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Synthesis of the workshop

Cohesion policy and the challenge of inter-regional solidarity

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Cohesion policy in 2012: instrument of solidarity or development?

Marjorie Jouen – Notre Europe

Is the cohesion policy a solidarity tool?

In 1987, the European cohesion was defined by Jacques Delors as a conditional solidarity policy and a regulated development policy. It aims at the convergence of the economies. Solidarity is shown through the important amount of funds dedicated to cohesion supposed to have a leverage effect at national and regional level. The point is that the redistributive effect of the structural funds is rather low whereas the allocative function is supposed to guarantee efficiency and effectiveness. Both principles are still structuring the cohesion policy and are completed by a few others:

- the concentration
- the partnership
- the evaluation and control
- and proportionality.

In 2012, the Greek crisis has shown the tensions between solidarity and development. Solutions are imagined to mobilise the structural funds to have them played a contra-cyclical role. But in the mid term, the co-financing possibilities are limited, although the perimeter of solidarity is extended thanks to the territorial cohesion. New conditionalities are imposed. No means are dedicated to the macro-regions. Such changes question the true meaning of the cohesion policy.

The macro-economic conditionality that is being discussed at the moment is supposed to be part of the strengthening of the economic governance. This threat is implemented in Hungary. It will limit the abilities of the regions to act.

Is the cohesion policy a development tool?

This question was discussed after the Sapir report that underlined that solidarity should be implemented only for the least developed Member States which means poor regions within rich Member States should only benefit from national support. This approach raises the question about the role of cohesion policy: shall it aim at convergence or excellence? It is embedded in a neo-liberal approach of the development.

Then the Barca report underlines the fact that the cohesion policy is the only development policy of the European Union and that it should be territorialised aiming to support a potential of development in all the regions. This represents a shift in paradigm. This is less a development policy aiming at supporting

territories for them to catch up but rather a policy aiming at helping the territories develop their potential.

More recently, the Polish Presidency supported the position that the cohesion policy is a development policy and not a compensating or redistributing tool. This approach points out the need to align the cohesion policy with the EU2020 strategy aiming at a sustainable, inclusive and smart growth.

A tool for a development policy but to do what?

Until now compromises were possible because there were positive perspectives such as the Euro, the enlargement etc. Today the only perspective is the EU2020 strategy promising growth. But what does it mean? The lack of concrete horizon is likely to make compromises harder.

Debate:

- Isn't there a change between a European vision that used to exist and a lack of objectives now? Don't you think that the "vision" has been transformed into "control"?
- What does additionality mean in the present budget context?
- What role of the macro-economic conditionality?
- What about the introduction of a territorial human development index?
- Barca underlines the need to have an industrial policy developed in the territories, is there an evolution of the cohesion policy in that direction?
- Isn't there a gap between the reality and the ability of the European Union to integrate it in its actions?

Cohesion policy and the crisis of inter-regional solidarity: the case of Italy Dominique Rivière, Université Paris-Diderot

The approach is focused on the link between the European Union and the national level and the way the cohesion policy may alleviate crisis situation. The case of Italy is taken into account to answer this question.

In Italy there is a strong "europeanity" in the approach of territorial question. Italy is known for the wide disparities between the territories and for the crisis of the inter-regional relationships especially between the north and the south. This has been particularly emphasised by the actors in the context of financial crisis and in the context of the crisis of national representation both revealing two underlying crises in Italy: the one of decentralisation and the one of the cohesion policy. Neither the decentralisation nor the cohesion policy has been able to promote solidarity and to fight against the rise in extremism.

How to explain the solidarity crisis between the north and the south?

This crisis is deep and can be explained by dynamics existing for several decades. The GDP shows that this dualism exists in many economic and social sectors but doesn't show the Italian potentials. A new problem is emerging with the demographic decreases in general and in the south more particularly. The fact that this dualism is lasting for so long shows the public inability of the state and of the regions to solve the problem. The regionalisation process has been reinforced to manage the funds of the cohesion policy but it has been developed at the same time as the State was facing a legitimacy crisis. Therefore the North is using this situation against the State and against the south.

In such a context, what are the rooms for manoeuvre of the cohesion policy?

In the 90s the State used the European rules to get out of the national context in order to impose some changes in order to use the structural funds.

Today there are different trends within the European Union, especially contradictory ones between DG Regio willing to intervene in the South and DG Competition not supporting the South and thus leading to raise the question about the role of the cohesion policy can play.

The point is that cohesion policy can have an impact provided it creates an additional effect to the public investment. But as long as the economic interests are concentrated in the north, the State will have difficulties to make a compromise between two necessities: ie both to respect the stability pact or to get out of the crisis. Cohesion and therefore the south are always ranked as a second priority.

In the end there is a crisis of interregional solidarity in Italy and a European crisis on the Italian territory.

Debate:

- What is the link between the divergences between DG Competition and DG Region and the Italian governance?
- Can we compare the Italian case with the German East-West situation?
- What is the role of the place based approach in a situation where the winning territories contribute to marginalise even more the peripheral areas?

**Competitiveness and territorial cohesion: two challenges in Seine Saint Denis
Elodie Manceau, Plaine Commune, Thomas Jouanlanne, UMR Géographie-cités**

The European cohesion policy in a metropolitan region is questioned in a context of important tensions between innovation on the one hand and social inclusion on the other hand. There is a rescaling at the local level with the emergence of urban territories, exemplified by the Seine Saint Denis in the Parisian metropolis.

The link between competitiveness and territorial cohesion supported in the Lisbon strategy creates difficulties for poor territories in rich regions. With this approach, competitiveness is often promoted to the detriment of social cohesion. There is a clear unbalance between both aspects. This leads the actors of poor territories in rich regions to present innovative projects within those territories whereas what would be more important would be to reduce the socio-economic disparities. This represents an important weak point of the European intervention which indeed doesn't take into account the specificities of the territories. For the European Union the reduction of disparities has to be translated by increased and better performance. It means that urban actors need to negotiate integrated urban projects in order to get financial support but the numerous changes in regulation make it difficult to respect each time different norms.

Debate:

- What is the definition of the development given by the DG Region? Where is the human?
- What about the multilevel governance in the regions facing crisis?
- What is the role of rules in the crisis of the territories?
- Do local, intermediary, national or European conditions reduce the tension line between competitiveness and solidarity?
- What about the project of territory?
- What about the relevance of the indicators?