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Regions in the European Community edited by Michael Keating and Barry Jones

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Book Review

REGIONS IN THE EUROPEAN COMMUNITY. Edited by MICHAEL KEATING AND BARRY JONES. Oxford University Press, New York, 1985, 250 pp.

Regions in the European Community is an attempt by its authors to look out for the "little guys." As the European Economic Community (EEC) becomes a stronger political and economic organization, there is a great need to examine the issues raised by this important book. These issues center around specific European regions attempting to promote, and also protect, their interests in light of the EEC's movement toward Europeanism, whereby a unified European system will evolve.

This book is structured as a compilation of various case studies of specific European regions written by eminent scholars with intimate knowledge of these regions. The regions are Scotland, Wales, and Northern Ireland along with various regions located in England, Italy, Germany, and the Republic of Ireland. Along with these case studies, the book's editors have included an introductory chapter which provides useful background information pertaining to the structure of the EEC and how its decisionmaking mechanism works.

Also included in the introduction are the main issues addressed by the authors of the case studies.¹ Recognition of these issues will provide the reader with a useful scope that at times may be helpful to avoid getting bogged down in all the technical terms and confusing statistics. The authors are helpful in this respect because they make repeated references throughout the book to these same issues which were addressed at the beginning.

The first issues examined in the book concern the influence of regional interests, both governmental and private, on the Community's decisionmaking process.² As the case studies emphasize, the Commission often depends upon the central governments to provide the information used to make its decisions. The best example of the dominance of central governments in Commission decisionmaking is provided by the various case studies on the United Kingdom. The central government in London has set up its own offices to represent the interests of Scotland,³ Wales,⁴ and Northern Ireland⁵ in all decisions made in

¹ Keating & Jones, Regions in the European Community 6–7.

² Id.

³ Id. at 64–66. ⁴ Id. at 92–96.

[·] *1a*. at 92–90.

⁵ Id. at 110–15.

Brussels. The effect of this system is that in order for any region within the United Kingdom to express its interest in any matter pertaining to the Community it must first act through the central government as an intermediary party. This system allows a great deal of discretion to the central government to decide for itself which regional issues and projects will be discussed at the Community level.

On the other hand, the case study of Germany provides an example of a federal system which affords regional authorities a better opportunity for direct communications with Community officials in Brussels, albeit on an informal basis.⁶ While the German government has taken a stronger position in representing German interests before the Community, the German Lander (regional representatives) have gained a de facto participation in most administrative and advisory bodies of the Community. The other case studies provide examples of regional systems that fall somewhere between the British and German models. Often, the degree to which regional authorities will seek out direct contacts in Brussels will depend on whether the central government has taken an active part in representing regional interests at the Community level. Subsequently, the authors devote much attention to exploring each nation's system of representation and its relative effectiveness.

The second issue examined in this book concerns the administration of the Community's own regional policies.⁷ The introductory chapter explores in depth the various programs developed by the Community to aid regional interests. The one program that undoubtedly stands out in the case studies is the European Regional Development Fund (ERDF) The ERDF awards grants to public or private organizations in depressed or underdeveloped regions for industrial or infrastructure investment. The vast majority of ERDF funds are granted on the basis of a quota system, whereby the most money, theoretically, goes to the neediest areas. As the authors indicate, though, ERDF funds are quite limited and this fact creates a very competitive atmosphere where the central governments are responsible for determining which projects are most worthy of Community funding and then submitting applications to the Commission for approval.

In regard to the first issue, concerning the influence of regional interests on the Community's decisionmaking process, this system of ERDF distribution places primary emphasis on the central government and not the regions themselves in determining where Community funds are committed.⁸ Consequently, if the central government does not have up-to-date or adequate information

⁶ Id. at 180-82.

⁷ Id. at 7.

⁸ Id. at 37.

BOOK REVIEW

concerning regional needs, the result is often that ERDF awards do not end up in the neediest areas.

The Community is trying to change this unfair result by implementing a reform to the ERDF regulation whereby all future awards will be granted only to regional programmes and not specific projects.⁹ In the past, central governments have applied for ERDF funds as a form of compensation for capital expenditures or projects already begun. These projects were rarely the ones most critical to regional interests though. The authors focus on the concept of additionality, whereby the ERDF reforms will require central governments to submit comprehensive, long-term programmes that will necessitate ERDF funding in addition to government funding. The Commission hopes these reforms will allow for greater regional participation in programme development and also change central governments' perception of the ERDF as a compensatory windfall.¹⁰

The third issue examined in this book concerns the use made of Community regional policies by regional interests, national governments, and the Community itself.¹¹ This issue is perhaps the most pervasive in the case studies because it necessarily draws together the two issues previously discussed. The empirical data provided in the case studies indicate the manner in which the various Community policies are implemented. Yet, the position taken throughout the book is that it is not as important where the funds ended up as it is how they got there. This book is not intended as an economic evaluation of the impact of Community policies.¹² Rather, the case studies are more interested in exploring the system itself in hopes of shedding some light on the areas in need of reform and the ways in which the Community can be more productive in helping to develop regional economies.

In pursuit of the goal of systemic analysis, each case study delves deeply into the underpinnings of the central system of Community representation and how the system affects regional aspirations. The book is filled with descriptions of regional organizations created as a means of bypassing the central government where the latter has failed to adequately represent regional interests at the Community level. Perhaps the best example of this type of organization mentioned in the book is the Conference of Peripheral Maritime Regions (CPMR) discussed in the chapters on Scotland,¹³ Wales,¹⁴ and especially the Republic of

1988]

⁹ EC Commission, Proposal for a Council Regulation amending Regulation (EEC) 724/75, COM (81) final, 27 Oct. 1981, and EC Commission, Proposal for Council Regulation amending Regulation (EEC) 724/75, COM (83) 649 final, 18 Nov. 1983.

¹⁰ Regions in the European Community 37.

¹¹ Id. at 7.

¹² Id.

¹³ Id. at 69.

¹⁴ Id. at 106.

Ireland.¹⁵ Independent organizations like CPMR are becoming increasingly popular in regions which are not adequately represented by their central government and have a great need for Community assistance. The hope is that these independent organizations will become strong enough to provide a direct link between the Community and the interested region.

The strength of this book lies in its ability to utilize the regional analysis to focus on the weakest aspects of Community policy and Europeanism in general. The chapters explore the general lack of enthusiasm expressed toward membership in the EEC by most member states. The problem lies in the fact that these nations are interested in belonging to the EEC only to the extent that membership will benefit their individual self-interests. When the Community or its ideology threaten national autonomy, national governments' response is often one of mistrust and resentment. If there is a contradiction that forms the basis of the book, it is that although the Community's vitality is derived from the manner in which it strengthens the position of individual member states. These member states identify with the Community only to the extent that they are able to derive benefits from it.

The main issue that pervades the book concerns the way in which the member states selfishly approach the EEC, leaving very little room for regional representation. When a specific region does not receive adequate representation, its only chance for redress is by attempting to form its own direct link with EEC officials in Brussels. When the region is successful in forming this link, its central government will often perceive of it as an encroachment on its autonomy and a threat to its national identity.

Consequently, while it is in the best interest of the Community to help develop all regions in need of assistance, and thereby build a stronger Europe, it often cannot do this without provoking the hostility of its member states. This fact has resulted in the Community deferring a great deal of authority to member states on regional matters. An example of this deferrence is the unanimity rule for the Council of Ministers whereby any regional policy passed by the Commission will only be approved if there is a unanimous vote from the Council, a body comprised of representatives from the central governments of all member states.¹⁶

Based on the strength of the individual case studies, and the fact that the editors have provided useful introductory commentary, *Regions in the European Community* should prove to be an instructive work for scholars and practitioners. The book successfully demonstrates that the problems facing the regions in the

¹⁵ Id. at 217-19.

¹⁶ Id. at 32.

BOOK REVIEW

EEC are merely the flipside of the same problems facing the Community as a whole in its attempted movement toward Europeanism. The authors provide many examples of existing problems and the ways in which regional authorities and the Community itself have attempted to overcome them. The attempt to reform the ERDF regulation in favor of a programme approach is one example of how the Community has dealt with regional problems. It will be interesting, however, to see how effective these reforms will ultimately be, given the lack of enthusiasm for them expressed by member states.

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1988]