “partnership” among the Commission, national authorities, and regional/local authorities in designing, running, and monitoring economic development programs. Partnership became a powerful tool for the Commission to break open its two-level, dyadic relations with each national government into multi-level relations among supranational, national, and subnational governments (Ansell, Parsons, and Darden 1997; Bache 1996; Heinelt and Smith 1996; Hooghe 1996a, 1998; Le Galès and Lequesne 1997).

Subsequent reforms have toned down the disruptive features of partnership for national territorial relations. The 1993 revision of cohesion policy widened partnership to include economic and social actors in addition to regional and local governments. While this enabled partnership to take root among a wider set of public and private organizations (such as companies and universities), it diluted the initial privileged role for subnational governments. A more significant departure from the 1988 reform, however, was that partnership was now to be conducted “in full compliance with the respective institutional, legal and financial powers of each of the partners” (Article 4.1, Council Regulation [EEC] No. 2081/93 of 20/07/93). In other words, the Commission should not be in the business of altering national territorial relations.

The 1999 revision builds upon that of 1993. It further broadens partnership by extending it to social partners (for example, trade unions) and advocates using partnership for purposes unrelated to territorial relations, such as promoting gender equality (Article 8.1, Council Regulation [EC] No. 1260/1999 of 21/06/99). The 1999 rules also decentralize implementation of cohesion policy back to the national arena. Each monitoring committee “shall draw up its own rules of procedure within the institutional, legal and financial framework of the Member State concerned” (Article 35.2, Council Regulation [EC] No. 1260/1999 of 21/06/99). So the Commission’s powers to solicit subnational partnership in the implementation stage are weakened, though its capacity to push for partnership in the planning stages of structural programming, as well as in the final stage of control and feedback, appears shored up.

The 1999 revision seeks to implement common cohesion priorities in a relatively loose EU mold, which allows for nationally specific, multi-level, and multi-actor partnerships. These new rules weaken subnational governments’ claim for direct access to European decision making, and they make it more difficult for the Commission to interact directly with regions or local authorities against the will of national governments.⁴

Even though the 1999 cohesion policy rules are less region-friendly than those of 1988, the size of the cohesion budget remains an important lever for subnational mobilization. Over the past twelve years the budget for cohesion policy was doubled twice (once in 1988 and once in 1993). The *Agenda 2000* negotiations, concluded in March 1999, did not produce another major increase. The budget was kept virtually constant (in real terms) at €213 billion for the seven-

year period of 2000–2006: €195 billion for the structural funds and €18 billion for the cohesion fund. This is equivalent to approximately one-third of the EU budget (36 percent in 2000, declining to 32.6 percent in 2006), or 0.41 percent of the gross domestic product (GDP) of the EU in 2000 (declining to 0.31 percent in 2006). Though these figures suggest a somewhat weaker commitment to cohesion policy, it still provides the European Commission with considerable leverage to affect national territorial relations.⁵

Cohesion policy has produced highly uneven subnational mobilization across the EU. This is partly by design because structural funds policy, which forms the core of EU cohesion policy, is by definition discriminatory—and has become more so over time. Seventy percent of structural funding targets regions with a GDP per capita below 75 percent of the EU average, and these regions contain 22 percent of the EU population. For the 2000–2006 period, this encompasses all of Greece, much of Spain (except for Catalonia, Cantabria, the Basque Country, and Madrid), two-thirds of Portugal (except greater Lisbon), one-third of Ireland (west and northwest), a little less than one-third of Italy (southern Italy, including Sardinia and Sicily, but not Molise), eastern Germany (except Berlin), the western fringe of the U.K. (Cornwall, West Wales and the Valleys, Merseyside, and South Yorkshire), the remote northern regions of Sweden and Finland, the eastern border region of Austria (Burgenland), and the overseas French territories (but not Corsica). Another 11.5 percent of funding is earmarked for regions with structural difficulties in industrial, rural, urban, or fisheries sectors (objective 2). These regions, representing 18 percent of the EU population, are primarily located in France, the U.K., Germany, and Spain. All in all, 40 percent of the EU population is covered by structural funds policy.⁶ Subnational governments in these areas are empowered by European regulations to be involved in EU policy making.

Multi-level governance has never applied evenly across all phases of decision making. As we will see in chapter 6, multi-level governance is strongest in the implementation stage of structural programming and is weakest in the strategic planning stages. The Commission and the European Parliament have repeatedly complained about this imbalance. Questioned by the European Parliament during the confirmation hearings in September 1999, Michel Barnier, the new commissioner for regional policy, argued that partnership needs to be enhanced at the strategic planning stage. Under the 1999 rules, which strengthened the Commission’s powers in the planning stage, the Commission may be able to put more pressure on national governments to involve subnational authorities in this stage.

It is possible that—on the whole—the 1999 rules will weaken partnership as a tool for subnational mobilization. With the new rules encouraging more partners (not only subnational governments) and greater adjustment to national practices, partnership rules no longer entitle subnational governments to participate in EU decision making if their national government is opposed.

However, there can be little doubt that cohesion policy in general, and partnership in particular, has provided an important channel for subnational governments

in several countries. Cohesion policy is far removed from state-centric governance in that European institutions set general rules, subnational authorities participate in making decisions, and the three parties are in a relationship of mutual dependency rather than hierarchy (Marks 1996b; Ansell, Parsons, and Darden 1997; Hooghe 1998). The concept of multi-level governance, which was first developed by academic scholars to explain cohesion policy, has now been taken up by the Commission to describe its own achievements. In its 1999 report, the Commission concludes that "as an institution, the delivery system developed for the structural funds is characterized by multi-level governance, i.e., the Commission, national governments, and regional and local governments are formally autonomous, but there is a high level of shared responsibility at each stage of the decision making process. The relationship between these is, accordingly, one of partnership and negotiation, rather than being a hierarchical one" (Commission of the European Communities 1999a, 143).

SUBNATIONAL OFFICES

Subnational governments have established close to 150 independent offices in Brussels, which lobby, gather information, and network with other subnational governments and with EU actors. The German city of Hamburg and the German region Saarland were the first to set up such offices. Three years later there were eighteen such offices. By the end of 1995 there were close to one hundred offices (John 1995), and by mid-1999 approximately 150 (McLeod 1999). These offices range from poorly funded bureaus, staffed by one or two part-time officers, to large quasi-embassies of fifteen to twenty staff members. The delegation of the Basque Country government has a staff of fifteen full-time employees, including seven executive staff and four trainees. The head of the Basque office is a political appointee from the Basque government (McLeod 1999).

Types of subnational offices vary across Europe. For countries with a strong tier of regional government, regional governments dominate representation in Brussels. Thus one finds every German *Land*, all three Belgian regions, and all Austrian *Länder* represented in Brussels, along with most Spanish *comunidades autónomas*. In countries with a weaker regional tier, representation usually consists of a mixture of local and regional units. In France, most offices represent *régions*, but several *départements* also have offices. In the United Kingdom, local authorities, regional quangos, regional enterprise organizations, national local authority organizations, universities, and elected regional assemblies fund offices representing individual local authorities, regional groupings of local authorities, and a national local authority organization, alongside offices representing the North of England, Northern Ireland, Scotland, and Wales. Since July 1999, the newly elected Scottish executive shares a brand new location, Scotland House, with Scotland Europa, a conglomerate of Scottish public and private organizations that has represented Scottish interests in Europe since 1992. In unitary sys-

tems such as the Scandinavian countries and the Netherlands, local authorities (or associations of local authorities) predominate.

What induces subnational governments to open an office in Brussels? Representation is not linked to the extent of EU funding. Rather, the most politically entrenched, most ethnically and politically distinct regions are present (Marks et al. 1996). The strongest motivation for subnational representation in Brussels is informational exchange. Subnational authorities with extensive competencies want information concerning upcoming regulation at the EU level. This is most obvious for regions in federal or semi-federal states, but it also explains why Swedish and Finnish local governments set up offices in Brussels even before they joined the EU. In addition, a subnational authority may decide to set up an office when its political demands conflict with those of its national government. This may result when citizens in a region have a distinct identity or a distinct political orientation that is not represented in the national government. Such factors help explain the presence in Brussels of subnational offices representing Galicia, the Canary Islands, Brittany, Northern Ireland, Wales, Scotland, Northern England, Catalonia, and the Basque Country.

Most offices were established in a constitutional gray zone. The German federal government officially recognized *Länder* offices only in 1993. The foreign ministries of the Spanish and Austrian governments were initially uncomfortable with their regions' offices. The Italian government and constitutional court blocked Italian regions from setting up independent offices in Brussels until 1996 (Desideri and Santantonio 1996). The Italian government also opposed a plan by the largely German-speaking region, Alto-Adige, to set up an office with Austrian South Tirol (Balme 1996). However, neither the French nor the British government objected when French Picardie and British Essex set up a joint office in the late 1980s (Marks et al. 1996). National governments are not in principle against transnational cooperation among subnational governments, but they draw the line when they perceive a threat to national unity.

Networks are most dense among subnational offices of the same country (Salk, Nielsen, and Marks 1998). National patterns of communication exist alongside two transnational influences. Subnational offices with comparable policy competencies or aspirations tend to network with each other. For example, Scotland Europa explicitly models itself after the regional offices of the strongest regions in Germany, Austria, and Spain (especially Catalonia and the Basque Country) and makes an effort to network with regions in these countries (McLeod 1999; see the website of Scotland Europa: <<http://www.scotlandeuropa.com>>). In addition, shared policy problems may spur offices to cooperate. Hence in the run-up to *Agenda 2000*, the office for Saxony-Anhalt, a region in eastern Germany, worked more closely with Spanish regional offices than with West German regions, because, in terms of economic development, it had more in common with the former (Interview, March 8, 1997).

Collaboration among subnational offices reflects shared national location, comparable policy competencies, and common policy problems. The chief reason

subnational governments mobilize in Brussels is to gain information about what is in the policy pipeline. But subnational offices do more than that. They are conduits for transnational coalitions designed to compete for EU funding. Subnational offices also provide, as well as receive, information, and in this capacity they lobby the Commission and the European Parliament on particular policy dossiers.

TRANSNATIONAL NETWORKS

Subnational governments have created a large and growing number of networks that stretch across national boundaries. Recent studies of such networks suggest that they number in the hundreds (Bomberg and Peterson 1998; Hooghe 1995b; Jeffery 2000; Négrier and Jouve 1998). They range from encompassing peak associations, such as the Assembly of European Regions and the Council of European Municipalities and Regions, to more specialized associations that link together subnational governments with particular problems or characteristics.

The Assembly of European Regions (founded in 1985) and the Council of European Municipalities and Regions (founded in 1951) are extremely diverse associations representing regional and local governments across Europe. In the 1970s and 1980s they were the most important voices for subnational governments at the European level, but they have lost influence as alternative channels have become available (Balme 1996; Jeffery 2000; Weyand 1997). Many regional governments have their own offices in Brussels, and when they collaborate with other regions they do so through more specialized networks.

Alongside these associations are three kinds of transnational networks. The first is composed of organizations financed by the European Commission to promote regional collaboration. Examples include associations for objective 2 regions and for objective 1 regions funded under EU cohesion policy, and more narrowly targeted networks financed by Community initiatives such as Leader (local networks in rural areas), Urban (urban regeneration), or Interreg (cross-border cooperation) (Hooghe 1995b).

A second category of networks is composed of regions with common territorial features or policy problems. Examples are the Association of European Frontier Regions, the Conference of Peripheral Maritime Regions, three associations of regions in the Alps, the Working Community of the Pyrenees, the Working Community of the Jura, and the Association of European Regions of Industrial Technology (RETI: regions in industrial decline). Such associations usually have close connections with the Commission and have, from time to time, lobbied for EU funding. In the late 1980s, the Association of European Frontier Regions successfully campaigned for a program (Interreg) to prepare border regions for European economic integration. At the same time, RETI lobbied for, and received, cohesion funding as part of objective 2 to tackle industrial decline. When objective 2 was

threatened in a review of cohesion policy in 1992, RETI mobilized to maintain the policy, with the help of supporters in the Commission (Hooghe 1998).

Finally, there are subnational networks of dynamic regions that wish to exchange information and best practices. The best-known example is the Four Motors association of Baden-Württemberg, Rhône-Alpes, Catalonia, and Lombardy, which brings together these successful regions for economic and cultural exchange and to share best practices in research and development. The 1988 agreement constituting the Four Motors explicitly endorses further European integration. Wales established links with the four in 1990. Other examples are the Euro-regio partnerships, such as the Euregio encompassing the three-country border area of Maastricht (the Netherlands), Liège (Belgium), Hasselt (Belgium), Aachen (Germany), and Cologne (Germany). Such arrangements are often brokered by regional politicians, but most of the action is left to private actors (firms, trade unions, universities, etc.) who set up their own collaborative arrangements.

Transnational networking has transformed regionalism. In the 1960s and 1970s regionalism was mainly a domestic phenomenon, motivated by cultural difference and discontent with national policies. Today, the sources of regionalism lie as much outside the national state as within. Intensified competition in a global economy has induced subnational governments to experiment with ways to break out of the national mold (Balme 1996; Keating 1998; Keating and Loughlin 1996; Négrier and Jouve 1998).

CONCLUSION

National political systems remain the most important arenas for subnational influence over European rule making. However, the channels described in this chapter have brought subnational actors directly into the European arena. National governments no longer control how subnational governments connect with actors beyond. Subnational governments are no longer nested exclusively within states. They have created dense networks of communication and influence that link them with supranational institutions and with subnational governments in other countries. National boundaries have been softened in the process. European integration is domesticating what would previously have been described as international relations.

The coalitional dynamics of multi-level governance have shifted over the years. From the mid-1980s until the early 1990s, subnational governments and the Commission were often pitted against national governments. In more recent years, subnational governments have become more divided, and the distance between them and the Commission has grown.

The two weaker sides of the triangle have had a common interest in weakening the national government's gatekeeping monopoly so they could establish direct links with each other. By the mid-1980s, regional governments were intent

on gaining allies to stop their core competencies being bartered away in treaty negotiations. Regional governments came to realize that unless they participated in European integration, they would be swept along by international agreements over which they had no control. They would be responsible for implementing legislation that was passed at the European level without their input. As regional governments sought channels to Europe, the European Commission began to pry open the national mold to induce subnational actors—interest groups, social movements, firms, and subnational governments—to participate in EU decision making. The Commission's design in 1988 of an active cohesion policy, the creation of a Committee of the Regions in the Maastricht Treaty, the establishment of informal "embassies" in Brussels from the mid-1980s, and the development of a dense network of transnational associations in the 1990s are the most visible signs of the ambition of the Commission and subnational actors to create a system of multi-level governance.

However, these new channels have highlighted differences among subnational governments. The Committee of the Regions failed to speak on behalf of Europe beneath the central state, and this led the strongest regional governments to rely more on their own resources. The cleavage between powerful regions and weak regions was exacerbated in the 1990s. Weak regions have little to lose if policy making is shifted to the European level, but powerful regions object if it is their authority that is reallocated. The strongest regional governments, the German *Länder* in particular, have come to regard the European Commission as an interloper in their own backyard. At the Amsterdam Treaty negotiations, Chancellor Helmut Kohl was pressured by German *Länder* to veto greater EU competencies in environment, social policy, and cultural cooperation—all areas integral to regional autonomy in the German federal system.

Moreover, regional governments often find themselves pressured by the Commission to implement EU policy. To speed up implementation in the field of environmental issues, in 1990 the Commission initiated what were called "package meetings," bringing together regional, local, and national governments to iron out implementation difficulties. These have become a useful tool for national governments to pressure recalcitrant regions into compliance with EU law (Marks, Hooghe, and Blank 1996). For its part, the European Commission has become less confident and activist. When the Maastricht Treaty came into force and Jacques Delors's tenure as president of the Commission came to an end in the following year (December 1994), the role of the Commission shifted from political entrepreneur—even provocateur—to that of policy diffuser and administrative manager. It no longer seeks to transform territorial relations in the member states. Subnational governments cannot rely on the Commission to shake up national territorial relations.⁷ But multi-level governance has become a fact of life, so much so that it seems reactionary for a national government to insist on central-state monopoly of representation in the EU arena.

The outcome of this process is not captured by the notion of a Europe of the Regions or by federalism (Anderson 1990).⁸ There is no overarching model of territorial governance across the member states, but a variety of national models with widely different conceptions of how authority should be allocated. Even the basic units of subnational governance differ. As a consequence, subnational mobilization within the EU varies greatly from country to country. Territory matters more than any other basis of identity in the emerging European polity, but once we probe beneath the shell of central states, there are no common principles of territorial organization that might provide a coherent basis for a European polity.

There are few grounds for supposing territorial convergence in the EU. The powers of subnational governments vary immensely across the member states, from financially, politically, and organizationally entrenched Belgian regions, German *Länder*, and more recently, Spanish *comunidades autónomas*, to weak and poor subnational governments in several countries on the periphery of the EU. The territorial pattern of regional mobilization is no less variable.

We have argued that territorial relations across the EU are being transformed. Central states have lost control over major areas of decision making; new opportunities have been created for regional mobilization; innovative, transnational patterns of interaction have been established among actors at multiple levels of government; and peripheral nationalists have been confronted with a new context in which they have had to reevaluate their strategies and goals. The result is the unfolding of common threads of change against a background of persisting variation.

NOTES

1. We thank Richard Balme for detailed comments on an earlier draft.
2. The CoR was based on the Consultative Council of Regional and Local Authorities, set up by the Commission in 1988 for regional policy. Consultation of the CoR is required for education and vocational training, health, culture, trans-European networks, and economic and social cohesion. The Amsterdam Treaty extended this list to include employment, social matters, the environment, the European Social Fund, vocational training, and transport. Even after this extension, the consultative scope of the CoR is still more limited than that of the Economic and Social Committee, which also advises on consumer protection, research and development, and equal opportunities (Reilly 1997).
3. Scottish ministers and civil servants will probably represent the U.K. position for fisheries; their Welsh counterparts may head the U.K. delegation on meetings concerning culture and minority languages (Harding 1999).
4. The European Parliament has proposed that the Commission conclude program-partnership pacts with national governments, which would de facto make the release of EU funds conditional upon a pre-agreed level of partnership. However, during the EP confirmation hearings for commissioner-designates, the incoming commissioner for regional

policy, Michel Barnier, did not show much enthusiasm for the idea. He emphasized that ultimate responsibility for partnership lies with the member state, not the Commission:

Question (by MEP Hedkvist Petersen): If a Member State puts forward plans and programmes without strong partnership, what will you do to ensure that the principle of partnership is taken into account? What concrete measures will you take? *Reply (by Mr Barnier):* Partnership is, I would remind you, Mrs Hedkvist, one of the areas for which the Member States are competent. Fundamentally, what you fear to some extent is that when Single Programming Documents are drawn up for programming projects and even for specific projects, this partnership is insufficient. But under the principle of subsidiarity—I would reemphasize this, since it is a constraint by which I must abide—Member States have sole responsibility for deciding who should be present at the table, both as regards who should take part in discussions with the Directorate-General and me, and as regards the monitoring committees (Excerpt from the Parliamentary debates on 13 September 1999).

5. These figures do not include funds for enlargement. More than €7.3 billion is set aside for pre-accession aid, such as Phare, agricultural aid, and a structural instrument. In addition, the financial perspectives make provision for the accession of some countries in 2002, for which another €39.6 billion is budgeted for structural measures (one-third agriculture and two-thirds structural funds). If one includes additional structural funds expenditure from 2002 onward in the overall cohesion policy budget, 38.6 percent (as opposed to 32.6 percent) of the EU budget in 2006 will be devoted to cohesion policy.

6. The remaining 12 percent of the funding is distributed country by country.

7. Except in the prospective member states from Central and Eastern Europe, which have been encouraged by the Commission to set up regional tiers of government.

8. Recent attempts to provide guideposts for territorial distribution of political competencies are contentious. The most commonly discussed principle in recent years, subsidiarity, poses a straightforward principle—decentralization to the lowest feasible level—but provides few clues concerning what is feasible (see note 5 in chapter 2). Subsidiarity, as revealed in the negotiations leading to the Maastricht Treaty, is notoriously ambiguous in practice.

Variations in Cohesion Policy

Policy making varies decisively across policy areas in the European Union.¹ However, variation within policy areas may be equally great. This is certainly the case in the European Union's cohesion or structural policy, which involves redistribution to poorer regions to upgrade their potential for economic growth.² In this chapter, we explain variations in cohesion policy by disaggregating policy making into its component parts, each of which, we shall argue, has a distinctive logic.

Cohesion policy varies spatially. It is financed and designed at the European level, largely by national governments and the Commission, and in this sense one can speak of a Europe-wide policy. But one finds wide variation across and, in some cases, within countries when one examines the politics of how the money is spent. The creation, negotiation, implementation, and monitoring of regional development plans (in Euro-jargon, "structural programming") are territorial endeavors, and they reflect territorial relations in particular countries.

One must, therefore, slice in two directions to gain an accurate understanding of cohesion policy: across distinct phases of policy making and across territory. By using a sharp analytical knife, one may uncover and explain regularities that would be invisible were one to compare whole policy areas.

The questions that we will be asking of the evidence have to do with the basic—and contested—issue of political influence in the European Union. To what extent have national governments been able to project their domestic power into the European arena? To what extent is decision making in cohesion policy shared with noncentral-state actors, both subnational governments beneath the central state and supranational actors above the state? Answers to these questions inform our conception of the European Union and bear directly on the debate between those who argue that the EU is part of an overarching system of multi-level governance and those who argue that the EU is characterized by state-centric governance (Borras-Alomar, Christiansen, and Rodriguez-Pose 1994; Holliday