"Regional policy in Greece of tomorrow. The perspectives of the "broader regions"

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Abstract: (English) Greece's economic disparities between regions can be gapped by economic and policy changes to the structures and administrative boundaries of its existing regions. It is believed that the proposed changes will bring together richer and disadvantaged areas on the same team, sharing their respective strengths and expanding their new joint economy as a stable and self-contained and self-sufficient micro-economy of the new redefined region – the Macro Region. In this paper we discuss how this economic model would work based on very specific success factors and particular quality criteria. As an illustration we expand the concept to the case of the new proposed Macro region of Epirus-Macedonia-Thrace located in the northern part of Greece. The suggested redefinition of Macro Regions offers many opportunities for the upgrading of the current administrations and infrastructures and allows passing the Sustainable Development of Greece from the European Union right down to the practice of the local governments and administration of the Macro Regions.

Key words: (English) Regional Economic Disparities, Sustainable Development, Greece, Reorganization of Local Economy and Administration, Macro Region.

1. New administrative borders and structures for Greek Regions

In Greece, the laborious and costly effort of regional growth which took place over at least two or more decades, did not lead, until today, to the lifting of impressive inequalities of economic, social and cultural characters, between the regions, and in particular between the country's administrative center and its regions¹. Without this implying a change of perspective at the level of the negotiations within the regional council of the European Union, the proposals for a reorganization from now and forward are now combined towards a consolidation containing less (passing from 13 to 5 or 6) of the administrative regions of the country, thus allowing these new regions to obtain a more dynamic character, with a more rational layout which would replace the limits of the existing regions of today (**Map 1**), which had been formerly determined with other criteria and goals which cease anymore to apply².

¹Thorough investigations of regional growth on the level of the European union show a tendency allowing a comparison of the inequalities marked not between the regions of the member states, but between the regions of each member state of the European Union which are being compared with the areas which are geo- economically favored which because of this fact have been able to develop more quickly.

With the presidential decree 51/1987, characteristic is the case of the region of Western Greece, which comprises a portion of the geographic region of the Peloponnese (Prefectures of Achaia and Elias) and a portion of the geographic region of continental Greece (Prefecture of Etolia and Acarnania).

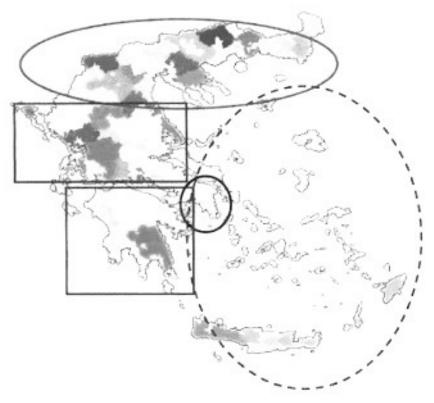


Map 1. Administrative Regions of the Greek Territory – Current Situation:
[1] Eastern Macedonia and Thrace, [2] Central Macedonia, [3] Western Macedonia, [4] Epirus, [5] Thessaly, [6] Central Greece, [7] Western Greece, [8] Ionian Islands, [9] Peloponnese, [10] Attiki, [11] Islands of the Northern Aegean, [12] Islands of the Southern Aegean, [13] Island of Crete.

The administration of the State, according to the Greek constitution (article 101), is based on the foundation of a decentralizing system and the administrative division of the country is formed on the basis of geo-economic social and of communication conditions and considerations.

In 1987, with the corresponding presidential decree (51/1987) for reasons of good functioning of regional policy, Greece was divided into 13 administrative regions, which are in place even today, these are: [1] Eastern Macedonia and Thrace, [2] Central Macedonia, [3] Western Macedonia, [4] Epirus, [5] Thessaly, [6] Central Greece, [7] Western Greece, [8] Ionian Islands, [9] Peloponnese, [10] Attiki, [11] Islands of the northern Aegean, [12] Islands of the southern Aegean, [13] Island of Crete.

In certain cases (Western Greece, Peloponnese, etc.) in agreement with the politico-geographical division with the geographical limits of the 9 established departments of the country are not observed (it is for that reason that there is not numerical correspondence between the geographical regions and departments). Whatever the case, the existing structure of the regions of the country was proven, as we specified it previously, non-satisfactory to face the socio-economic and administrative modern needs, both for the country itself than for the European Union. It was recently communicated by the State (at the end of 2005, representatives and advisers of the public administration, and distinguished researchers participating in scientific congresses or even members from the press) that Greece will be reorganized again in two directions of shapes of organization. The first direction concerns the creation, as was communicated, of five macro-regions or economic regions (Map 2) with accent on the functioning and economic planning and the second direction concerns the reinforcement of the existing functioning as for example of the institutionalization of the Regional Council.



Map 2. The proposed Macro Regions of Greece. In the current article is analyzed in more detail the case of the Macro-Region of Epirus – Macedonia - Thrace (the most northern circle on the map)

In our opinion was undertaken the road of the progressive changes which can be marginal but are, at the same time determining for the future regional reorganization of the country. Moreover, it is known that the economic model of the macro areas is a proposal - urgent solution for the absorption of the resources of the 4th support framework of the E.U., until the year 2013, it is given also that this will also be the principal interlocutor with the European Union for the planning of the choices for regional growth.

In supplement, the new entity of the macro economic region accepts strong critics of important decisions on behalf of the representatives of the administration in favor of the decentralization of institutional operation, such as for example with the operation of regional planning in construction, which shows a tendency towards the exclusion of this entity which constitutes an important factor of the growth of the territorial entities.

However, in spite of important the first modern steps of choice of regional policy, the structure of the Greek State remains as follows: Central State, five regions of development, thirteen administrative regions, fifty-three prefectural autonomous administrations, thousand thirty-two Local Authorities. Of the shapes presented above, is also distinguished the different role of their competencies, which confusing situations drive during their exercise to the administrative forms which coexist and coincide.

2. The Advantages of the Macro Region as an Economic entity

We consider however that a first great step towards the delimitation of the region in the broad sense of Greece took place as a territorial entity on which need to be exerted, first, policies of regional growth not only viable or bearable, but which are worth to be lived. Further, we consider that this flexible form of the region in the broad sense or Macro region will be adapted more easily to the particular conditions which will be created with the European countries for the concretization of the 4th community support framework.

The theoretical opinion on regional growth reinforces the choice of the creation of the Macro Region as an economic entity because of the unification of the areas under growth will take place and greater forms which will very intensely fill the responsibilities for the basic theories of the regional economic theory. More especially, according to the theory of the poles of growth we consider that a concentration of the economic activities on concrete spaces of Macro Regions or Region in the broad sense and the economic activities organized of this region will increase the revenue of the new region in its entirety which will be greater than that which came from spread apart economic activities which were spread at random from small regions with unequal economic indicators of choice which often generate conflicts.

Moreover, we consider that according to the theory of growth presented below, that the space of the Macro Region fills satisfactorily and more amply the condition of competency of the objective of endogenous growth which produces the social transformation.

The endogenous growth and according to this case will be unique and important for the whole of the territorial units of the smaller regions, which sometimes are developed asymmetrically and present an imbalance.

Moreover, easier endogenous growth, now, because of its sizes, will be also dispersed with the external environment of which it will accept important influences, still because of the wide fields of economic activities, such as for example of extended markets, greater volumes of various exchanges, etc. Consequently, according to the objective presented above we can conclude that the strategy of development of the Macro Region will be more effective compared to the regional policy of the European Union.

Lastly, we consider that the macro Region will more entirely satisfy the essential goal of the strategy of development which is based on technology and innovation. With its wide space it is possible to constitute a single whole of areas on which will be exerted policies of influences and symbols on the critical variables which involve the increase of the competitiveness of the economy and most important these variables which are technology, innovation and more particularly the university as well as the market with the characteristics of the Macro Regions.

Consequently, the Macro Region as an economic entity meets the conditions of the theories of regional development for growth in a more satisfactory way for its smaller territorial unit or smaller area under fusion.

In an older scientific proposal, we had determined as a traditional example the Macro Region or of a region in a larger sense with economic entity - i.e. space of economic activities of more competitive economy including/understanding an important extraverted direction - the area of northern Greece which would include/understand the current areas of the continent, of Macedonia and Thrace. We had, moreover pointed out, the important influence and the effect which exert a such part of the organization on the Balkans country and conversely on that of Europe.

The earth policy of the reorganization of the regions concretized, today, does not differ much from the spirit of our thoughts and our proposals, so much in their economic form as on their determination of regional planning which constitute the first solid step for our passage to the discussion of this important question of the administration and decentralization of the Macro Regions.

The new area can exert from the point of view of its regional economy a public policy made up, including/understanding several axis among which those of planning, management, and the follow-up, control, appreciation of growth, etc, which constitute productive or economic activities of the public or private sector. This one can function effectively, up to the point where the economic region starts to receive a new form of organization and of decision ordered by the State.

3. Fundamental property of regional Planning for the Macro Region

The administrative structure of the country, like it was formed the three last decades, did not correspond, like proven by experience, with long-term requirements.

Divergences of national accounting with measurements and corresponding averages of the other Member States of the European Union, but also with the weakness of concretization of other important works of development at the national level or at the regional level and finally the non achievement of balanced growth confirm the need for the reorganization of the existing regions of the country, with respect, of course, to local traditional criteria and geographical criteria but also concentration on the questions of economic and regional planning. This being the case because the delimitation is based on the economic program of growth which can have economic areas of activity in most of the regions or of the sectors of the economy of trans-regional character.

Fundamental parameter is, moreover, the right demographic distribution with reinforcement of the regions, which are characterized by demographic weakening and ageing of the population and migratory movements of young people towards Athens and Thessalonica, and far from the urban centers apart from the administrative region itself. Given the modern major problem of unemployment and weak rate of utilization of the working population, pre condition to the creation of jobs through incentives and establishment of measures of jobs creation and of installation of structures of employment, of installation of companies, etc, which must constitute the fundamental point of the corresponding institutional framework.

The junction of less dynamic regions with others, which are dynamic and prosperous, will lead the first towards a faster and surer walk of their growth, with greater constant possibilities of growth and concretization of significant work of regional and of national importance. Interior competition at the level of the Macro Region will lead to an increase in the level of the procedure of production and increase in the provision of services on the scale of the country, within the framework of international competition.

Example worthy of confidence of planning and of concretization of public works of Macro Region is that which will include/ comprise Epirus, Macedonia and Thrace, in the north of the country, where the series of all its terrestrial borders, with States having a characteristic which is clean of social order, of political and economic importance and conditions of development, with regard to their co-operation and their intentions of insertion and their integration within the European Union. This contiguity promises many positive results to the sector of the economy and the growth, it includes/comprises however also social risks, legal risk, for the environment and having other characteristics (trans-border pollution, illegal immigration, illegal imports of products, etc.), which must be envisaged, whereas the Macro Region constitutes in the north of the country the door of entry to Greece, the access to the country for those who are not members and those which are a part of the European Union. It will still constitute the first image, and it will give the first impressions of the country, mainly for the visitors having crossed the border in the north of the country. Protection on time and the convenient corresponding reinforcement of the borders of this Macro Region will ensure substantial safety, with the capacities but also with the reliability of the country.

4. The case of the Macro Region Epirus -Macedonia -Thrace

The participation of the country to the E.U and its integration to the monetary union, contribute to the effort of elimination of inequalities at the regional level (reference to the E.U and national averages), with policies and incentives through the community support framework. This last point increases significantly the perspectives of dynamism and the potential of the macro-region Epirus –Macedonia -Thrace to the wider geographic region. The administrative junction of Epirus and Thrace with the most developed and strongest region of Macedonia with its capital Thessalonica will lead to the preservation and the development and rising of the first two , towards the reversal of the weak absorption of community support funds in favor of weakened border regions of the country, and until now

of demographically weakened regions, but also to a wider and reinforced Greek region at the various levels of the Balkans, Europe and international levels.

Common questions with management and valorization potential constitute:

- Archeological sites, Cultural environment (Mountainous cities), natural resources (principally marshland), in combination with the reinforcement of alternate forms of tourism and widening of the tourism period and of the revalorization of services, with research of guaranty on the part of the market.
- Retroversion of desertification problems particularly of mountainous cities, with the enactment of incentives for a guarantee of a demographical minimal size, and in relationship with the management of illegal immigration problems, etc.
- Confrontation of questions of deindustrialization, unemployment, loss and transfer of companies towards other countries of the Balkans.

Fundamental are a series of socio-economic and development and legislation incentives which will ensure a more equitable management of the increased capabilities of growth through the demographic help, the dissuasion of future migration towards the great urban centers mainly through investments, jobs creation and specific poles of attraction and the valorization - financial support of transportation and communication networks.

The Macro Region Epirus- Macedonia – Thrace is of national and international importance so long as it comprises crossroads of the larger Balkans space (with new member states which recently joined the European Union or having the potential of future integration or cooperation as in the case of Turkey), Countries of the black sea to countries of the eastern Mediterranean, taking into account the plans of enlargement of the European Union. In the sector of the large scale infrastructure works of communications and transportation of the largest region (the "Egnatia" national highway offers a vertical access towards Bulgaria, just as the "Egnatia" rail road and air transport). The Macro Region Epirus –Macedonia -Thrace will benefit from these advantages and the concretization of these large scale infrastructure works.

Beyond the transportation and communications networks which will facilitate exchanges and cooperation, a series of appropriate regional planning (tourism facilities, Industrial Institutionalized Zones, etc.), with the establishment of special development incentives particularly for Epirus and for Thrace, combined with the retention of jobs of the local population, will contribute to the reevaluation and reformulation of subjects of territorial space.

Important pole of growth and of incitement of installation of companies head office constitutes the establishment of University parts or the reinforcement of existing regions which are threatened or are characterized by a demographic decline, depreciation and a decline of available manpower of buildings and a weakness of modernization of economic activities.

The University today must constitute the certification structure of knowledge and of professional qualifications, scientific consultant to the state and fundamental player of junction with the job market. The existing examples of regional universities, which in accordance with the valid studies demonstrate that the installation and functioning of highest education institutions has influenced local society, by contributing to the increase of the GNP and of employment, to the active demand of the region for the creation of additional jobs, and of infrastructures with the revalorization of installations, and other valorizations which by the prism of sustained growth can lead to a stable long-term growth of the region in the large and of this region in particular. Technology and innovation which will offer departments and teams of researchers for example in medicine, Mechanical Engineers, Computer Scientists and other specialties will have a catalytic effect on the increase of the competitiveness of the Economy.

5. Development Frame of the Macro region and the role of the Urban centers.

According to the development procedure of the last decades, the region is facing important structural changes which tend to significantly change its global image. The largest of the macro Regions of Epirus-Macedonia-Thrace of international influence proposed over the last fifteen years extends its influence towards the north and the east. These tendencies have increased communication with the neighboring countries, which in combination with economic and social changes from 1989 and beyond and in spite of the precarious fluctuations which appeared following political events of the Balkans. The Highway axis of "Egnatia" which unites Epirus with Thrace [from Igoumenitsa in Epirus to Thessalonica in Macedonia to Kavala in eastern Macedonia to Alexandroupolis in Thracel, which highway belongs to organically to the trans-European networks, in preparation for the North-South axis which are expected from the Balkans countries towards Greece, will generate a significant number of urban centers of transportation cross-road highway junctions offering services of international character. Consequently the economic and development space of Greece will be extended beyond its natural borders within the frame of the European Union to the countries in the North (Balkans) and to the east of Greece (Middle-Eastern and Near-Eastern countries). The European Space development project proposes urban spaces and principally the large scale projects which will constitute poles around which will take place the restructuring of the countryside and of the territorial concentrations of productive activities. In this frame a series of urban centers of the continent and of Thrace, but also of Macedonia will be revealed and will play revalued roles and of development as poles of supra local radiation. The countries of the southern Balkans aspire to the utilization of the ports of Northern Greece, a number that was initially planned in the interest of the back country. The cooperation of the neighboring countries integrates in its Macro-Region a perspective of development, because of its geographic location and of its larger importance, while the port of Igoumenitsa will reinforce with the continent in relationship with its role the junction of communication and transportation with Italy and the Adriatic Sea. Thus through the ports of Macedonia and of Thrace on the one side and of Epirus on the other side, the Macro Region will benefit of means to reinforce respectively, the exit and communication of exchanges by sea routes, both towards the Aegean and towards the black sea, that of western Europe. The developmental role of the urban centers constitutes the principal element of the strategy for this new regional growth, which adapted in the new development frame, will present the following characteristics: a) the increased globalization of economies, b) European integration through institutions and trans-European networks, c) The new Development conditions in the Balkans and Eastern Europe, d) Policy of the E.U. in the Mediterranean.

Thessalonica, capital of the discussed Macro Region as a fundamental pole of independence of the country with other nations of Europe, the Mediterranean and the Balkans in the frame of the enlargement of the E.U. and the reinforcement of the cooperation with western Europe, but also with the concretization of the Mediterranean policy in combination with the remaining urban centers (Igoumenitsa, Kavala, Alexandroupolis, etc.) of the Macro region are called to play an exceptionally important role.

With spearhead the sectors of territorial planning and circulation, the new conditions of growth with their associated objectives, expect within the frame of a regional growth and integrated strategy, a policy of forecast for the urban centers, with these fundamental axis:

- a) The functional and dynamic growth of urban centers with their direct regions in regional units,
- b) The creation of local networks between the urban centers of a region,
- c) The reinforcement of the extraversion of the Greek economy.
- d) The internationalization of the development role of Greek urban centers thanks to the rendering of the international, Balkan, and Mediterranean roles of the chosen centers.
- e) The creation of inter-state axis of growth, thus of important arteries of transports, which join dynamic urban centers and the concentration of productive activities with the ability of attraction of new activities towards urban centers or of the industrial regions on all the length of the axis.

- f) The promotion of regions of the black sea, of the Balkans and the Mediterranean cooperation,
- g) The creation of Greek development knots of trans-European networks.

The directive lines for the configuration of the standard of development of the Macro Region will be:

- a) The rendering of urban or sub-urban centers to poles or centers with an essential propulsive developmental role for the sectors of the action of enterprises of commerce, transports, education, health and culture. Number of these through the appropriate planning can be rendered commercial bio-mechanical or international radiation centers. Through their functioning and territorial interactions, they can contribute to the diminishing of the isolation of inhabitants principally in mountainous regions.
- b) The planning, concretization and support of technological growth of the greater urban centers, with growth of the chosen techno poles, the functioning of which in combination with economic life and the action of enterprises (to the transformation of tourism, commerce, transports and services) with the research and the development bases itself on the synergy of structures of research (Highest education schools, research centers and technological centers), of productive structures (Commercial chambers, and of companies) and of local structures (of administration, of prefectures, of social structures, etc.)

The above orientations of regional policy can be obtained thanks to a series of measures based on the adoption of a dual polarity standard and endogen to integrated growth and on new and actual predominant international tendencies.

Must not be ignored the forecasts concerning the **repercussions of growth on the natural environment**: Growth principally of activities of the secondary sector of production and the modes of agricultural exploitation of urban and tourism growth of regions have incited the last decades serious problems concerning the quality of the environment inside of the proposed Macro region especially in the Region of Macedonia, which is locally characterized by a stable de-valuing. The last through maritime pollution, atmospheric pollution and terrestrial pollution, but also with decompositions of the natural landscape have for causes: chemical industries, canalizations of cities, rural trash, diverse mining exploitations of the earth, forest fires, anarchic urbanization, and the tourism activity, etc.

The Macro Region must have a role in the sectors of the protection and rendering of natural; beauty of the environment with focus on the sites offering riches which are at the same time natural and cultural, of the maritime front, of the sub-urban green, of the initiatives and of the actions of rendering of the additional protected natural, the establishment of protection limits of existing natural reserves, etc., t while subjects of resources of trans-border character (trans-border natural, etc.) can lead to inter-country and constructive trans-regional cooperation and to the re-enforcement and to the creation of management structures and of research centers. At the base of sustained growth and of the respect of the environment, must be re-examined the urban questions, of infrastructure of traffic circulation and of transportation, of networks and of extensions of urban centers, etc.

6. Conclusion

It results from the quick analysis that the restructuring and reduction of the number of regions to a more coherent set of Macro Regions with economic and fundamental land-planning criteria will help balance the regional imbalances through this creation of a new administrative structure, a more efficient working model.

The proposed example of the Macro Region of Epirus –Macedonia -Thrace constitutes a characteristic case of administrative restructuring, with intention the parallel reorganization and revalorization of vital subjects of spatial, environmental, socio-economic and developmental importance. However, beyond the indicative reference to the fundamental aspects on the operating structure of the Macro Region, the large and wider treatment for the revelation also of numerous other possibilities is expected and for the clarification of the determination of questions of concentration.

Finally we believe that for the Macro region to be rendered together with the Economic and spatial planning entity of the institutional operation with particular place in the

conscience of the citizens of the local community, this requires the even further creation of the new regional shape which must result from a laborious and unitary dialog of competent representatives.

The final form must be adaptable to the particular conditions of each region. We consider that we should not for the above subject persist on the absolute institutional uniformity shape especially for Greece, which has two large urban groups, such as Athens and Thessalonica and in parallel a characteristic of insular prosperity. The attachment to absolute institutional uniformity forms does not lead anywhere.

On the contrary, the final form which will be adaptable to the particular conditions of each macro Region will contribute substantially, not only to the viable sustainable development, but is worth being experienced because the point in question has no symmetrical institutional meaning, but the configuration of a shape with clear answers on the optimization of European Cooperation.

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