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Have the Greek sub-national authorities’ patterns of participation been improved as a result of the EU Regional Policy? Multi-level governance and the application of the partnership principle in times of economic crisis

Introduction

The purpose of this article is to assess the extent to which the EU Regional Policy has altered the patterns of participation by the sub-national (regional and local) actors in the implementation of the policy in Greece. The research approach adopted in the paper is broadly based on the new institutionalist literature and its application regarding the theoretical framework of multi-level governance and the implementation of the partnership principle. Since the inception of the modern Greek state, successive domestic governments have been highly centralised with very little autonomy given to authorities below the national level to express autonomous interests. Moreover, the bottom up demands for this type of participation did not materialise with the sub-national authorities finding it difficult to aggregate collective demands and assert their interests to the central government. Certain peculiarities that have determined the configurations of these interactions –clientelism and corruption being the most important ones - meant that any opportunities for improvements in these relations were impeded. As a result the Greek state and the resulting patterns of governance have been characterised as highly compound and unitary.

The introduction of the programmes funded through the EU Regional Policy has provided ample opportunities to alter these patterns. This is so because since its inception in the late 1980s, an integral aspect of the ‘added value’ encapsulated in the EU Regional Policy has been the principle of partnership. This stipulates the requirement for the formation of synergies between state and non-state actors in all the stages of a programme. The principle of partnership has remained an integral part in governing all the rounds of coordinated EU structural spending, whilst the specific meanings that it has acquired – in terms of the stakeholders affected- broadened through time. In the current programming period it is intended to cover all social partners representing national and regional civil societies (Bache, 2008). Furthermore, the partnership principle influences the policy making processes in both

horizontal and vertical manners, hence providing possibilities for the creation of spillover effects in terms of administrative practices but also wider aspects of democratic functioning and state-society interactions in all territorial levels of government (EPRC, 2009). Through these processes, the partnership principle intends to enhance aspects of Multi-Level Governance (MLG) in the recipient countries and improve the opportunities of the sub-national actors to participate in the implementation of the programmes affecting their area in equal terms.

MLG has developed as a theoretical concept in order to describe the processes of European integration from the perspective of comparative governance. It postulates that contrary to the traditional theories of EU integration certain policy areas of the EU entail significant responsibilities for non central government actors. There has been considerable debate regarding which actors are affected by the processes associated with MLG. At its most obvious, the concept describes increased autonomy of political, administrative and civil society organisations that do not form part of the central government to get involved in the process of policy-making. Therefore, the MLG concept is related with the partnership principle since the idea of partnership is about participation from sub-national political levels to decision making. In other words the partnership principle -as designed by the EU Regional Policy Regulations- is designed in such ways as to enhance patterns of MLG in the recipient countries.

However, these are the intentions of the regulatory framework governing the operation of the EU Regional Policy as far as the partnership principle is concerned. The application of the principle varies greatly amongst member states and in certain cases even amongst different localities inside the member states (Bachtler and McMaster, 2008). Consequently, the possibilities for the creation of spillovers that would empower the sub-national authorities and would provide empirical backing to the arguments put forward by the theories of MLG also vary considerably. The empirical aim of the paper is to identify to what extent the intended influences exerted by the partnership principle materialised in the case of Greece or whether the centralising tendencies of the Greek state and the limited capacity of the sub-national actors for collective action predominated.

This question is particularly pertinent in light of the ongoing sovereign debt crisis engulfing Greece as well as the introduction of the programme for the reform of the country's territorial administration- the 'Kaikratis' plan. The policy aims of the latter are broadly similar to the

aims of the partnership principle as the decentralisation of competences at the sub-national level is integral in this Plan. Hence the Kalikratis plan could have contributed towards the decentralisation of the domestic territorial structures. However, the unsustainable fiscal position that was revealed in 2009 has led to the country asking for the assistance of the so called troika- representing the Commission, the International Monetary Fund and the European Central Bank. As part of the conditions for the release of this assistance, the troika demanded the significant rescaling of the Greek structures of governance. This involves significant cuts along horizontal lines although it must be noted that the troika claims that it only asks for less government spending and more government revenues to be collected and not government cuts as such. Thus, it points towards the Greek government as being responsible for 'rolling back' the state and claims that this is a domestic policy choice rather than an externally imposed condition. In any case, the point is that the Greek state is currently undergoing significant cuts in the services that it provides and by definition these cuts involve the sub-national authorities.

Simultaneously, the 'Kalikratis' plan reduces the number of sub-national authorities as part of a broader plan of reorganisation, rationalisation and modernisation of the Greek territorial administration. These involve amalgamations at the level of the local government and the scrapping of the prefectures and their replacement by the regional authorities. The latter have already been operating since the early 2000's but only as planning regions for managing the ROPs. With the 'Kalikratis' plan they take up more responsibilities and become democratically elected. Therefore, the question is whether the 'Kalikratis' plan can lead to the creation of sub-national territorial structures that will be more able to participate in the policy making in Greece or if it will end up being a 'smokescreen' for the rescaling of the sub-national territorial structures. At the same time, the latest round of coordinated assistance provide by the structural funds in the form of the National Strategic Reference Framework (NSRF) has started in 2007. Although its introduction was not accompanied by significant institutional changes, the interplay between the managing and monitoring systems that were introduced with the third CSF, the decentralisation reforms of the Kalikratis plan and the demands for rescaling of governance conditioned by the troika provide significant opportunities for the examination of the configurations of MLG in Greece.

Certainly, as will be seen in the paper, the tension between the democratic empowerment of the sub-national authorities and efficiency – as measured by the rates of the funds absorbed at the end of each programming period- of the Regional Operational Programmes (ROP) has

been characteristic of all the previous programming periods implemented as part of the EU Regional Policy in Greece. In particular, until the mid 1990s the decentralisation of competences and even fiscal capacities of the regional and local authorities has been high in the domestic policy agenda. However, since the late 1990s a series of domestic considerations –notably the need to achieve the convergence criteria and enter the eurozone and the central government’s mistrust about the clientelistic deployment of the funds by the sub-national administrations- have reduced the significance of such considerations. Especially during the third CSF (2000-2008) these centralising tendencies intensified. Thus, in light of the recent developments and the introduction of the austerity measures, there is sufficient scope for an initial assessment regarding these patterns during the current NSRF. The conclusion that is drawn is that although the ‘Kalikratis’ Plan entails significant measures that could enhance sub-national democratic participation, the distrust of the central government in relation to the sub-national authorities as well as the overriding importance of consolidating public finances result in the limited impact of the EU Regional Policy in the creation of MLG and the limited effects of the partnership principle in Greece.

Although much scholarship has been devoted to the question of the extent to which the Structural Funds produce political structures conducive to MLG, limited attention has been paid to the enforcement of the principle of partnership in particular (for a recent exception see Batory and Cartwright, 2011). This is even more so in the case of Greece which provides an interesting case study given the limited influences exerted by the sub-national authorities in the implementation of regional policies. The paper is structured as follows. The next section attempts an overview of the main issues involved in the theoretical framework of MLG and the application of the partnership principle. This is then followed by a discussion of the governance arrangements in Greece before the introduction of the first Community Support Framework (CSF). The fourth section discusses the applicability of MLG and the partnership principle in relation with the first two CSFs and the fifth in relation with the third CSF. The sixth section has similar empirical objectives this time in relation with the programming period of the National Strategic Reference Framework (NSRF), which coincides with the introduction of the Kalikratis plan and the imposition of the conditions regarding the rescaling of governance by the troika. The final part concludes by summarising the main issues discussed in the previous sections.

Theorising multi-level governance and the partnership principle

Hooghe and Marks (2001) have developed a conceptual framework regarding Multi Level Governance (MLG) in relation with the governance arrangements promoted by the regulations governing the EU Regional Policy. They identify MLG with the dispersion of authoritative decision making across multiple territorial levels as a result of a member state implementing the EU Regional Policy. This is also identified as a process of regionalisation through which sub-national actors are empowered to challenge central government's decision making authorities. The interaction between these actors is both vertical and horizontal, with the former describing interactions between actors from the same layer of government and the latter with actors within the same level. This research built on previous works by Marks (1993) which for the first time identified links between the supranational arrangements for the EU Regional Policy and the prospects for MLG and Hooghe (1996) who focused on the territorial dimensions of MLG at the level of the recipient countries. This view of EU Regional Policy as challenging the domestic governance arrangements of the countries receiving structural assistance towards the direction of more participation by non central government actors has gained increased popularity in the last ten years.

Much research has been devoted to both the normative and conceptual implications of the term MLG as well as the empirical authentication of the significance of MLG. Regarding the theoretical and the normative discussions Piattoni (2010) cautions against using MLG as an umbrella term that ends up covering the process of EU integration and its governance arrangements in general and abstract terms. Bache and Flinders (2004) discuss the applicability of the concept in describing the complex relationships that develop between the EU and the member states. They point out that the most important aspect of MLG is as a useful theoretical framework to describe these interrelationships from a perspective other than the traditional International Relations theories and/or neo-functionalism which were dominant in the discussions about the EU before the 1990s.

About the quest for the empirical assessment of the term, there is a consensus that the concept of MLG is closely related with the implications involved in the partnership principle and that the application of this principle offers the opportunity for the promotion of 'real' subsidiarity at the domestic level. Similarly, the consensus is that the influence exerted by the principle of partnership is varied, which produces differentiated patterns of MLG in the member states. This is the case in the comparative study conducted by Paraskevopoulos et al. (2006), by

Bache (Bache, 2010a, 2010b) as well as by Bachtler and MacMaster (2008). The latter focus on the impact of the EU Regional Policy in the regionalisation processes in the countries of Central and Eastern Europe (CEE) and conclude that the most optimistic accounts of MLG are not substantiated by the empirical reality. Although they accept the significant steps undertaken towards regionalisation in the CEE and the increase in the institutional capacities and visibility of the regions in these countries, they point towards the importance of previously established constitutional and political arrangements in providing obstacles to more sub-national involvement. Hence, they challenge the view that there is a direct link between the EU Regional Policy and the increase in sub-national involvement at the domestic level arguing instead that a comparative assessment of such trends is needed. Similarly, in the final evaluation of the programmes funded throughout the period 2000-2006, the authors find limited evidence to support the view that the EU Regional Policy has led to significant sub-national participation in the recipient countries, hence governance arrangements as those envisioned by the MLG literature. The assessment of the role played by the requirements entailed in the partnership principle in particular confirmed the results of an earlier study commissioned by the Commission regarding the application of the principle in the then member states that were receiving structural assistance (Tavistock Institute, 1999). Paraskevopoulos et al. (2006) observe similar patterns of differentiated adaptation in the internalisation of the opportunities for policy learning entailed in the regulations governing the EU Regional Policy. Thus, they find that pre-existing institutional infrastructures at national and sub-national levels are the determining intervening variables for this process.

In a similar vein, Bache (2010a, b) links MLG with the principle of partnership through the deployment of sociological institutionalism as the most appropriate methodological framework that can capture the domestic effects of the EU Regional Policy. He identifies partnership with opportunities for learning by the domestic actors and treats MLG as an external stimulus towards the adoption of structures closer to those of a compound polity. In this context interaction between policy actors does not produce zero sum political results as it would have happened in a majoritarian political system. Instead, it offers a perspective in which:

actors change their preferences through socialisation in a changing environment and ascribe shifts towards MLG to a learning process.

A similar point was made by Bauer (2002) who pointed out that in comparison with the other principles governing the operation of the structural funds- concentration, programming and additionality- partnership is the only principle that does not have a purely managerial dimension. Although the importance of the relevant partners working together in order to achieve the desired objectives is presented as promoting the efficacy of the programmes, the enhancement of the democratic process is an unintended consequence. Bache (2010a) also points out that although partnership is usually dressed up by the Commission in technocratic terms, it is a highly political concept with the potential to shape values and democratic practices at different levels.

Therefore, democratic accountability and effectiveness are considered as complementary policy objectives in the context of a programme and they enhance both the quality of the final product and the patterns of involvement by the sub-national authorities. More specifically, the enforcement of the principle of partnership aims at creating ownership of the programmes implemented, by motivating the actors with the relevant expertise to be involved in a practical manner in all stages of the implementation of a project (Molle, 2008). As the Commission puts it:

By contributing their specific knowledge on a certain subject or region, their awareness of potential project applicants, partners can improve programme effectiveness by raising the efficiency of project selection. Generally speaking a widely drawn partnership leads to greater commitment and ownership of programme outputs and hence to a direct interest in the success of the programme.

Furthermore, the participation of the regional and local actors representing the civil societies legitimises the processes followed and counterbalances any efforts to influence the programmes through non-institutionalised means. Thus, the transparency of the projects is improved, since the local populations can be actively involved in the selection processes. Through the enhancement of democratic participation by the regional and local actors, a more effective application of the principle of programming is achieved. Thus, the logic adopted by the Commission is that through the adoption of a principle with dimensions that relate to the enhancement of the democratic processes, the other principles of the EU Regional Policy are also positively affected and spillovers are achieved.

Nonetheless, not all actors are intended to have the same type of responsibility. Each of the participating organisations – the Commission, the member states, the regional authorities and the final beneficiaries (the respective project managers) – is assigned specific tasks in the process. They are asked, however, to cooperate with each other in all stages of the policy by

each adopting the role that they are meant to play in accordance with the regulations in order to produce the most effective outcome. In practice, the institutional channels through which this takes place are the Monitoring Committees (MCs), which were established as part of the regional and sectoral OPs. These meet twice a year and representatives from socioeconomic interests express their views about the programme. These views may refer to developmental priorities that need to be followed as well as the progress of separate actions and projects.

Thus, MLG and the introduction of the principle of partnership offer significant opportunities for change in the domestic actor's actions and reorientation of their practices towards more consensual patterns of decision making. There is a clear distinction between the opportunities offered by the partnership principle and the aims of the other three principles governing the operation of the Structural Funds (programming, concentration, additionality). However, despite the intended consequences of the partnership principle towards MLG it is made clear that when applied in the empirical reality the outcomes are varied. In this context Hooghe and Marks (2003) propose a useful analytical framework in order to organise the constituent characteristics of the different forms that MLG can take by distinguishing between two types of MLG. Type I MLG affects domestic polities in ways closer to those existing in a federal polity and specifically as envisaged by the studies on fiscal federalism (Oates, 1999), whilst Type II does so in ways more consistent to those offered by neo-classical concepts of political economy. The main elements of each Type are described in Table 1.

In Type II MLG the services offered by the government are limited and sub-national layers of administrations only provide very specific services. In Type I however these services are broader and sub-national authorities play more active role in delivering them. Also, the basic organising principle that determines the types of memberships developed in Type I is territorial affinities and memberships are nonintersecting. In Type II MLG however group memberships can be intersecting and territorial affiliations play limited role. Finally, the design of Type I MLG resembles that of the central state with clear divisions of power being established at all territorial levels. This is in contrast to Type II MLG which theorises a more flexible design as a result of the overlapping memberships achieved by individuals during their lifetime.

Therefore, the characteristic patterns of application of the principle of partnership are linked with the constellations of the Types of MLG that exist in a country. Certainly, these two types

are little more than ideal types describing the configurations of sub-national involvement, whilst their constituent characteristics are not mutually exclusive but may co-exist in a country. Nonetheless, it is safe to conclude that Type I MLG is consistent with more democratic participation by the sub-national authorities hence the enforcement of the principle of partnership in ways closer to the ones intended by the relevant regulations governing the EU Regional Policy. This is the theoretical hypothesis that is tested in the remaining of the paper.

Table 1 Types of Multi-level Governance

Type I	Type II
General purpose jurisdictions	Task specific jurisdictions
Non-intersecting memberships	Intersecting memberships
Jurisdictions at a limited number of levels	No limit to the number of jurisdictional levels
System-wide architecture	Flexible design

Source: Hooghe and Marks, 2003, p. 236.

Patterns of governance and state-society interactions in Greece before the first CSF

Overall, regarding the internal characteristics of the Greek state, it can be argued that it has historically been highly centralised, with a majoritarian political system, and with clientelism and politicisation hindering any possibility for its autonomy from the society and economy (Dertilis, 2005, Sotiropoulos, 1993). Regarding the relationships of the Greek state with the surrounding socioeconomic environment, clientelism and patrimonialism have been important factors mediating this interaction. This has been the case even though in legal terms the Greek bureaucracy has not been very different from its Northern and Western European counterparts. It has been an amalgam of influences from the main traditions of Western European statehood, albeit the Napoleonic centralised model of administration has been the blueprint for any other subsequent model. Nonetheless, the practices that were left over by the Ottoman tradition (patrimonialised and fragmented public services) have left the main legacy on which any other system was built (Hibou, 2005).

As regards the centralising tendencies of the Greek state which are of more relevance to the empirical aims of this paper, it can be argued that on the whole, the Greek state has traditionally been centralised in the way that it has managed its territorial capacities

(Psycharis and Simatou, 2003). Indeed for some commentators it is the most centralised state in Europe (Featherstone and Yannopoulos, 1995) and it has been so since its establishment in 1830 (Ioakimides, 1996; Chlepas, 1999). Reflecting the general difficulty of the Greek state to allow the articulation of interests emanating from civil society but also the lack of bottom-up demands of this kind, regional interests have traditionally struggled to obtain governmental resources in a democratic and pluralistic manner so as to achieve their objectives. As a result, Greece has traditionally had 'a maximum national and a minimum sub-national apparatus.' (Papageorgiou and Verney, 1993).

Before the 1980s there have been some tentative steps towards the decentralisation of competences and the empowerment of the sub-national government. However, the two levels of sub-national administration –prefecture level and Local Government Associations (LGAs) at the local level- did not have any democratic legitimacy as their members were appointed by the central government. The election of the first PASOK government in 1981 was followed by the first substantive steps towards the decentralisation of the regional authorities. At the time the main authorities at the sub-national level were the 55 prefectures, with the prefect being appointed directly by the central government and in particular by the Ministry of the Interior. Therefore, although in theory there was regional autonomy in the form of the prefectures, in practice it was constrained by the fact that the representatives were not democratically elected by the local population.

At the same time there were around 6,000 Local Government Authorities (LGAs) labelled as municipalities and communes, of which 56% had fewer than 500 inhabitants and 83% had fewer than 1,000 inhabitants (Georgiou, 1994). This was the result of the Greek central state's need to satisfy local parochial interests (Chlepas, 1994). The situation was exacerbated by the lack of skilled personnel in the LGAs, which have traditionally been used for the appointment of a local labour force via clientelistic interchanges and without any considerations for their training or organisational position (Psychopaidis and Getimis, 1989). As far as the regional classification was concerned, there was no official regional territorial distribution. To be sure, each central government ministry would unofficially devise its services in regional terms. Nonetheless, there was no constitutional authorisation of this distribution and each ministry would devise its own regional classifications. Furthermore, the classifications employed were mostly different with each other depending on the individual administrative needs of each government ministry (Psycharis and Simatou, 2003).

During the 1980s PASOK embarked on a programme of extensive decentralisation, providing the sub-national authorities with significant responsibilities. In the years that followed, the powers of the LGAs were enhanced, though to a much lesser extent than expected. More significant were the changes that took place at the level of the prefectures. Responsibilities for issues like town planning, health and education were transferred to those with a Law that specified these changes in 1982. The prefecture councils were introduced with this Law and were endowed with responsibilities for issues of local economic development. They would have the right to propose public works programmes to be built in their prefecture as well as to decide on budgetary matters. They were comprised of members of local civil societies such as agricultural cooperatives, trade unions and chambers of commerce. Nonetheless these were not democratically elected authorities but were appointed by the central government. Furthermore, the decentralisation was not accompanied by any transfer of fiscal and administrative resources that would endow the prefectures with the infrastructure necessary for their effective operation (Verney and Papageorgiou, 1993). Also, through the introduction of these sub-national institutions PASOK mainly aimed at establishing a sufficient power base at the local and regional levels that would cater for the clientelistic needs of the respective electorates (Chlepas, 1999).

After the introduction of the first Integrated Mediterranean Programme (IMPs) in 1986 the opportunities for the creation of Type I MLG through the institutionalisation of the principle of partnership were greater in Greece. The introduction of the IMPs in 1986 required the establishment of the regions as a precondition for the absorption of the funding. Nevertheless, no regional classification of the type that the Commission required existed in Greece; hence the country was initially divided into six areas. Finally, after the submission of the first IMP the country was divided into the 13 administrative NUTS II regions, which became the territorial basis for the formulation and implementation of the CSFs in all subsequent programming periods. Each region would be headed by a government appointed regional secretary and would be staffed by civil servants on secondment from the national administrative structures.

The regional secretary was an employee of the ministry of the interior, usually a member of the party political personnel who are used in order to staff the wider echelons of the administration every time there is a change of government (Psycharis and Simatou, 2003). All the competences that were transferred to the region would be controlled by the regional secretary, who therefore had significant decision making authority. These competences were

transferred to the new regional authorities from the previously existing and separate ministerial regional authorities. In terms of the financial resources that the newly created regions had at their disposal, the regional secretary would be responsible for the drawing-up of the regional budget. However, they did not have any authority to collect funds from local taxation or other measures that would indicate a decentralisation of the fiscal system (Petraikos and Psycharis, 2004). The new regions would essentially amalgamate the existing prefectures into larger geographical entities, which would be entitled to receive funding in accordance with the population criteria set out by the Commission and the principle of concentration. Essentially, in the new NUTS II regions the centrally appointed regional secretary would play the role of the representative of the central government.

Furthermore, it is worth pointing out that even though the legislation for the creation of the NUTS II regions was introduced in 1986 it was not fully implemented until 1997 (Psycharis and Simatou, 2003; Petraikos and Psycharis, 2006). Therefore, during the first three programming periods – the IMPs and the first two CSFs – the regional authorities had no responsibility other than the management of the regional OPs. Even these, however, were halted by the fact that the introduction of the NUTS II regions as a requirement for the implementation of the first IMP's was not accompanied by any transfer of administrative or financial resources to the regions. Moreover, another interesting aspect of the whole process is that despite the institutionalisation of the regional authorities, the central governmental ministries continued to operate decentralised agencies at the regional levels albeit fewer than before 1986 (Psycharis and Simatou, 2003). Thus, apart from the difficulties that the regions faced because of the lack of decentralisation of resources, the central government refused to cede its authority on a series of issues; hence further undermining the regions.

Together with the regional authorities, the government introduced centrally appointed regional councils, which consisted of representatives of the central and the local governments. In addition to elected officials these were comprised of representatives of civil society institutions such as trade unions, chambers of commerce, industry and professional organisations. Nevertheless, as in the case of the staff of the regional authorities, the members of the regional council were appointed by the central government (Chlepas, 1999; Psycharis and Simatou, 2003). This fact made them susceptible to the influence of the party in power, which has been the main motivation behind the formulation of these institutions without any regional and local democratic legitimacy (Andreou, 2006).

Judging from the above, it emerges that the Greek government adopted the measures that would convince the Commission that it viewed these pressures as reasonable. Nevertheless in reality through the retaining of the control of the regional councils it created an additional layer of administration that would be staffed by local representatives of the governing party and would stifle any bottom-up democratic practices that would give real meaning to the principle of partnership. Finally, as far as the institutional changes that took place after the introduction of the IMPs are concerned, the Monitoring Committees (MCs) were introduced. There would be one MC for each regional authority and they would be staffed by civil servants on secondment who would have no management role during the implementation process (Verney, 1994). They did not have any authority to impose sanctions on the final beneficiaries that were not performing according to the expectations and they could only suggest changes in the projects implemented to the central MC in Athens.

Overall, no endogenous socioeconomic actors were included in the process of both the design and the implementation of the regional IMPs, and the central state reaffirmed its predominant role in the selection of the projects that would alleviate the regional inequalities. This was the case despite the seemingly important institutional innovations introduced through the above-mentioned territorial reforms and aimed precisely at the inclusion of the sub-national socioeconomic forces at all stages of the IMPs. The new regions that were introduced became administrative and planning regions that would satisfy the requirements set out by the Commission in order to start disbursing the funds of the IMPs. Despite their seemingly democratic nature that would be achieved through the institutionalisation of the inclusion of the local civil societies, in reality the establishment of the regions was a top-down affair. The local populations had little or no input in the whole process, thus making the efforts to promote successful state-society synergies untenable.

Patterns of MLG and of the application of the partnership principle in the first two CSFs

The implementation of the first CSF followed the reform of the regulations governing the Structural Funds in 1988 and the signing of the Single European Act (SEA) in 1986. Both these institutional developments at the EU level entailed the expansion of the EU's competence in the area of the Regional Policy. The introduction of the four principles governing the operation of the programmes- partnership, additionality, programming and concentration- had significant implications about the pre-existing governance structures of

the recipient countries. The institutional framework supporting the implementation of the IMPs did not change during the implementation of the first CSF between 1989 and 1993 (Andrikopoulou and Kafkalas, 2004). The election of the conservative government in 1990 signalled a halt to the previous government's modest attempts to restructure the territorial relations of the Greek state (Ioakimides, 1996). The new government cancelled the local government elections scheduled for 1990 – for both the prefectures and the LGAs – and did not take any other steps to enhance the role of independent regional and local authorities.

As a result of the principles introduced with the first CSF, the government had to submit to the Commission a Regional Development Plan (RDP) that would entail the developmental priorities of the first CSF. This had to be drawn up in consultation with the regional and local actors involved in each regional and sectoral OP. After the CSF had been adopted, the national and regional authorities were required to revise the general developmental plans into specific Operational Programmes (OPs). As was the case with the IMPs, the first CSF would be managed in collaboration between the Monitoring Committees (MC) of the Ministry of Economy and those of the regional and the sectoral OPs. The 13 regional and 12 sectoral OPs each had one MC, the size of which would be determined in accordance with the financial significance of each programme. Again, the sectoral monitoring committees would be staffed by civil servants on secondment from positions in the central bureaucracy. The regional MCs would be staffed by civil servants from the prefectures and the local councils.

In addition, representatives of the Commission and of specific interest groups representing the regional and national civil societies were included. The committee would meet twice a year in order to assess the progress and provide guidelines for the future of the implementation of the programmes. It also included a permanent secretariat which was responsible for the day to day matters relating to the OPs. The chairs of the sectoral and regional MCs, who were the secretaries of the regions or the ministries and hence appointed by the central government, would report to the central MC of the CSF, which was based in the ministry of economy. This consisted of the highest officials of the three levels of government. Also, representatives of organisations from the national civil society participated. The MC that would oversee the implementation of the CSF was chaired by the alternate Minister of Economy.

The ministry of economy's regional policy department became the principal institutional actor implementing the CSF (Ioakimides, 1996). The imperative of absorbing the funds at the stated time overrode any processes of collaboration between the central institutional actor and the regional and local stakeholders (Andreou, 2006). As a result, there has been continuity between the previous efforts to address the regional inequalities in the country – including the IMPs – and the first CSF.

The second programming period (1994-99) signifies some important changes compared with the previous programming periods. The RDP was negotiated between the regional policy department of the ministry of economy and the Commission during 1992 and 1993 but as with the previous programmes its implementation was delayed, and in this case it did not begin until 1996. By this time the modernising wing of the socialist government had established an adequate power base to control the socialist party. In addition, in 1997 the country was given the responsibility for hosting the 2004 Olympic Games. These two issues signalled a turn towards the adoption of a different style of management for the second CSF.

In particular, the modernising wing of the socialist party was admittedly less interested in the implementation of the structural funds programmes in a manner that would promote local democracy and would thus give real meaning to the requirement of partnership. Instead, it was preoccupied with achieving the convergence criteria so that the country would enter the Economic and Monetary Union. At the time, the country's entry into the final stages of monetary unification had acquired a special status in the Greek polity. It became associated not only with the economic advantages that would accrue but also with the broader forces of Europeanisation and modernisation and the need to establish the country at the heart of Europe (Featherstone, 2005). Consequently, the new socialist government imposed a style of management more attuned to efficiency as measured in quantitative terms than to the qualitative impact that the projects could have through the sectoral and regional OPs (Paraskevopoulos, 2008).

Moreover, a series of reforms promoted by the Greek government after 1994 further contributed to the territorial reorganisation of the Greek state. In 1997, Law 2503/97 on the 'Organisation and Management of the Regions' provided further responsibilities to the NUTS II regions in the areas of planning, preparation and execution of programmes of economic development, and social and cultural affairs. Essentially, this was putting into practice the 1986 Law that had introduced the regions and as was mentioned above had not been fully

implemented (Petrakos and Psycharis, 2006). These reforms sought to establish regional and local authorities which were insulated from central political interference. Furthermore, in 1994 a new law established local elections for the leaders of the prefectures and the prefecture councils. The re-elected government of the socialist party reinstated the reforms that it had introduced in the 1980s to reorganise the territorial balance of power between the levels of government. Therefore, for the first time in modern Greek political history the local populations would have the opportunity to choose their representatives at the local level democratically. The prefecture councils were comprised by members of the civil societies representing each prefect and were also elected. Nevertheless, this movement towards decentralisation was accompanied by the transfer of resources to the non-elected regions whilst the elected prefectures would continue to be financially dependent upon the central state (Psycharis and Simatou, 2003). Additionally, there was confusion about the responsibilities that the prefectures actually had.

Finally, at the lowest territorial level, that of the LGAs, the government attempted to modernise the system of local government by amalgamating municipalities and communes. As mentioned above, there were 6,000 independent LGAs, which in financial and administrative terms were unsustainable. Therefore, with Law 2539/97 on the 'Reform of the First Level of Local Authority' the number of the municipalities was reduced to around 1,000 and some competences were transferred from the central state to the newly created LGAs. This was the 'Kapodistrias' plan, which provided for the obligatory mergers of the local communes. The plan came under extensive opposition in certain localities that did not wish to lose any components of what they considered to be their local identity (Koutalakis, 2003). However, the 'Kapodistrias' plan was supported by the two associations that represent the elected local authorities – the Central and Local Associations of Municipal and Communal Authorities, KEDKE and TEDK respectively (ibid). Therefore, it was put into practice even though it did not cater for the main problem that the local authorities face, which was the lack of power to collect financial revenue through taxation. To be sure, in a later stage of the reforms introduced through the 'Kapodistrias' plan, the amended Constitution of 2001 for the first time allowed the LGAs to collect local taxation that would finance their activities (Psycharis and Simatou, 2003). However, this ended up covering a very small percentage of the LGAs' total expenses with the majority of the funding still arriving through the central state. The changes in the territorial distribution of powers in the Greek state are summarised

in Table 2 which provides an outline of the institutional developments that took place at the governmental level concerned with the administration of the CSFs.

On the whole, the ways in which the principle of partnership was implemented by Greece during the second CSF and the progress made towards the adoption of practices as envisaged by Type I MLG is contradictory. On the one hand there were indisputable reforms promoting decentralisation and improving the effectiveness of the management of the programmes. The new governmental structures could provide effective and high quality support to the official management and monitoring structures of the regional and sectoral OPs. Moreover, the fact that the NUTS II regions were finally consolidated with the competences and financial resources decided in the 1986 legislation was a step towards the inclusion of the regional populations in the implementation processes of the CSF. Additionally, the election of the prefectures and the amalgamation of the LGAs could provide channels for local actors to participate in all stages of the regional OPs and hence significantly improve the input provided by the intermediate bodies and the final beneficiaries.

Nevertheless, the fact that it took the central government ten years to endow the regions with the responsibilities established by the structural funds regulations provides an example of the central state's reluctance to lose any of its powers and successfully move towards the direction indicated by the partnership principle. Furthermore, even this process of consolidating the region's competences can be seen as an attempt on the part of the Greek central government to replace the power that it enjoyed at the local level through the prefectures with the regions (Andreou, 2006). As a study initiated by the Commission (Tavistock Institute, 1999) for the implementation of the principle of partnership in the member states shows:

There is in Greece an emerging deconcentrated structure which, however, co-exists alongside a more centralised system of control and centralised operational service delivery...the regional secretaries exercise the regional element of the central government.

Similarly, the above-mentioned evaluation by the Commission admits that the instigation of the principle of partnership had limited effects on the regional structures. As the study points out:

the most important aspect of partnership in Greece has been the partnership between the Commission and the member states.

Patterns of MLG and of the application of the partnership principle in the third CSF

In this section I aim at identifying the extent to which the initiation of the third CSF altered the previously established patterns regarding the implementation of the principle of partnership. The trend towards managerial efficiency as shown by the quest for the absorption of the funds intensified during this time (Paraskevopoulos, 2008). This has resulted in significant recentralisation processes taking place, which diminished any opportunities for more participation by sub-national policy actors hence any trend towards Type I MLG.

During this period there were no further domestic reforms in the reformulation of the political geography of the country. Nevertheless, this is not the case with the institutional developments that emanated from the EU Regional Policy. The reform of the structural funds in 1999 and the increase in financial resources that became available for Greece provided a further impetus towards the sub-national participation of the local governments in Greece. In particular, in institutional terms the reforms initiated with the 1260/1999 regulations entailed the creation of an organisational scheme with constitutional independence from the central state. For Greece this entailed managing and paying authorities and the strengthening of the processes of monitoring, evaluation and control in both sectoral and the regional levels. I have shown elsewhere (Chardas, 2011) that the introduction of this network had limited effects for the governance arrangements of the Greek state.¹ In the remaining section I will attempt to focus on the impact that this new organisational scheme had regarding the enforcement of the principle of partnership in particular.

Broadly, the institutional network created in order to support the design and implementation of the Greek third CSF comprised five interrelated organisations: the Managing Authorities (MA), the Monitoring Committees (MC), the Payment Authority (PA), the Committee for Fiscal Control and the Management and Organisation Unit (MOU). The CSF MA was given responsibility for the general running and coordination of the programme. Essentially, this was the ministry of economy's regional policy department which had been in charge during the three previous programming periods. Under the third CSF it was endowed with significant administrative and financial resources that enhanced its role. The CSF MA was undoubtedly the most important institutional actor in the network responsible for the design and implementation of the programme. Its employees were highly experienced and some had

¹ Between 2004- 2011, 30 semi structured interviews with representatives from regional and sectoral OPs, the CSF MA and the Commission were undertaken.

been involved in the EURP since the start of the IMPs. The CSF MA was responsible for the administration of the partnership and additionality principles. Moreover, it participated in the MCs of all the sectoral and regional OPs and was supervised by and accountable to the CSF MC. In addition to the CSF MA, a new MA was established in the relevant regions or the ministries for each OP, which was headed by a director general who was appointed by the central government.

Moving to the second important institutional actor of the institutional network set up in order to design and implement the third CSF in Greece, the Monitoring Committees (MCs) were also reorganised and their role became more clearly identified. As in the previous programming periods, the aim of creating the MCs was the institutionalisation of the principle of partnership and the improvement of the inclusion of representatives from civil society in the design and implementation of the CSF. In accordance with the developments related to the strengthening of the principle of partnership as decided with the reform of 1999, there was an extension of the participating bodies representing sub-national civil societies at the regional level and national civil society organisations at the national level. Furthermore, the tasks to be performed by the MCs were clearly identified for the first time. Each OP was assigned a separate MC which would monitor the implementation of the respective programme. The progress of the third CSF as a whole was monitored by the CSF MC, which encompassed the director general of the CSF MA, the presidents of the MCs of each sectoral and regional OP, representatives from the PA and the Committee for Fiscal Control and representatives of economic and social interests. Finally, a delegate from the Commission attended the meetings of the CSF MC but did not have a right to vote. The regional or sectoral MCs worked in a similar way as the CSF MC with the representatives coming from the regions and the MAs where the OP was implemented in the first case or national delegates in the latter. In all cases a representative from the ministry of economy participated. The president of the regional or sectoral MC was appointed by the central government. Therefore, the two main pillars of the institutional network that was created to support the operation of the third CSF were the MAs – one for the CSF and one for each OP – and the MCs – also one for the CSF and one for each OP.

The establishment of the MAs and the MCs were undoubtedly positive steps towards the improvement of the performance of the regional and sectoral OPs and the amelioration in the patterns of enforcement of the principle of partnership. However, the fact that the MAs were placed under the direct control of the ministries and the regions responsible for the

implementation of the sectoral and regional OPs signalled the reinforcement of the centralising tendencies of the Greek state. As mentioned above, the secretary general of each MA was appointed by the central government and at the same time would also serve as the head of each MC.

All the interviewees that were either working in a regional OP at the time of the interview or have worked in one before, concluded that the ministry of economy would constantly interfere in their operations through the CSF MA but also through the regional MC. As far as the CSF MA in particular was concerned, it was clear that the CSF MA tended to intervene in the everyday activities much more than the regional MA would have wanted. Interestingly enough however, this was not seen as necessarily negative or indeed as contributing to the ineffectiveness of the system. This is because the employees of the regional MA recognised the severe difficulties that they were facing in terms of properly trained personnel. The issue of the lack of specialised knowledge by the regional MAs, as well as in general by the sub-national authorities involved in the implementation of the regional OPs, was raised by an interviewee employed in the CSF MA thus:

It is all very well for the regional and local representatives to be asking for more responsibilities to implement programmes... However, I cannot understand how they will be able to manage a large scale infrastructure project such as an airport... Whether we like it or not our administrative structure is such that the people who know how to build an airport work at the centre. Whenever we have attempted to move those people to the regions, either the know-how was not transferred with them or they did not want to move since they had already organised their lives in Athens.

Another interviewee who had worked in a regional MA claimed that the strong role that the ministry of economy retained through the CSF MA was justified, given the small size of the country and the traditional strong role that the central state has had in the Greek political history. As he claimed:

We need to understand that the Greek regions are not like the German or French regional authorities [in terms of their administrative capacity]...also since 50% of the country's population resides in Athens it is logical that this is reflected in the administrative distribution of powers.

An employee of the European Commission's DG Agriculture with extensive experience in dealing with the MAs of the regional OPs corroborated the argument that the CSF MA tends to involve itself in the management of the programmes much more often than it should have done. As he pointed out:

Institutionally, our interlocutor is the MA of the regional OP. For example, if we have a problem with a project in the regional OP of Eastern Macedonia and Thrace we will call the employee of this MA. When, however, a few days later we receive a phone call from an employee of the CSF MA who tells us: "about the problem that you had with this project in Eastern Macedonia and Thrace, here is the answer" we begin wondering what is going on.

Furthermore, he pointed out that the CSF MA's interference takes place not only through the everyday communication with the Commission but also through the regional MCs.

Nevertheless, the same Commission employee also confirmed the impression that the excessive interference of the CSF MA was not necessarily negative for the implementation patterns of the third CSF. This is so because the regional MAs were often unable to deal with the problems that arose. Three more employees of the CSF MA pointed out that the biggest problems in terms of the quality of the available personnel are identified at the lowest territorial level, that of the LGAs. As one of them put it:

the local government in Greece is miles away from what it should have been in organisational terms, in terms of proper auditing controls, management of the expenses etc... the 'Kapodistrias' plan made some first steps but there is much more that needs to be done by further reforms if extensive corruption at that level is to be combated.

The issue of corruption of the LGAs in Greece is usually cited as a further element that contributes to the negative organisational functions of the lowest territorial administrative units. In a report (Special Report of the Greek Ombudsman on the Local Government Authorities, September 2000) the Greek Ombudsman reached the conclusion that the local authorities are more often than not unable to perform even the meagre responsibilities that they have been assigned. As primary reasons for this, excessive corruption and the particularly low educational level of the personnel employed in the LGAs are cited.

Therefore, this situation has both top down and bottom up origins, meaning that the central state views the sub-national authorities with suspicion because of corruption etc but also reflecting the low level of civil society in Greece as a whole, the regional and local people did not articulate their interests in a horizontal way at that level. Therefore, the local authorities have been 'captured' by clientelistic interests from the regional populations rather than as ways of representing collective needs. As an interviewee employed in the MA of a regional OP put it:

The biggest problem that we are facing is a lack of collective identity in all the programming and implementing bodies that represent regional and local populations of the region. In other words, the representatives of the regional council only serve the interests of their constituents, as do those of the prefecture and the local councils. The delegates of each of these organisations are only interested in serving their own clientele and none of them seems to care about the development of the area as a whole. The situation is similar when it comes to the delegates representing a professional organisation, who seem to only bring to the council the demands of the relevant profession. This creates disagreements and a lack of trust amongst the delegates. If all the representatives knew that the decisions taken by the MC, for example, are for the benefit of the whole area there would not be any obstacles in the decision making process. Because this is not the case, however, reaching a decision that would be of benefit to the whole region becomes particularly difficult. If that had happened we would have been able to bypass the problems related to the limited funds that we have at our disposal

as well as the conflicting priorities that each delegate brings to the council. Nonetheless, understanding that the individual benefit only results from taking into account the common good is related to cultural issues that are very difficult to change.

The ‘cultural’ aspects of interaction that contribute to the patterns of working in the MC were also stressed by a Commission employee who pointed out in relation with the principle of partnership:

There is in Greece a profound lack of civic culture, consensus building and dialogue. People find it very difficult to talk about conflictual issues in a way that leads to an outcome that anyone can accept...of course this is not a problem only in Greece but is particularly acute in Greece... it is seen at both local levels- for example the relationships of bosses with their employees in a private company- and the national level- the relationship between the government and the trade unions- in every communication of this type I would get the impression that there was a ‘dialogue of deaf’ taking place.

This section attempted to substantiate the point that despite the significant opportunities that the introduction of the independent administrative network for the management of the third CSF had for greater involvement by the sub-national authorities, the centralising tendencies of the Greek state predominated. As with the previous programming periods, the central state reaffirmed its predominance over the sub-national authorities. The concerns for the absorption of the funds and the effectiveness of the CSF as a whole resulted in the limited input from sub-national policy actors. This was the case even though in addition to the external reforms, the Kapodistrias plan regarding the decentralisation of the Greek structures of governance was consolidated in this period. This plan enhanced the responsibilities of both the prefecture and the local government authorities and that could have had significant impact regarding the application of the principle of partnership and the adoption of institutional structures closer to Type I MLG in Greece. Nevertheless, this has hardly been the case with the sub-national authorities being identified with corruption and clientelistic practices and the central state distrusting their ability to contribute effectively to the implementation of the regional OPs. The reforms initiated with the Kapodistrias plan were followed by those introduced through the Kalikratis plan that is discussed in the next section.

Patterns of MLG and of the application of the partnership principle in the NSRF

Starting from January 2011 the territorial divisions of power altered once again in Greece. The previous system that was comprised by 13 NUTS II regions, 54 prefectures and 1033 Local Government Associations (LGAs) as was decided with the Kapodistrias plan is now replaced by 13 regions, 325 municipalities and 7 decentralised administrative units. Under the new legislation, the prefecture level is scrapped as an administrative and political unit and all its responsibilities are transferred to the newly created regional authorities. These 13 regional

authorities are democratically elected as are the 325 municipalities. The 7 decentralised units are run by the central government via a general secretary appointed centrally.

This is the political geography of the country after 2011, whilst since 2007 the fourth round of coordinated assistance funded by the structural funds started in Greece. This is the National Strategic Reference Framework (NSRF) which replaced the previous programming documents of the Community Support Frameworks (CSF). As part of the NSRF 20, 42 billion euros in total (2006 prices) was allocated to Greece, whilst the number of Operational Programmes (OPs) has been reduced to 13, which cover eight sectoral OPs and five regional ones. Five out of the 13 new regions receive less funding under the NSRF compared to the other eight because they enter the phasing-n status, i.e. they will stop being treated as Objective 1 regions under the EU Regional Policy after 2013.

These changes in the allocation of the OPs were not followed by significant institutional alterations in the management and monitoring system of the NSRF. Specifically, the previous Managing Authorities (MAs) of the 13 ROPs remained as intermediate MAs, which are now coordinated by a central MA placed under the ministry of economy with specific remit the coordination of the actions of the ROPs. This authority also has responsibility for the coordination of the actions taken by the sectoral OPs that fund European Regional Development Fund (ERDF) projects. Thus, the newly created five ROPs do not have their own MA but are to be implemented through collaboration between the Intermediate MA of the 13 regions. Similarly, the Monitoring Committees (MCs) remain at the level of the 13 regions. At the sectoral level, those areas that continued receiving structural assistance have their own MA placed in the relevant ministry. Therefore, regarding the institutional and administrative units responsible for the management and implementation of the NSRF in Greece there will be 13 regional Intermediate MAs and MCs and five sectoral MAs that are created as a direct result of the EU Regional Policy.

Simultaneously, after 2011 as part of the Kalikratis plan at the NUTS II level there will be 7 decentralised administrative units governed directly through the central government and 13 democratically elected regional authorities the boundaries of which correspond to those of the Intermediate MAs. At the local level there will be 325 municipalities which are also elected democratically. Each municipality will be run by a mayor and a municipal council that are drawn after the local elections held every 5 years. They are further sub-divided in municipal

units, which have their own council with no decision making authorities other than providing consultations to the municipal councils.

The regional authorities will be run by an elected regional governor and a regional council similarly drawn every 5 years. This is the first time that regional elections take place in Greece since the previously existing regional authorities only operated as management units for the CSFs and had no democratic mandate being run by the central government. Although the previously existing prefectures are scrapped, they remain as an unofficial territorial unit (regional units) headed by a vice-regional governor from the same political organisation from which the regional governor and the regional council are drawn. Finally, the 7 decentralised administrative units comprise two or three regions each (except for Attica and Crete) and are run by a centrally appointed general secretary. She is assisted by an advisory council comprised by the regional governors and representatives of the municipalities. The political geography of the country as it has been determined with the territorial reforms and the implementation of the structural funds is presented in Table 2.

Table 2. Tiers of Local Government and decentralised structures in Greece

<ul style="list-style-type: none"> • Municipality and Communes • First tier of self government (Local NUTS V tier). 325 	<ul style="list-style-type: none"> • Fully elected • Underwent drastic amalgamation in 1999 through the ‘Kapodistrias’ plan. 5825 municipalities and communes (438 and 5387 respectively) became 1033 municipalities and communes (900 and 133 respectively) • After the Kalikratis plan, 325 new municipalities are created. Municipal council also operates, both are elected.
<ul style="list-style-type: none"> • Prefecture • Second tier of self government (prefecture NUTS III tier) scrapped with Kalikratis 	<ul style="list-style-type: none"> • Led by a single Prefect appointed by the central government until 1982 • Increased participation with appointed members in the Prefectural Council established in 1982. The Prefect remains appointed by the central government. • Since 1994 fully elected tier of self government. • Unofficial operation as part of the Regional Authority
<ul style="list-style-type: none"> • Region • Third tier of decentralisation (regional NUTS II tier) • 13 Regions and 7 Decentralized Units. Corresponds to 13 regional Operational Programmes 	<ul style="list-style-type: none"> • Non-existent until 1986 • Legislated in 1986 but did not fully function until 1997 • Fully functional since 1997 with a Secretary General appointed by the central government and appointed members of the Regional Council. • After 2011 fully elected Regional secretary runs the 13 regions together with a fully elected regional council. The 7 decentralized units are run by a secretary general appointed by the

In parallel to these institutional developments relating to the application of the principle of partnership and the creation of Type I MLG, since 2009 Greece has been facing an unprecedented financial crisis. The parameters of this crisis develop daily and a multitude of factors both domestic and international determine their outcomes. What is of relevance to the empirical aims of this paper is that after the country's public finances reached unsustainable levels, the troika representing the International Monetary Fund, the European Commission and the European Central Bank was called in by the Greek government in order to provide a bailout plan. This has involved the release of financial assistance to cover the borrowing costs of the country in exchange for significant reforms that the Greek government is conditioned to implement. The overriding aim of these reforms is the reduction in the public expenditures of Greece and the increase of the public revenues. According to reports in the press, the troika has repeatedly asserted that these are the conditions that it asks the Greek government to fulfil and that the latter is responsible for the choice of the policy instruments that can lead to their fulfilment.

Clearly, the aims of the Kalikratis plan regarding the modernisation of the sub-national administration of Greece are consistent with the aims about the decrease of government costs. Decreasing the number of sub-national administrations will decrease the overall government budget hence provide more opportunities for cost-cutting. Hence, the tension between the need for more sub-national involvement and efficiency concerns- this time regarding the need to cut the costs of the public administration in general- as was identified in the previous programming periods, continues to affect the NSRF. This is the case particularly since the newly introduced sub-national authorities continue to enjoy limited autonomy to collect and manage their own revenues. They are still predominantly dependent by the central government to cover their expenditures hence have little leeway to not be affected by developments concerning the fiscal situation of the central government.

Therefore, although it is early to make proper assessments, there is little doubt that the austerity measures adopted by the Greek government as condition for the release of the financial bailouts by the troika will hurt the already limited funds available to the decentralised units introduced with the Kalikratis plan. This by definition will cancel any impact that this plan would have regarding the application of the principle of partnership and

the adoption of policy structures similar to the ones envisioned by Type I MLG. If anything, more centralisation is the most likely outcome of this interaction.

On the other hand, the fact that the introduction of the NSRF was not accompanied by any institutional changes also point towards the strengthening of centralisation processes in Greece. The management system that will implement the NSRF is essentially the same with the one that managed the third CSF. Therefore, the creation of the decentralised 13 regions did not alter the role of the relevant Managing Authorities, which as mentioned above in the NSRF operate as Intermediate MAs. However, these 13 Intermediate MAs do not implement ROPs relevant to their areas since there are now 5 ROPs that consist of the separate 13 regions which previously were all of Objective 1 status. Thus, the Intermediate MAs manage, implement and monitor through the regional MCs programmes that are not of their area. Moreover, no further competences were allocated to the Intermediate MAs, the operation of which will be monitored by an organisation that will work as part of the Ministry of Economy. This will be a separate MA with the remit to coordinate the actions of the regional MAs. In addition to that, most large ministries located in Athens will introduce new coordination authorities to oversee the operation of the regional MAs in their area of interest. The regional units will now have to acquire the consent of the ministerial authorities in order to amend any project.

Given the already complex nature of the system that was created with the NSRF it is difficult to identify the logic behind the creation both of the unit in the Ministry of Economy and the coordination authorities in the line ministries. Again, although it is early for proper assessments, it is hard not to conclude that the central government's aim is to control the actions of the regional MAs hence cancel any effects aimed by the principle of partnership. Regarding the partnership principle in particular, as was discussed in the theoretical section, the Monitoring Committees are the institutionalisation of this principle. Therefore, apart from any effects towards the improvement of the level of participation by the sub-national authorities as they are achieved through the MAs, actors representing regional civil societies have the opportunity to directly influence the OPs through the MCs. However, as with the previous programming periods, there is little evidence to suggest that the MCs are anything other than consultative bodies with very limited resources at their disposal. They meet infrequently –usually not more than once a year- and can hardly influence the patterns of the governance of the regional OPs which in any case as was mentioned above are not those of their area. Because of the introduction of the 5 new ROPs and the fact that the regional MCs

remained 13, the representatives of regional civil societies participating in the latter are not the same as the ones affected by the ROP. These flaws in the design of the ROPs only serve to exacerbate the difficulties in social dialogue identified at the sub-national level that were discussed about the third CSF in Greece.

Moreover, the difficulties in the capabilities of the Local Government Associations (LGAs) to participate in equal terms in the implementation and monitoring of the projects implemented in their area has not been affected by the Kalikratis plan (Sotirelis and Xiros, 2010). The number of the LGAs was decreased and their constitutional role was enhanced but the main institutional steps that could be taken in order to improve their operations were not taken. As with the regional authorities they remain financially dependent by the central government which diminishes any chance to formulate autonomous decisions. Moreover, their operation continues to be characterised by clientelism, corruption and factionalism which further diminish genuine citizen participation (Getimis and Hlepas, 2010). The deployment of non-transparent practices in the selection of projects –the LGAs can participate in the implementation of the ROPs as final beneficiaries- (Andreou, 2010) only serves to justify the central government’s distrust towards more participation by the local authorities.

Furthermore, as was discussed above, the Greek government introduced 7 decentralised regional units governed by a centrally appointed secretary general that will oversee the operation of the regional MAs with the Kalikratis plan. This is clearly an effort by the Greek government to reassert the control of the operation of the regional authorities and follows the example of the Kapodistrias plan that was introduced in the 1990s. As was discussed above, the prefecture and the local levels were given democratic legitimacy then but the 13 regional structures were unelected and centrally governed. Thus, there is continuation of the trend of providing decentralisation and allowing more autonomy to the sub-national actors with the one hand whilst reasserting central government control with the other.

Concluding remarks

This paper attempted to discuss the extent to which the introduction of the EU Regional Policy has altered the patterns of participation by the sub-national authorities in Greece. It put forward the argument that the adoption of Type I Multi level governance (MLG) would lead to the enforcement of the principle of partnership in ways closer to those described by the relevant regulations of the structural funds. This hypothesis guided the paper and the

conclusion is that despite the opportunities offered by the structural funds, the mediating impact of the centralised Greek state and the weak civil society proved detrimental in limiting the adoption of structures close to Type I MLG. Before the introduction of the principle with the reform of the regulations in 1989 the Greek state has been centralised and allowed limited scope for bottom involvement in governing sub-national affairs. Moreover, the bottom-up demands for this sort of participation has been limited with the sub-national authorities struggling due to lack of resources, restricted administrative capacities and most importantly limited opportunities for horizontal expression of territorial interests.

The decentralisation reforms that have been implemented in Greece during the 1990s have done little to alter these dynamics. This is the case because every measure that would decentralise competences at the sub-national level was accompanied by recentralisation by the central government. Moreover, together with the issues concerning decentralisation issues about central economic policy would end up overriding any such dynamics. Similar issues can be identified with the latest wave of decentralisation reforms introduced through the Kalikratis plan, which gave considerable autonomy to the regional authorities whilst simultaneously creating 7 decentralised administrative units with no democratic mandate. The creation of these units can only be explained in ways similar to the creation of the unelected regional authorities with the Kapodistrias plan in the 1990s. At the time the prefecture and the local levels were assigned democratic legitimacy whilst the central government imposed the 13 unelected regions. Moreover, the Kalikratis plan did little to address the most serious issue facing local governments in Greece which is their fiscal autonomy from the central state.

The introduction of the NSRF in 2007 without any institutional modifications to reflect the changed regional classification of structural funds assistance serves similar purposes. Greece is now in a situation where there are five Regional Operational Programmes (ROPs) that are implemented by 13 Intermediate Managing Authorities which correspond to different territorial units than the ones of the ROPs. Moreover, the operations of the intermediate MAs are controlled by the Ministry of Economy and other central ministries after the establishment of a relevant MA and line MAs in each of the major ministries working from Athens. Finally, and probably most importantly the severe financial crisis affecting the country since 2009 has provided the central government with more arguments to cut public services. This will hurt the lower territorial levels by rescaling their governance arrangements to favour the central

government. Therefore, another issue of central economic policy will put forward considerations of efficiency that will override any efforts for decentralisation.

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