

The Impact of the European Union Regional Policy on Sub-National Mobilisation in a Unitary State: The Case of Estonia

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Leuven

Europeanisation and multi-level governance (MLG)

- Europeanisation leading to multi-level governance, decentralisation and devolution in the political systems across Europe → debates between supranational, intergovernmental and MLG models of European governance
 - Implementation of the partnership principle
 - Sub-national empowerment
 - Political decentralisation, territorial restructuring

Europeanisation and the partnership principle

- EU cohesion policy as mobilising sub-national actors (SNAs) and being central to the emergence of MLG
 - Introduction of the **partnership principle** in 1988 SF reforms
 - *“close consultation between the Commission, the member states concerned and the competent authorities designated by the latter at national, regional, local or other level, with each party acting as a partner in pursuit of a common goal”* (Regulation (EEC) 2052/88).

Europeanisation and sub-national mobilisation

- **Multiplication of channels for sub-national mobilisation**
 - Committee of the Regions
 - Council of Ministers (Art. 146)
 - Sub-national Offices
 - Transnational networks

Emergence of MLG in EU15

Evidence from the research that EU (especially through regional policy) has been of significant benefit to some parts of the EU and **has changed the relationship between different levels of government within the EU and within the member states generally**

The context of CEEC

- “Thin” acquis in chapter 21
- Limited institutional templates
- Commission wanted to mirror its relations with sub-national actors in old member states
- Commission pushed for political decentralisation in CEEC – changed its position during the process
- Signalling approval in progress reports, channelling Phare funds, personal interactions etc.
- Regionalisation was more influenced by path-dependent factors
- SNAs from CEEC are rapidly integrating into the EU’s multilevel polity (all have established Brussels Offices)
- This is not fundamentally threatening the pre-eminence of central state authority - new small, administratively strapped offices are having little independent effect on decisions made in Brussels, in CoR new members have not yet been fully absorbed

Evidence of MLG in Europe

- The principle of partnership was implemented very differently by MS in practice → MLG does not anticipate a **uniformly open playing** field for mobilising interests
 - Sub-national mobilisation has increased due to Europeanisation effects especially from EU regional policy, but the pattern is highly uneven.
 - Success depends on **domestic mediating factors** and on **sub-national actors` capacity** to provide indispensable resources for policy making.

Simple and compound polities (Schmidt 2006)

	Structures	Power	Authorities
Simple polities	Unitary	Concentrated	Single
Compound polities	Regionalised	Partially diffuse	Somewhat multiple
	Federal	Diffuse	Multiple
Highly compound	Quasi-federal	Highly diffuse	Highly multiple

The study

Background

- Estonia in the EU in 2004 → EU structural funds (experience with pre-Structural Funds)
- Whole country eligible under Convergence objective
- Local government SF absorption capacity study in Estonia in 2005
 - EU regional policy as a valuable opportunity for local development however serious problems in absorbing the funds
 - Problems with financial absorption capacity, human resources, lack of appropriate measures, size of local governments

Research question

- To what extent has impact of the EU empowered Estonian sub-national level and why this kind of mobilisation has happened?
 - Implementation of the partnership principle – 2007-2013 programming period
 - Bottom-up mobilisation in Brussels
- What about the overall empowerment of the local government level in Estonia?

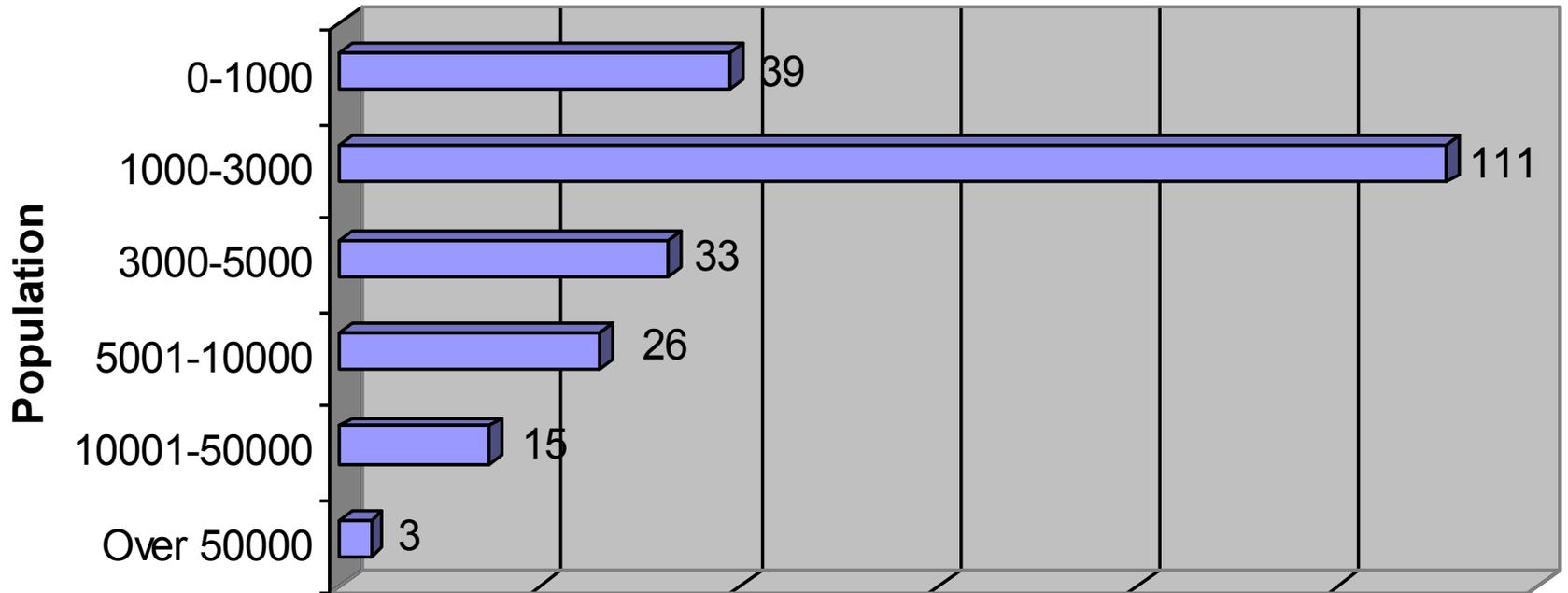
Local governments in the administrative system of Estonia

- Area: 45 227 km²
- Population: 1 364 265 (01.01.2009)
- Unitary state
- 15 counties – “branches” of central government
- 227 local governments - 33 cities and 194 rural municipalities in the local government system of Estonia
- 227 local governments vary to a great extent in their size, economical indicators and ability to fulfil their functions
- Voluntary cooperation – Regional Associations of Local Governments (15), National Associations of Local Governments (2)



Varieties in size

No of Local Governments by population



Implications for Estonian case-study

- The constitutional situation of SNAs as the variable with the most predictive strength in pinpointing the level of influence SNAs have in European policy
- Importance of the quality of intergovernmental relations between SNAs and the central state
- The level of entrepreneurship applied in sub-national mobilisation
- Estonian case is expected to indicate the common patterns found in countries belonging to the simple polities on Schmidt continuum

*SNAs aiming for share of competences to represent their MS in the process of EU policy-making and to mobilize **through rather than beyond** the established structures of the MS (Jeffery 2000)*

Method

- Literature review – theoretical insights as well as overview of the empirical studies within the member states
- 20 semi-structured in-depth face-to-face interviews (1-1,5 h) in June-July 2008
 - Representatives of RAM-s (7)
 - Representatives of NAM-s (2)
 - Tartu City Government (2)
 - Tallinn City Government (1)
 - Members of the CoR (2)
 - Representatives of Brussels Offices (2)
 - Representatives from the Ministry of Finance, inc. Brussels representative (2)
 - Representatives from the Ministry of Internal Affairs (2)

Main findings – implementation of the partnership principle (1)

- 2007-2013 planning period - sub-national partners involved more actively than in preparations for 2004-2006
- Actual influence of propositions by the local government level was weak (examples from public infrastructure measures, environmental infrastructure) → application of *multi-level participation*
- Inactivity by the local governments
- Importance of lobby (=capacity)
- Capacity and willingness to take part in the process varies considerably among different Estonian counties, local governments and their associations

Main findings – implementation of the partnership principle (2)

- Estonia has adopted a centralised mechanism that fulfils at best the minimal requirements of the principle of partnership assigning local actors only a subordinate role – ***path-dependency***
- Local governments do not have their financial independence from the state, their role and tasks in the society are still unclear and the division of the tasks between the state and the municipalities is still a matter of dispute → ***constitutional situation and the quality of intergovernmental relations***
- Assumptions from the ***rationalist institutionalism*** approach help to explain the differential SNA mobilisation in Estonia providing some SNAs greater access to decision-making than others (e.g Tallinn, Tartu, Harju county)
- Following ***sociological institutionalism*** assumptions there is evidence from the facilitated process of social learning due to the introduction of the partnership principle through the EU cohesion policy as admitted by all interviewed parties
- ***Historical institutionalism*** insights prevail in explaining Europeanisation impact on SNAs in Estonia – local governments are not seen as equal partners in the policy making process

Sub-national mobilisation in Brussels

- There are two representation offices from Estonia, one which commonly represents AEC and AME and the other being the Tallinn EU Office
- CoR – 7 seats
- CLRAE – 3 seats
- CEMR – AEC and AME

Main findings – sub-national mobilisation in Brussels

- AEC and AME Brussels Office as an information hub. Nothing more.
- Tallinn Office - possibilities for funding and cooperation.
- Weak administrative capacity hindering the capacity of representations.
- One person has to represent very different members (by size, administrative and financial capacity) from AME and AEC.
- Cooperation with the central state in preparing Estonian standpoints in EU policy-making was considered to be almost non-present.
- Opinion from the side of those being present in Brussels and those whose interests they have to represent (i.e. local authorities) differs considerably.
- Collaboration with the central state in this kind of mobilisation channel is significantly more limited for SNAs than in implementation of the EU cohesion policy.

Conclusions

- The purpose of this study was to explore the impact of Europeanisation on sub-national mobilisation through the implementation of the SF partnership principle and growing activities at the Brussels level in a small unitary and centralised new Member State - Estonia - in order to contribute to further theoretical development of MLG and Europeanisation theses.
- Case study confirms most of the patterns already developed in the context of these mobilisation channels in EU15 and also in CEEC → simple polities on Schmidt continuum
- Rather weak Europeanisation effect on sub-national empowerment emanate mostly from the path-dependent political norms and constitutional position (strong *de jure* autonomy but *de facto* restricted) of local authorities which has caused the situation where local governments are not strong partners for the state and have no resources to improve the existing state of affairs.
- Confirming the central state's gatekeeping powers and supporting rather the intergovernmentalist view of Europe.

However...

- There has been Europeanisation impact to some extent, starting from reorganising organisational structure in many local governments and ending with twinning, operation in transnational policy networks and learning from other counterparts in Europe → routines and activities have been more or less influenced by the EU, mainly through implementation of EU regional policy but also through opening up new cooperation channels through other EU programmes and Community initiatives.

Implications for the future

- In order to be able to take advantage of the opportunities from the EU especially through the EU regional policy, local governments in Estonia should gain capacity to make appropriate policy responses to these environmental changes in the first place.
- What has to be changed is the value system of both levels of the state – central and sub-national - to foster more cooperative and participative culture in the policy-making. Hence, promoting partnership programmes between the state and the local governments would be highly beneficial.
- Administrative-territorial reform?

THANK YOU!

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