

On: 04 September 2012, At: 06:12

Publisher: Routledge

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



Journal of European Integration

Publication details, including instructions for authors and subscription information:

<http://www.tandfonline.com/loi/geui20>

Understanding European Cross-border Cooperation: A Framework for Analysis

Luis De Sousa ^a

^a Universidade de Lisboa, Instituto de Ciências Sociais, Lisbon, Portugal

Version of record first published: 21 Aug 2012

To cite this article: Luis De Sousa (2012): Understanding European Cross-border Cooperation: A Framework for Analysis, Journal of European Integration, DOI:10.1080/07036337.2012.711827

To link to this article: <http://dx.doi.org/10.1080/07036337.2012.711827>



PLEASE SCROLL DOWN FOR ARTICLE

Full terms and conditions of use: <http://www.tandfonline.com/page/terms-and-conditions>

This article may be used for research, teaching, and private study purposes. Any substantial or systematic reproduction, redistribution, reselling, loan, sub-licensing, systematic supply, or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The accuracy of any instructions, formulae, and drug doses should be independently verified with primary sources. The publisher shall not be liable for any loss, actions, claims, proceedings, demand, or costs or damages whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.

ARTICLE

Understanding European Cross-border Cooperation: A Framework for Analysis

LUIS DE SOUSA

Universidade de Lisboa, Instituto de Ciências Sociais, Lisbon, Portugal

ABSTRACT European integration has had a dual impact on border regions. On the one hand, borders were physically dismantled across most of the EU's internal territory. On the other hand, they have become a fertile ground for territorial co-operation and institutional innovation. The degree of cross-border co-operation and organization achieved varies considerably from one region to another depending on a combination of various facilitating factors for effective cross-border co-operation, more specifically, economic, political leadership, cultural/identity and state formation, and geographical factors. This article offers a conceptual framework to understand the growth and diversity of cross-border regionalism within the EU context by focusing on the levels of and drives for co-operation.

KEY WORDS: Cross-border co-operation, European integration, regionalism, Euro-regions

Introduction

European integration has had a dual impact on border regions. On the one hand, borders were physically dismantled across most of the EU's internal territory, but in some cases, symbolic borders, 'the scars of Europe's history' as Schuman once termed them, remained in the imaginary of peoples. On the other hand, border regions have become a fertile ground for territorial co-operation and institutional innovation. As Keating put it:

Borders in Europe are not disappearing has heralded under the impact of functional restructuring, and will not do so as long as national political and legal systems exist, but they are increasingly

Correspondence Address: Universidade de Lisboa, Instituto de Ciências Sociais, Av. Professor Anibal de Bettencourt, 9, Lisbon, 1600 – 189 Portugal. Email: luis.sousa@ics.ul.pt

penetrated and national governments are losing their monopoly of control over them. (Keating 1998, 182)

In recent years, divided border regions sharing a common culture and history are re-emerging in a united Europe, partly as a consequence of globalization, partly as a product of regional integration. This does not automatically mean that historical fears, identities, non-visible trade barriers and other institutional constraints in border regions have ceased to exist (van Houtum 2002, 55).

New cross-border territorial units of different sizes, levels of organization, and financial capacity are being established, to address acute social and economic problems in border and marginal regions of countries, to attract investment, to run common large-scale infrastructural projects and welfare equipments, to promote cultural and educational exchanges, etc.

The degree of cross-border co-operation and institutionalization varies considerably from one region to another depending on a combination of factors of an economic, political, cultural, historical, and geographical nature.

Much of the institutionalization of cross-border cooperation arrangements in Europe has taken place outside the EU legal and institutional framework and largely supported by the Council of Europe. Since the 1980s, the EU (at the time called EEC) has funded this cooperation through the INTERREG programmes, whose management has been partially hindered by different national laws and procedures. To solve this problem of accountability and efficiency in the implementation of EU programmes and projects co-financed by the structural funds, a new the European Grouping of Territorial Cooperation (EGTC) was recently created (2006) to bring both uniformity and legal stability to co-operation with sub-national units.

This article offers a conceptual framework to understand the growth and diversity of cross-border regionalism within the EU context by focusing on the drives for and levels of co-operation. It is organized in four parts. The first part deals with the conceptual framework: what are border regions and how are they evolving? In the second part, it distinguishes between regional integration and so-called 'co-operation processes' and outlines in particular the different ways of functioning of EU-financed cross-border co-operations. The third part describes the historical institutionalization process of the concept 'cross-border co-operation'. Finally, the article extensively examines a number of facilitating factors or drivers of effective cross-border co-operation in Europe — historical and cultural empathy, pre-existing patterns of cross-border co-operation, complementary economies, the institutional capacity and preparedness of local/regional authorities to respond to the challenge(s) of European integration (its tensions and opportunities) — and consequently infers political conclusions and development perspectives.

Changing Border Regions

What is a border region? A border region is not simply the extreme part of the sovereign territory of two or more neighbouring countries divided

by a fixed jurisdictional line that separates them. It is here defined as a special area of fluxes and exchanges of a social, cultural, economic and political nature, a space where the development of multiple activities takes place and where the type and intensity of transactions have evolved in time.

More than any other part of the national territory, border regions are sensitive to the redefinition of territorial jurisdictions. As Aron (1966) put it, at times of war, borders are guarded forcefully and suspicion grows upon the neighbours; in a climate of peace between states, transnational society flourishes, border controls erode and new forms of inter-state conflict resolution appear. Not surprisingly:

... in a booming and politically stable Europe, local players on either side of certain European borders, depend on different systems but sharing common problems and interests (border workers, cross-border pollution, land-use planning or security issues, etc), have tried to join forces in order to find practical, fast solutions to their requirements, without having to go via the traditional channels of inter-State relations. (Committee of the Regions 2007, 16)

Some of the internal borders of Europe are post-World War II creations. European integration has downplayed (old) disputed border issues, but has not solved them.

Borders are 'social structures that are constantly communicatively reproduced' (Albert, Diez, and Stetter 2008, 21) hence it is not surprising that national (and local) elites and the media replicate in time this mental frame, fear and suspicion upon their neighbours. As van der Velde and van Houtum put it succinctly, 'National borders produce an imagined mental nearness to the members of one's nation and an exclusion of and mental distance to non-members, the "strangers"' (2004, 49). In a similar vein, Reitel writes:

La frontière n'est pas qu'une simple limite politique, elle est aussi et surtout un objet sémique qui sépare deux sociétés et leur permet de se distinguer et de s'identifier... Elle a une portée symbolique à laquelle est associée une forme matérielle: un dispositif militaire, des postes de douanes, la présence de symboles de l'État comme les drapeaux, une ligne tracée sur les cartes, etc. (Reitel 2010, 292)

What is surprising is the fact that this social reproduction of borders continues to happen in a context of debordering, downsizing of the state and increasing business opportunities and regional co-operation programmes funded by the EU. Some regions have been able to overcome this mental frame and produce a discourse that tries to enhance cross-border co-operation; other regions have remained with their back turned to their neighbours.

For all these reasons, border regions are an adequate level for testing EU integration theories. These are well-defined territorial areas that have

witnessed the breakdown of borders and customs with the establishment of the single market, the achievement of the monetary union and the introduction of a single currency (Eurozone) as well as the abolition of border controls under the Schengen convention.

The key focus of the European integration process has been to significantly reduce the relevance of national borders for European economic players, in order to create a large market in which national borders no longer stand in the way of the free movement of workers, goods, services and capital. (Committee of the Regions 2007, 16)

Border regions constitute a privileged space to analyse how fluxes and exchanges of goods, peoples and capital have evolved in time and to what extent the process of integration is responsible for the increment of those transactions. They are equally a privileged space to access the impact of European integration upon institutional performance and co-operation at the executive level between local units (regions and/or local authorities) from two neighbouring countries. The progress made by European integration increases the need for cross-border co-operation not only to foster the four freedoms (labour, goods, services and capital), but also to oversee how these fluxes take place with what impact, to strengthen cultural and linguistic ties between regions separated in different national jurisdictions and to rationalize the provision of public services in a cross-border territorial logic. Finally, they offer a unique space to assess the symbolic/identity impact of the removal State political borders or the attenuation of border controls.

The setting up of the single market has led to a profound change of the border structures. Debordering paved by European integration is a multifaceted process. Further to the withdrawal of jurisdictional controls, debordering also led to the transformation of neighbouring relations (national identity discourses lost their meaning; co-operation became the new buzzword in cross-border institutional relations); the increase of economic transactions; and the revival of divided cultural communities and border traditions.

Cross-border movements of all types have increased as a result of European integration and globalization. The single market has created opportunities and incentives for cross-border co-operation, but there are still many stumbling blocks to citizens who work, live and go to school across the border, non-visible trade barriers and obstacles to co-operation in various policy sectors (e.g., environmental issues, police co-operation, contingency planning, public transport links, provision of health services and so on).

Levels of Cross Border Co-operation

Regional co-operation is a different process from integration even if both are interrelated.

European integration is a system of interregional co-operation and interdependence in which states parties to a founding treaty abdicate part of

their sovereignty to a supranational body, thus departing from a unanimous decision-making process and reducing the likelihood of gridlock in policy areas where member states expect to be better served by pooling sovereignty than by dealing with them alone or via traditional bilateral diplomacy and multilateral arrangements.

European integration remains mostly an international relations concept: a (irreversible) political process between member states. The microcosm of regional integration has been given less attention the mainstream literature on the topic.

Co-operation, on the other hand, it is a voluntary process in which states or sub-national territorial units act together for a common purpose or benefit without pooling sovereignty to a supranational body. Although co-operation generates interdependence, it does not require a formal agreement to take place and each implicated state or territorial unit retains its own sovereignty capacity untouched.

Regional co-operation can take place outside the framework of the EU, but European integration offers member states or sub-national territorial units new opportunities and incentives to cooperate in the pursuit of their objectives. However, these opportunities and incentives have not always been mobilized to foster interregional co-operation and cross-border co-operation in particular.

What does it mean cross-border co-operation? Article 2.1 of the 1980 'Madrid Convention' defines transfrontier co-operation as:

... any concerted action designed to reinforce and foster neighbourly relations between territorial communities or authorities within the jurisdiction of two or more Contracting Parties and the conclusion of any agreement and arrangement necessary for this purpose.

In operational terms, cross-border co-operation can be defined as any type of concerted action between public and/or private institutions of the border regions of two (or more) states, driven by geographical, economic, cultural/identity, political/leadership factors, with the objective of reinforcing the (good) neighbourhood relations, solving common problems or managing jointly resources between communities through any co-operation mechanisms available.

This definition is sufficiently broad to include the simple town twinning to the celebration of an international treaty for managing common resources (e.g., the Rhine navigation treaty). It also stresses the role of private actors in the implementation of government-led cross-border co-operation programmes.

Cross-border co-operation is a complex phenomenon and has its origins due to the interplay of a number of factors and circumstances. Border regions seek co-operation efforts or agreements whenever (Committee of the Regions 2009, 3–4):

- There is an overlap of interests.
- There is a shared historical memory.

- There is a strong interdependence between the two regions due to geographical or economic factors.
- There is a political objective for future joint action.

The objective of the bordering authorities and private actors involved in these territorial co-operation arrangements is:

... to offset the structural disadvantages imposed by their location, on the edge of their country and confined by the limits placed on the system (legal, economic, social, or even linguistic, cultural, religious, etc) as a result of proximity to an international border. (Committee of the Regions 2007, 16)

These drives produce different types of co-operation practices and arrangements, imposing different levels of commitment from the parties involved:

- (1) *Awareness raising co-operation.* Cross-border 'good neighbourhood relations' are but one type of motivation that leads regions to cooperate. This is the type of cross-border co-operation that requires the lowest level of political commitment. As Harguindéguy put it: 'Le niveau de plus faible intensité territoriale correspond à la para diplomatie transfrontalière. Il s'agit de contacts réguliers entre zones contiguës, souvent conditionnés par la proximité et la similarité des problèmes à affronter' (2007, 11). Regular bilateral visits or town twinning arrangements to promote cultural and commercial ties, are the most emblematic examples of this type of co-operation.
- (2) *Mutual aid co-operation.* Mutual aid is an agreement among emergency responders from both sides of the border to lend assistance across jurisdictional boundaries. This may occur due to an emergency response that exceeds local resources, such as natural or man-provoked disasters. Mutual aid co-operation may take place on an ad hoc basis, requested only when such an emergency occurs, or it may also be a formal standing arrangement for cooperative risk or emergency management on a continuing basis between bordering public authorities.
- (3) *Functional co-operation.* Other co-operation arrangements are more permanent, requiring greater resources and a higher degree of commitment from the neighbouring local/regional political and administrative authorities. These co-operation projects aim at solving problems, creating business opportunities, promoting cultural exchanges and reducing non-visible barriers to labour mobility through the implementation of joint co-operation projects, such as the INTERREG programmes.¹

Typically, cross-border initiatives have a functional basis, focused on common problems and opportunities, notably in economic development, promotion, infrastructure, environment and sometimes culture,

but they also have a strong political component, founded on the desire of regional politicians to project themselves on a wider stage, or to escape the restrictions of national politics. Their success or failure depends on the appropriateness of the functional linkages established, as well as on the political dynamics, including the attitude of national and local governments. (Keating 1998, 181)

The implementation of these joint initiatives fosters institutional capacitation: the increased volume and complexity of legal and administrative materials, forces border region authorities to adjust their administrative structures and to train their officials on various cross-border policy matters to run these programmes.

- (4) *Common management of public resources/services.* Finally, a more restricted number of co-operation arrangements goes beyond the implementation of EU regional funds and seeks joint strategies to reorganize and rationalize state services, benefits and other public funded provisions in function of border regions rather than being based on state interests and jurisdictions. Despite the apparent functional logic of restructuring and rationalizing, it is not easy to put in place public policies across national borders (Keating 1998, 182). Amongst the major obstacles are the lack of financial autonomy of the Euro-regions to pursue these cross-border integrated projects and the fact that these are government-led processes and therefore subject to political logics which are not necessarily harmonious with cross-border designs.

This taxonomy of cross-border cooperation distinguishes between varying degrees of cross-border co-operation according to the complexity of the institutional arrangements, the degree of political commitment needed to put them in place, the amount of resources involved and the outcomes or externalities produced for the local economy and populations. However, it is not implicit that the categories are exclusive or that there is an hierarchical and automatic sequence between these different co-operation arrangements: mutual aid co-operation may take place to address a particular emergency or calamity (for example, a river flood), whilst neighbouring regional governments are seeking to put in place a joint infrastructural project for mutual benefit of their local populations (for example, a dam to stop river flooding).

The regularity and complexity of cross-border relations may lead border region authorities to institutionalize co-operation arrangements. The Euro-region² and more recently the European Grouping of Territorial Co-operation (EGTC) tend to appear associated to these two last levels of cross-border co-operation: the implementation of joint projects and the administration of public resources on a functional logic. They usually do not correspond to any legislative or governmental institution, do not have direct political power, and their work is limited to the competencies of the local and regional authorities that constitute them.

The impact of the macro processes of European integration in border regions have not been homogenous, hence the institutionalization of cross-border co-operation arrangements have also varied from one border region to another (Caramelo 2007, 37). Some Euro-regions may display a more transfrontier character with a permanent administrative structure (secretariat and a technical and administrative staff) with own resources; other function as a regular forum composed of representatives from different local and regional authorities on either side of the border. Most are constituted as non-profit-making associations or foundations on either side of the border in accordance with the respective national law in force; other are of a public law nature, based on inter-state agreements, dealing among other things, with the participation of territorial authorities.

The promoters of the Euro-regions usually present these functional entities as a micro-model of European integration, 'a kind of Europe closer to the citizens, a bottom-up approach to Europe' (Pasi 2007, 73). In reality, however, most of these entities remain unknown to the local populations, which they are supposed to serve.

A more realist approach interprets the proliferation of Euro-regions as partially fund-driven. Many of these entities have been created to administer EU financial programmes available for border regions, such as the INTERREG, which are designed and implemented according to the visions of the European Commission and member states, and not necessarily in line with cross-border interests (Heddebaut 2004, 77; Caramelo 2007, 80–4). The Euro-regions' dependency on the financial instruments is considerable. Often they established secretariats that are funded via 'technical assistance' funds, which are the component of INTERREG programmes aimed at establishing the administrative infrastructure for the local deployment of this financial instrument. For that reason, regardless of the degree of political autonomy of border regions within their national jurisdiction, these territorial co-operation arrangements tend to involve central governments to varying degrees.

However, the growth of Euro-regions in the EU context cannot be dissociated from the increased power claims that regional/local actors are making upon the state. Border regions seek to learn from each other and to exploit complementary assets and skills in pursuing their own development projects, and in doing so they have come to contest the monopoly of the state as a welfare provider at the fringes of its national territory. European governance created new opportunities and incentives for cross-border co-operation by enabling regions and Euro-regions in particular to influence the EU policy process beyond national mediation. Some border regions might feel they are better off negotiating directly with Brussels than if their claims were to be mediated by the respective national governments.

In short, some forms of cross-border co-operation have remained informal and sporadic; other have taken arrangements to higher levels of political commitment, through the setting up of new associative entities, with or without legal status,³ in which local and regional authorities on either side of the border work together according to public or private law

formats. Such entities have grown in numbers in recent years, but most of them are still unknown to the majority of citizens, thus raising questions concerning their purpose and legitimacy.

Cross-border Co-operation Within the EU

For most of the 1960s, 1970s and 1980s, the institutionalization process of Euro-regions proceeded at pace outside the EU legal framework, but in parallel to the process of European integration. As Pasi observed:

During the years, the areas involved in cross-border co-operation and those involved in European integration were practically the same... The parallelism of the two phenomena became more and more evident during the Nineties with the diffusion of Euroregions on the eastern borders of the European Community. (Pasi 2007, 73, 74)

Since the 1960s, the Council of Europe has been a major promoter of cross-border co-operation as a means to help the diffusion of local democracy and good neighbouring relations. In 1980, the Council of Europe launched the Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities,⁴ also called the 'Madrid Convention', providing a legal framework and model agreements, both for the inter-state and the local levels, for the establishment of cross-border regions. This was the first step to the regulation of Euro-regions at the European level, clarifying the legal nature and scope of these entities. To date, the Convention has been ratified by more than 20 Council of Europe Members.

In 1971, the Association of European Border Regions (AEBR)⁵ was established with the specific mission of acting for the benefit of all European border and cross-border regions, by making their particular problems, opportunities, tasks and projects intelligible; representing their overall interests to national and international parliaments, organs, authorities and institutions; initiating, supporting and coordinating their co-operation throughout Europe (creation of a network); and exchanging know-how and information in order to formulate and coordinate common interests on the basis of the various cross-border problems and opportunities, and to offer adequate solutions (Statutes of AEBR, amended on 25 November 1994).

As mentioned above, there is 'a certain parallelism between the process of European integration and the development of cross-border co-operation and Euroregions' (Pasi 2007, 74). The first experience was the EUREGIO project in 1958. Since then, more than one hundred Euro-regions were created within the EU context, some including cross-border co-operation arrangements with non-EU neighbour states, such as Ukraine, Serbia or Moldova.⁶

The first set of Euro-regions appeared shortly after the signing of the Treaties of Rome, in the Dutch–German border (Euregio 1958), Lake Constance (1972), the Rhine valley (1973, 1976), the Benelux area (1980, 1984⁷) and the Scandinavian countries (1971, 1972, 1978, 1980).

From the initial core of six, only Italy joined later this process. Italy's approach to cross-border co-operation was somewhat different. The dynamic of disintegration was stronger than that of integration:

The late involvement of Italy in cross-border co-operation derived from a problematic approach to the borders with discussions about the borders themselves (with Yugoslavia and Austria) and about the numerous ethnic minorities. (Pasi 2007, 74)

The reunification of Germany and the establishment of democracy in the former communist countries of the Eastern block brought a new impulse to the development of Euro-regions (Bufon and Markelj 2010, 21). In anticipation of enlargement, and before the accession negotiations had been completed, the new Central and Eastern European democracies were bridging with Old Europe through new forms of territorial co-operation. If during the 1960s and 1970s, the Euro-regions were regarded as 'instruments for a more diffused co-operation inside the Community', in the 1990s they became 'instruments to prepare for the joining of the EU' (Pasi 2007, 76).

The map of territorial co-operation within the EU has changed radically with the establishment of the single market programme. As the process of European integration deepened, and instruments of compensation for the least developed regions were put in place, as part of the single market initiative, cross-border co-operation boomed (Keating 1998, 180–1). By the end of the 1980s, the EU began to develop a series of financial instruments designed to promote territorial development and interregional co-operation in the less developed and peripheral areas of the EU member states and the new democratized Central and Eastern European countries, such as the INTERREG, PHARE-CBR and TACIS programmes⁸ (Bufon and Markelj 2010, 21).

A new doctrine of cross-border territorial co-operation was gradually being shaped under the broader community banner of 'social and economic cohesion' adopted with the 1992 Maastricht Treaty. By the early, 1990s, the European Commission took the lead as:

... the primary sponsor of a range of transnational and cross-border institutional initiatives, ranging from the planning of large-scale macro-regions encompassing two or more nation states... the development of inter-regional and transboundary urban networks; and the support of pan-European high-speed transport infrastructure aimed at moving Europeans further and faster than heretofore across 'friction-free' European space. (Kramsch and Hooper 2004, 2)

These political developments led to the proliferation of cross-border institutional arrangements from the Baltic States to the Balkans, from the Black sea to the Pyrenees. By the late 1990s, 'there was not a border in Western Europe that was not covered by some sort of transfrontier programme' (Keating 1998, 180). Of all EU internal borders, the

Portuguese-Spanish border was an exception to this trend: local and regional authorities were taking advantage of the EU regional development programmes, but no permanent co-operation arrangements were being made. The few cross-border political initiatives taking place were fund-driven and symbolic (Sidaway 2004, 173–90; Caramelo 2007, 383–448). Not surprisingly, the first Iberian Euro-region⁹ — Galicia-Norte de Portugal (*Eixo Atlântico*) — was a latecomer to this institutionalization process. It was established in 2008, 50 years after the first Euro-region was created.

The complexity of co-operation agreements celebrated at the sub-national level under the Madrid Convention and the need to ensure an adequate implementation of structural, cohesion and regional funds (Zapl et al 2010, 16), led the European Parliament and the Council of Ministers to set a standard territorial co-operation arrangement: the European Grouping of Territorial Co-operation (EGTC) (Regulation (EC) 1082/2006 of the European Parliament and of the Council adopted on 5 July 2006, under the co-decision procedure).

This new territorial cooperation tool claims two major advantages (Committee of the Regions 2007, 8–11): on the one hand, it confers public entities from different member states (i.e., regions, territorial authorities, municipalities, bodies of public Law and associations) more discretion to get together and institutionalize their co-operation arrangements as they see fit and without going through the signature of an international convention and the adoption of statutes that require state approval; on the other hand, it makes them more accountable and efficient in the use of EU funds by granting legal personality to the new cross-border entity.

Although it is still too early to speculate about the future of these new institutional arrangements, the first EGTCs seem to indicate that a new approach to territorial co-operation is emerging: whereas traditional Euro-regions were mainly cross-border neighbourhood units based on large transnational cooperation basins whose scope and competences were negotiated between national governments, EGTCs are ‘defined bottom-up on the basis of common needs, assets and a dense agglomeration of shared policy-making’ (Spinaci and Vara-Arribas 2009, 8).

For the time being, Euro-regions and EGTCs co-exist, but the future may unfold a different reality. Because the Committee of the Regions (CoR) has a specific consultative role in matters concerning cross-border cooperation (under Article 306 of the Treaty), and since the EU is providing funding for these new units, the likelihood is that EGTCs will overcome Euro-regions as models of cross-border cooperation and the CoR will become a major actor in that process. In effect, since 2008, the CoR has provided political support for the full implementation of the EGTC Regulation: it has passed two opinions on this matter, created a European Registry for the EGTCs, promoted networking amongst EGTC authorities and experts, organised high-level meetings and launched a large consultation in 2010. This is a clear sign of the leading role that the CoR wants to assume in this domain.

Why Certain Regions Cooperate and Others Don't? Drivers of Cross-border Co-operation

There is no single explanation as to why certain border regions cooperate and others do not. Cross-border co-operation is the result of the interplay of various drivers or facilitating factors. The way these combine varies from one border region to another.

Economic Drivers

One of the reasons for cross-border co-operation rests on local economic structures and dynamics:

Classical economic theory would suggest that the removal of barriers to trade, capital flows and labour mobility would lead to an equalization of production levels and living standards. Capital would move to depressed areas to take advantage of surplus labour and lower costs, and labour would migrate to growing areas in search of employment and higher wages. (Keating 1998, 162)

In other words, cross-border economic exchanges are unlikely to grow with debordering where border regions display completely different or completely identical economic structures. The functional logic of cross-border 'Co-operation requires a degree of complementarity and an observable opportunity to exploit these' (Keating 1998, 181).

Since co-operation is about opportunities, it raises different stakes to different players. Some economic actors will push for further co-operation, whereas others will remain indifferent. Locally based SMEs who wish to expand are, generally speaking, in favour of cross-border co-operation. They are the strong defenders of a functional logic of transnational industrial districts and science and technology parks. Large firms, on the opposite hand, have little interest in small-scale cross-border initiatives because they operate in the global economy: '[they] have their own connections, are linked more directly into global networks, and do not depend on the external economies of scale provided by proximity' (Keating 1998, 181).

Neo-functionalists argued that the growing trade exchanges and labour mobility paved by geographical proximity and economic complementarity would force political actors to respond to this mounting demand for deeper cross-border co-operation. Success in specific programmes or policy areas would result in a spill over demand for further co-operation in other areas. However, the belief that this more intense cross-border co-operation would lead to an erosion of symbolic borders and to amalgamation of the local populations on both sides of the border remains a utopia.

The reality of micro integration is more complex. Most of these exchanges pass through the filter of institutions and the culture and interests of actors. Increased functional cross-border co-operation does not necessarily lead to greater social and political integration: 'There is no automatic spillover from functional integration across the border into political and social integration. Rather, political considerations are prior and linkages are dominated by public officials' (Keating 1998, 182–3).

Political Leadership Drivers

The improvement of government relations between neighbouring countries can have a positive impact on mobility and co-operation rates in border regions by increasing the number of partnership projects and private investments. In other words, a stable climate of inter-governmental co-operation allows for interregional co-operation, which, in its turn, can facilitate cross-border business initiatives.

Further to the existence of complementarity assets within each region, cross border co-operation also requires precise projects to realise them, the availability of resources and an adequate organizational structure to carry these out, and a good doses of political commitment.

Cross-border co-operation involves a variety of actors with different roles, perspectives and commitments. The position for or against depends on the old *realpolitik* formula ‘Who gets what, when and how?’: what degree of co-operation is envisaged, what resources will be used or redirected to achieve it; and what implications will the new co-operation arrangements have upon the balances-of-power between the different tiers of government and local business interests.

The belief that cross-border co-operation processes are always supported by local populations and business communities is illusory. The first Euro-regions that emerged in Europe’s trade belt were supported by local associations and entrepreneurs (*bottom up cross-border co-operation*), but these tend to constitute an exception rather than the rule. The majority of Euro-regions are politically led projects (*top down cross-border co-operation*). In other words, ‘Euroregions don’t automatically mean the involvement of citizens in the process of micro and macro integration’ (Pasi 2007, 76). This being said, once Euro-regions are established and their work becomes an asset to the daily life of local populations, it helps to diffuse a ‘European way of thinking’.

The belief that local political actors are devoted to cross-border co-operation without economic considerations is also erroneous. Local politicians tend to regard cross-border co-operation arrangements as a mechanism to access additional resources (Scott 2000; Kramsch and Hooper 2004; Pasi 2007) and pressure for EU funded public investment on infrastructural and business promotion projects to their region (Heddebaut 2004, 84). However, the gains of cross-border co-operation and their redistribution obey to a competitive logic.

Political actors on each side of the border have to respond to their own constituencies and clientele, and this is not always consistent with cross-border objectives. The question is how to make co-operation a positive sum to both sides, so that sectoral interests on either side of the border do not interpret these projects as a threat to their interests, but on the contrary, see it as an opportunity for development and better quality of life. This is the reason why compensation instruments have to be put in place.

Cross-border co-operation works on top of these very fragile balances and compromises, and this has important implications in terms of public spending. Not surprisingly, EU regional development financial instruments

are often designed and implemented according to national political priorities and interests, instead of a European rationale.

Cross-border co-operation can become purely symbolic, budget-driven and characterized by a series of window dressing initiatives with no structural impact to the market players and the local populations:

Frequently, joint programmes amount to little more than parallel efforts, separately mounted, or the relabeling of existing activities. Only in specific projects, such as a river crossing or an environmental clean-up, is genuinely joint action commonly found. (Keating 1998, 182)

The degree of success of these joint co-operation projects is also dependent on the structure, competences and resources of border local/regional authorities. Co-operation requires that the sub-national authorities in question have sufficient institutional capacity to enter and participate actively in these cross-border arrangements (Keating 1998, 181; Halás 2007, 24).

Last but not least, success in achieving cross-border co-operation depends, to a large extent, on individual political entrepreneurs, their continued interest and ability to mobilize local support to these initiatives (Keating 1998, 182; Heddebaut 2004, 82; Halás 2007, 29).

Cultural/Identity and State Formation Drivers

The founders of the European Union had long heralded ‘a borderless Europe’ in which European peoples kept their cultural differences, but no longer regarded each other with contempt. They had to believe that a richer European culture and identity would emerge out of the growing fluxes of exchanges and mobility. The American analogy of the melting pot as the final product of integration was in the back of their minds.

The state as a territorially defined political unit has historically encapsulated a community with particular cultural attributes, but it has never been a sealed reality. The borders have always been porous: ‘no place can be considered as a self-contained system. Boundaries are unstable and fluctuating, yet a sense of place often remains’ (Keating 1998, 8).

For that reason, this sense of space has been socially reproduced and transmitted in time through identity building processes, such as: the adoption of national conscription (military service often removed young men from the ignorant peasantry at the fringes and inculcated an ideology of nationalism); the introduction of universal education; the standardization of a national language and value systems; etc.

The becoming of an independent nation-state meant the elimination of competing regional integration processes and cultural deracination at the fringes. State building presupposes integration of a given community under the same jurisdiction: ‘A territorial society has a cohesive identity’ (Keating 1998, 1). As Reitel explained:

Pour les États, la territorialisation consiste notamment à réduire l’hétérogénéité culturelle et l’anisotropie. L’État produit ainsi un ensemble de symboles qui vont contribuer à renforcer la cohésion nationale. Il

construit un système sémique qui va permettre de distinguer son territoire des autres territoires. Ce système se présente comme une combinaison qui comprend plusieurs dimensions: juridique, fiscale et militaire. La congruence des dimensions sur une même ligne souligne l'émergence de consciences identitaires. (Reitel 2010, 292)

The territorial dimension of the State shapes local populations' identity and perceptions about their neighbours and have a structural impact on levels of cross-border co-operation. As van der Velde and van Houtum explained, the low level of cross-border labour mobility 'is not merely a matter of failing to recognize opportunities because of existing differences', but 'a matter of *indifference* towards the 'Other side', the 'market' across the border' (2004, 51). In principle, it is more common that border regions sharing similar language, cultural elements and value systems find it easier to trust each other and cooperate. Not surprisingly, one of the early cross-border co-operation institutional arrangements in Europe took place between the Scandinavian countries.

Historically, however, language has not played a constraining role on levels of cross-border commercial transactions and/or institutional co-operation. Europe's Roman trade-route belt, from the Italic peninsula to the Hanseatic bay was composed of city states and leagues with different cultural, religious and linguistic traits, and this has never constituted an obstacle to intense trade flows and capital accumulation. On the contrary, the founding member states of the EU and the early Euro-regions are located in this geographical area and constitute the nucleus of what is today the European Union. According to Stein Rokkan (1999, 167–8), it is no accident of history that Europe's city-belt displays a higher propensity for regional integration and cross-border co-operation. The fact that consociational or confederate state-formation process may produce more permeable border identities should not be overlooked as an explanatory hypothesis for more frequent and durable cross-border co-operation.

There is continuity between the formation of the modern state system in Europe and the construction of Europe. The mode of how a border was drawn, peacefully or violently — by war, winner-takes-it-all peace settlements, secession and other border conflicts — has an impact on cross-border co-operation, in particular in young borders (Langer 2007, 17). Although many of the Euro-regions arrangements in Central and Eastern Europe internal borders are better characterized as a pre-accession or fund-driven strategy, one should not downplay the weight of history in the region. Paraphrasing Rokkan, the remarked variations in the degree of cross-border co-operation and integration processes achieved at the micro and macro levels are part of a broader trajectory of European political development from the collapse of the Roman Empire until the present, hence they cannot be explained 'without going far back in history, without analysing the differences in the initial conditions and the early processes of territorial organisation, of state building, of resource combination' (1999, 135).

Geographical Drivers

Geography is often the most important driver to functional co-operation as it forces neighbouring authorities to negotiate, implement and administer joint infrastructure projects, such as the construction of a bridge, road, dam, etc. Environmental policy issues (such as the use of water from shared rivers) and judicial co-operation (in particular with regard to cross-border criminality and terrorism) can also produce positive-sum outcomes to neighbouring authorities.

Border regions where accessibility differences are not so pronounced are likely to see their co-operation intents facilitated. Having said this, the Channel Tunnel is a good example of how accessibility obstacles can be overcome by business interests and political will.

Geography facilitates cross-border political initiatives to control or manage shared concerns and assets, but does not necessarily lead to greater rationalization of resources. As already mentioned, national and local politicians respond to their own constituencies, hence they have little interest in entering co-operation arrangements that might result in a withdrawal of services from their region in favour of common public services, supported by common budgets and policy objectives, unless some compensation mechanisms are put in place. Moreover, their mandates are limited in time and some of these arrangements would take a few years to produce visible results, hence without any electoral appeal. More often than not, there is a waste of resources because there is a duplication of services that could serve contiguous regions.

Conclusion

Cross-border co-operation is a learning process. What we are witnessing today is an extraordinary degree of institutional experimentation at the fringes of nation states. Not surprisingly, the European Commission termed Euro-regions 'the laboratories of European integration' (Kramsch and Hooper 2004, 3). Some of these 'experiments' have had a marginal impact on local economies and the wellbeing of local populations. (In)succes should be put into perspective: the 52 years of cross-border co-operation in the context of European integration are still an infant compared to a state system which lasted for more than 300 years.

No rapid results should be expected. Creating a new tier of regional governance, even of a cross-border nature, 'requires not merely that there should be a functional logic to justify it, but also that the political conditions be present for a broad coalition in support of it' (Keating 1998, 60). For the time being, most of the cross-border co-operation arrangements and the institutions that embody them are political and administrative bodies of a technocratic nature, unknown to the local populations, regardless of the degree of success in fulfilling their designated objectives.

Although European integration has raised various incentives for cross-border co-operation, there are still many visible and non-visible barriers inhibiting the implementation of a new tier of shared governance at the border regions. These can be resumed in two major obstacles:

institutional diversity and lack of financial autonomy to pursue joint programmes.

States that share borders are of a different organization nature hence the repartition of powers and the degree of autonomy of decentralized units varies considerably from one country to another. Some border regions are able to conduct joint programmes because they have the leadership, organizational structures, competences and resources to do so. In other cases border political authorities (municipalities, counties, regions) are allowed to enter co-operation agreements, but central government remains in control of the nature and scope of the agreements and the resources allocated to pursue it. Differences of spatial planning on state services, industrial or technological parts and transport/communication routes also exist across the borders and they are not easy to integrate in order to produce a common planning based on a functional cross-border logic rather than a state one (Heddebaut 2004, 74–5).

Another remaining problem is the strong dependency of these new entities on EU financial instruments that lack a cross-border planning vision. Most Euro-regions are not self-financed; they live on projects and financial programmes. Without a global budget for the Euro-regions covering the financing of cross-border integrated projects (Heddebaut 2004, 77), the likelihood is that the impact of these new territorial governance institutions will remain marginal and limited to lower levels of co-operation (of a symbolic rather than structural nature).

What are the implications of the expansion of Euro-regions to the wider European project?

Cross-border co-operation arrangements have now been integrated into the EU legal framework. The proponents of this new bottom-up approach to territorial co-operation argue that cross-border co-operation will move from being marginal, specialized and (often) informal set of arrangements to become stronger, more legally certain and transparent organizational features of the EU institutional architecture. The new EGTCs are expected to play a greater role in setting the regional policy agenda. This may eventually give a new impetus to the CoR in the EU decision-making.

It is yet to be seen, whether this new approach will foster greater and deeper territorial co-operation, as proclaimed by its proponents (Kramsch and Hooper 2004, 3). The logics of territorial co-operation are not dependent on legal frameworks, but on opportunities, incentives and political outcomes. Success in achieving cross-border depends, to a large extent, on the willingness of political leaders and business entrepreneurs to overcome entrenched historical, identity and political divisions and their strong commitment to Europe: 'this provides an incentive for transfrontier initiatives and a context and support system for them' (Keating 1998, 183).

Finally, some authors have raised concerns whether such proliferation of cross-border arrangements could further weaken the nation-state and contribute to the redrawing of 'a political Europe with administrative structures similar to the pre-modern age, except that Europe would be organized in Euroregions instead of dukedoms or Kingdoms' (Langer 2007, 15). There is little evidence that Europe is evolving towards

‘feudalization’. Instead, these new territorial units are part of a multilayered and polycentric governance system in constant redefinition.

The EU is a complex process of integration that involves abolishing and redrawing boundaries internally and externally and the emergence of new forms of territorial co-operation. As Keating alerted, ‘territory and function are linked in complex ways and the territorial logic of functional processes is constantly reasserting itself, often at new and unfamiliar territorial levels’ (1998, 3), hence it is not excluded that the EU evolves along the lines just described. For the time being, however, cross-border co-operation only concerns the closer border communities and represents a marginal volume of economic transactions, hence compatible with the role nation states play in the European construction.

Notes

1. The INTERREG is a Community financial instrument, which aims to stimulate interregional co-operation in the European Union. It started in 1989 and is financed under the European Regional Development Fund (ERDF). The programme is divided into three strands: Interreg A, Interreg B and Interreg C. Strand A is devoted exclusively to cross-border co-operation between adjacent regions through joint development strategies, such as the promotion of urban, rural and coastal development; the creation of industrial technological parks; the development of local employment initiatives in particular in the tourism sector; assistance for labour market integration and social inclusion; the improvement of transport, communication and information networks and environmental protection, water and energy systems; etc. Interreg A is by far the largest strand in terms of budget and number of programmes. The current programme is Interreg IV, covering the period 2007–2013.
2. Also known as Euroregion, Euregio, Euregion, Europaregion, Grand Region, Regio and Council. In some cases, the label Euro-region is not used at all, such as the ‘Nova Raetia’, which is composed of territorial communities of Switzerland, Italy and Austria.
3. The legal status of Euro-regions varies. It may involve a community of interests or Working Community without legal personality or a Euro-region of public or private law nature. In some cases these bodies are regulated by multilateral or bilateral state conventions, in other instances, the agreements regulating these bodies are celebrated between regional/local authorities. Although, in theory, Euro-regions are meant to have broader objectives and competences than Working Communities, in practice, the dividing line between these two types of institutional cross-border arrangements is not so clear-cut (Medeiros 2009, 55). In order to simplify the analysis, this paper will focus only on Euro-regions.
4. For further information, please consult: <http://conventions.coe.int/Treaty/en/Treaties/Html/106.htm> (available online on 29 May 2010).
5. Or ARFE — Association des régions frontalières européennes, in French.
6. According to the Association of European Border Regions (AEBR), the number of Border and Cross-border Regions amounts to nearly 190. For an overview of the list of existing Euro-regions, please consult the following web sites: http://www.coe.int/t/dgap/localdemocracy/areas_of_work/transfrontier_cooperation/euroregions/euroregions_EN.asp (available online 31 May 2012); <http://www.euregio.nrw.de/links.html> (available online 31 May 2012); http://www.aebr.eu/en/members/list_of_members.php (available online 31 May 2012).
7. It should be noticed, however, that the Benelux custom’s union was ratified in 1947, ten years before the signing of the Treaties of Rome (1957).
8. PHARE–CBBR — Poland–Hungary Assistance for Restructuring the Economy — Cross-border Relations. TACIS — Technical Assistance to the Community of Independent States.
9. The second Iberian Euro-region ‘EURO ACE’, which comprises three Iberian border regions — Alentejo (Portugal), Centre (Portugal) and Extremadura (Spain) — was founded on 21 September 2009 and the third, the ‘EURO AAA’ was created on 5 May 2010 between the border regions of Alentejo (Portugal), Algarve (Portugal) and the Andalusia (Spain).

References

- Albert, M., T. Diez, and S. Stetter. 2008. The transformative power of integration: conceptualizing border conflicts. In *The European Union and border conflicts: the power of integration and association*, eds. T. Diez, M. Albert, and S. Stetter, 13–32. Cambridge: Cambridge University Press.
- Aron, R. 1966. *Peace and war: a theory of international relations*. Garden City, NY: Doubleday.
- Bufon, M., and V. Markelj. 2010. Regional policies and cross-border cooperation: new challenges and new development models in Central Europe. *Revista Română de Geografie Politică* XII, no. 1: 18–28.
- Caramelo, S. 2007. *União Europeia, Fronteira e Território*. Porto: Campo de Letras.
- Committee of the Regions. 2007. *The European grouping of territorial co-operation (EGTC)*. Brussels: EU publications.
- Committee of the Regions. 2009. *The European grouping of territorial co-operation (EGTC). State of play and prospects*. Brussels: EU publications.
- Halás, M. 2007. Development of cross-border cooperation and creation of Euroregions in the Slovak Republic. *Moravian Geographical Reports* 15, no. 1: 21–31.
- Harguindéguy, J.-B. 2007. *La frontière en Europe un territoire? Coopération transfrontalière franco-espagnole*. Paris: L'Harmattan.
- Heddebaut, O. 2004. The EUROREGION from 1991 to 2010. In *Cross-border governance in the European Union*, eds. O. Kramsch and B. Hooper, 70–87. London: Routledge.
- Keating, M. 1998. *The new regionalism in Western Europe. territorial restructuring and political change*. Cheltenham: Edward Elgar.
- Kramsch, O., and B. Hooper. 2004. Introduction. In *Cross-border governance in the European Union*, eds. O. Kramsch and B. Hooper, 1–21. London: Routledge.
- Langer, J. 2007. Euroregions – benevolence or deception? In *Euroregions — The Alps — Adriatic context*, ed. J. Langer, 9–27. Frankfurt am Main: Peter Lang.
- Medeiros, E. 2009. *Transfronteira na UE. Os casos de estudo do INTERREG-A nas regiões de fronteira: Portugal - Espanha e Suécia - Noruega*. Lisboa: Centro de Estudos Geográficos da Universidade de Lisboa.
- Pasi, P. 2007. Euroregions as micro-models of European integration. In *Euroregions – the Alps–Adriatic context*, ed. J. Langer, 73–9. Frankfurt am Main: Peter Lang.
- Reitel, B. 2010. Le Rhin Supérieur, une région transfrontalière en construction? Une approche géographique d'une situation frontalière. In *Vivre et penser la coopération transfrontalière (Volume I): les régions frontalières françaises*. [Contributions du cycle de recherche sur la co-operation transfrontalière de l'Université de Strasbourg et de l'Euro-Institut de Kehl], ed. B. Wassenberg, 289–306. Stuttgart: Franz Steiner Verlag.
- Rokkan, S. 1999. *State formation, nation-building, and mass politics in Europe: the theory of Stein Rokkan: based on his collected works*. Oxford: Oxford University Press.
- Scott, J.W. 2000. Euroregions, governance, and transborder co-operation within the European Union. In *Borders, regions and people*, eds. M. van der Velde and H. van Houtum, 104–15. London: Pion.
- Sidaway, J.D. 2004. The choreographies of European integration: negotiating trans-frontier co-operation in Iberia. In *Cross-border governance in the European Union*, eds. O. Kramsch and B. Hooper, 173–90. London: Routledge.
- Spinaci, G., and G. Vara-Arribas. 2009. The European Grouping of Territorial Cooperation (EGTC): new spaces and contracts for European integration? EIPASCOPE 2: 5–13. Available online: http://aei.pitt.edu/12379/1/20100114121643_Eipascope_2009_2_Article1.pdf
- van Houtum, H. 2002. Borders of comfort: spatial economic bordering processes in the European Union. *Regional and Federal Studies* 12, no. 4: 37–58.
- van der Velde, M., and H. van Houtum. 2004. De-politicizing labour market indifference and immobility in the European Union. In *Cross-border governance in the European Union*, eds. O. Kramsch and B. Hooper, 41–55. London: Routledge.
- Zapletal, J. 2010. The European Grouping for Territorial Cooperation (EGTC): a new tool facilitating cross-border cooperation and governance. *Quaestiones Geographicae* 29, no. 4: 15–26.