

TERRITORIAL COHESION POST-2013: TO WHOMSOEVER IT MAY CONCERN

ANDREAS FALUDI¹

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Abstract: Conceived as a motion for resolution, the paper considers territorial cohesion now being on the statute book, the Green Paper on Territorial Cohesion, Barca making the case for integrated, place-based strategies, the EU Strategy for the Baltic Sea Region and the future of Cohesion policy. The recommendations reaffirm that ‘geography matters’, requiring integrated, place-based strategies, making territorial cohesion into an integral part of Cohesion policy. What is required is more intensive cooperation, with the EU Strategy for the Baltic Sea Region a model. Territorial strategies must be a self-evident part of the architecture of Cohesion policy. For this there is a need for requisite provisions at all levels. None of this requires new competences, legislation or institutions. The aim is merely to improve on policy formulation and delivery through more focused attention for territory. For this the shared competence under the Lisbon Treaty and the existing institutional settings are sufficient.

Note: This paper represents the author’s unsolicited advice as a committed academic observer of policies articulating the territorial dimension of Cohesion policy. Addressed to policy makers and taking account of the constellation of forces in which they operate, the statement has two parts: A ‘Motion for Resolution’, and an ‘Explanatory Statement’. The author has benefited immeasurably from exchanges with Jean Peyrony. Indeed, over the past decade the author and Jean have jointly explored European planning and in particular French thinking on the matter. The interaction was so close that whole parts of this paper – in particular the Explanatory Statement – could easily come under our joint names

¹ DELFT UNIVERSITY OF TECHNOLOGY, OTB RESEARCH INSTITUTE FOR THE BUILT ENVIRONMENT

All elements of this integration triangle: common market, common currency, cohesion are mutually strengthening and interdependent. They are our common European public good.

(Professor Danuta Hübner PhD., MEP, Chairwoman of The Committee on Regional Development in a speech before the European Parliament, 17 December 2009)

‘Motion for Resolution’

Considering:

- that territorial cohesion is an **objective** of the Union and a **competence shared** between it and the Member States
- that Cohesion policy, including its territorial dimension, is under review
- that all cards are on the table, including the position – often referred to as its **‘renationalisation’** – that **‘richer regions’** should no longer benefit
- that Cohesion policy **for all regions** is not only about the areas where funds go to but about European integration as such
- that abolishing funding for ‘richer regions’ is therefore a **challenge**, not only to Cohesion policy, but **to European integration** as such
- that this puts Cohesion policy, including its territorial dimension, at the **heart of discussions** about the **future of the EU**
- that addressing territorial cohesion may improve the **consistency, effectiveness and continuity of EU policies and actions** as required under Art. 13(1) of the Lisbon Treaty
- that the **Green Paper on Territorial Cohesion** and the consultations on it reflect the wish to pursue territorial cohesion through related policies
- that in reference to territorial cohesion the Community Strategic Guidelines for Cohesion 2007-2013 (CSG) declare that **‘geography matters’**
- that geography – territorial cohesion – likewise matters in pursuing **smart, sustainable and inclusive growth** as postulated in **‘Europe 2020’**
- that the Barca Report argues for **policies to be place-based**, making territorial cohesion relevant for all developmental policies

- that territorial cohesion is **not only** about ‘**hardware**’ – funding development – but also about improving territorial governance: ‘**software**’
- that this software is about paying regard to **where interventions take place** and to which effect
- that **evaluation** needs to take better account of difference between investing in the hardware and software of cohesion
- that territorial cohesion requires an **open architecture** involving all co-producers of policy: ‘**soft planning**’
- that this open architecture – soft planning – does **not** necessarily **require new competences, legislation or institutions**
- that who the co-producers – public authorities, as well as other stakeholders – are **depends on the problems at hand**
- that, without prejudice to existing jurisdictions and their competences, the territories concerned often **overlap jurisdictional boundaries**
- that the **EU Strategy for the Baltic Sea Region** provides a model of an **open architecture** – soft planning – for pursuing territorial cohesion in such territories
- that, in suitably adapted form, an open architecture is recommendable, also at **transnational or cross-border level**
- that operating within this architecture – soft planning – requires **capacity building** throughout Europe: at the level of the EU, of Member States as well as at sub-national level
- that, the priority on poorer regions notwithstanding, **funding for ‘hardware’** is needed, **also in ‘richer regions’** to encourage them to fall in line with EU strategies
- that, in conclusion, the challenge is to improve **policy formulation, delivery** and common **accountability** of all policies

Recommendations:

- that policies take account of the, often overlapping, **territories where citizens live and work**, in other words, of the fact that ‘**geography matters**’
 - that integrated **territorial** (‘place-based’) **strategies** giving expression to this dictum form **part of Cohesion policy**, indeed of all developmental policies
 - that the common reference at all territorial levels remains **sustainable development**:
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- on **European** level because of ongoing integration and the dialogue with other global regions
 - on **national** level because this remains the main framework for policies to sustain cohesion
 - on **regional and local** levels because there coherent public policies can meet the needs of citizens and businesses
 - that **multilevel territorial governance** of Cohesion policy links these levels to each other
 - that the successor to the CSG must present a broad **Territorial Strategy**, paying regard also to policies other than Cohesion policy and spelling out the territorial dimension of ‘Europe 2020’
 - that EU institutions develop their capacity – the software – for **preparing, discussing** with Member States, regional and local stakeholders and for **monitoring** this Territorial Strategy
 - that there should be within the Commission services a **strong anchor** for the Territorial Strategy and for giving a territorial dimension to General Impact Assessments
 - that the next generation of National Strategic Reference Frameworks (NSRFs) and Operational Programmes must:
 - create **synergies**, based on strategies for **sustainable development**, between EU policies
 - identify **territorial assets** and **challenges**: urban pattern, access to services, territorial capital
 - where appropriate relate to **functional areas**, possibly cross-cutting administrative borders and thus requiring **cooperation** (e.g. metropolitan or urban/rural partnerships), also with neighbouring territories
 - that within national territories, according to the subsidiarity principle, Member States **remain responsible** for delineating jurisdictions and their competences
 - that Member States be invited to formulate **joint strategic reference frameworks**, from the cross-border to the macro-regional level, applying the **open architecture** of the EU Strategy for the Baltic Sea Region, with the **Commission as facilitator**, as and when needed
 - that the next CSG and the NSRFs **incorporate** strategies for enhanced **European Territorial Cooperation**, and that cross-border and transnational programmes must, in a multilevel governance framework, include territorial strategies coordinating national regulations, strategies and funding
 - that the **shared competence** for territorial cohesion be only invoked to require Member States to
 - **produce national territorial strategies**
 - **assess territorial impacts** of all policies, their own as well as those of the EU
 - actively **participate in** the **multi-level territorial governance** of Cohesion policy
 - actively **involve local and regional authorities**
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- that there be **joint strategic monitoring** of Cohesion policy, involving local and regional authorities, making sure that the territorial dimension is taken into account at every stage: analysis, setting of priorities, identifying measures, implementation and evaluation
- that this should include monitoring of the **coordination with sector policies** at EU and national level
- that funding of EU networks focusing on **improving territorial knowledge, capitalisation of good practices and transfer of experience** in the field of territorial cohesion continues.

Explanatory Statement

Without going into excessive detail, this statement outlines the present and emergent future context of the policy discourse on territorial cohesion, beginning with EU Cohesion policy. Next the explanatory statement discusses the concept of territorial cohesion as such. Finally, it reflects on the fluid nature of the territories concerned.

The Context

This future of EU Cohesion policy will be shaped by its past and the ever more prominent concern for Europe's competitiveness. Already since the turn of the millennium Cohesion policy is thus in the service of the Lisbon Strategy articulating this concern for competitiveness. As the recent Fifth Cohesion Report confirms, Cohesion policy will likewise want to be seen to contribute to the follow-up of the Lisbon Strategy, 'Europe 2020', in so doing highlighting amongst others the territorial dimension of this new broad policy. The budget debate, concerning the Financial Framework post-2013, will however raise challenging questions as regards Cohesion policy. Cohesion policy as such, 'Europe 2020' and the budget debate are thus the three dimensions of the context to be discussed.

Cohesion policy as originally conceived relates to the overall purpose of European integration: to work towards, in the high-minded words of the treaties, "an ever closer union among the peoples of Europe". To this end, the EU "promotes economic and social progress and a high level of employment" and pursues "balanced and sustainable development, in particular through the creation of an area without internal frontiers, the strengthening of cohesion and the establishment of economic and monetary union". It seeks to do all this in such a way as to ensure the consistency, effectiveness and continuity of EU policies and actions, in other words through applying principles of good governance.

There is one major and one subsidiary story-line in EU Cohesion policy. Under the flag of economic and social cohesion, the main story-line combines two further strands. Under the first, it confronts regional and social imbalances based on the strength of the argument that the Single Market tends to exacerbate them. The

main objective, in terms as used now, is ‘Convergence’. Under the relevant policies acted out over more than twenty years, so-called NUTS2 regions created originally for the different purpose of collecting Europe-wide statistics thus receive EU support, with eligibility defined mainly on the basis of GDP per capita adjusted for purchasing power and of unemployment rates. In the regions concerned, EU funds represent a substantial share of investments but in total never more than four percent of the GDP of the respective Member State.

Jacques Delors' vision went beyond this. According to him, the triptych of competition, cooperation and solidarity was at the heart of the Single European Act. In his memoirs Delors (2003) talks about competition stimulating, co-operation strengthening and solidarity uniting Europe. He thus clearly saw that Europe had to improve its competitive position across the board. Cohesion policy needed to stimulate investments in ‘hardware’ in Member States and regions, with priority on those lagging behind, whilst also and in particular – this being the second strand within the main story-line – putting emphasis on ‘software development’: coordination, cooperation and capacity building throughout the EU. Arguably, although not always recognised as such, this is an important contribution, beyond hard investments, of Cohesion policy to European integration as such.

Invoking quantitative indicators such as an increase in GDP, the macroeconomic effects of investments in hardware are measurable, but under the second strand, other objectives have been added. Because of the much smaller amounts of aid involved, this is particularly true for the NUTS2 regions ineligible under Convergence – the ‘richer regions’ – under the ‘Regional Competitiveness and Employment’ objective, as well as for ‘European Territorial Cooperation’. In terms of the two strands identified, we thus observe a sliding scale, with investments in ‘hardware’ dominating under Convergence on the one hand and the funding of ‘software development’ the key issue under ‘European Territorial Cooperation’ on the other. Already for the previous programming period (2000/2006), in regions eligible under Objective 2, evaluation has found that the European Regional Development Fund (ERDF) could act as a catalyst to stimulate the formulation of long-term strategies for restructuring. This is why, in taking account of both strands, any assessment of Cohesion policy as a whole must include qualitative, alongside with quantitative considerations.

The Barca Report articulates the main story-line as described, paying due attention to both of its strands. In addition, whilst invoking economic thinking like the OECD, Barca refers to ‘economic geography’, ‘place-based policies’ and ‘territorial public goods’. This is where the subsidiary Cohesion policy story-line, articulated well before Barca, but dovetailing with his arguments, comes into its own: the ‘spatial planning’ story line. The result of an initiative by spatial planners from the Member States taken almost as soon as Cohesion policy received its present shape under Jacques Delors, this story-line highlights the, sometimes unintended effects of EU policies on Member States, regions and localities, arguing on this basis for a spatial or territorial framework for these policies to fit into. Due to the alleged absence of an EU competence in the

matter, planners stipulated though that this framework should come about through intergovernmental cooperation. The active support from elements within the Commission was nonetheless essential and led to the formulation of common spatial development guidelines like polycentric development and urban-rural partnership, parity of access to infrastructure and knowledge and the responsible management of the natural and cultural heritage.

With their message of enriching developmental policies by factoring aspects other than economic growth into the equation, and by aiming for more coherence, in a spatial or territorial sense, planners thus sought to attach themselves to the main Cohesion policy story-line. The European Spatial Development Perspective of 1999 and the Leipzig Charter of Sustainable Cities and the Territorial Agenda of the European Union, both of 2007, articulated this message, but all-too-often the protagonists of Cohesion policy as the single-minded pursuit of quantitative growth – the first strand within the main Cohesion policy story-line – turned a deaf ear. The fact that the national planners concerned were emphatic about the EU having no competence in spatial planning did not help.

By adding territorial cohesion to economic and social cohesion, the Lisbon Treaty now makes explicit that space, or territory, is relevant to promoting competitiveness and to addressing regional and social inequities, issues which EU policy seeks to address in the balanced way which is the essence of the ‘European model of society’ advocated by Jacques Delors. (Faludi ed. 2007) The message is that, inevitably, relevant policies take shape in territories: cities and regions; that success is conditional upon active participation of public and private stakeholders there; and that the configuration of assets in these territories and their governance – what Barca calls ‘integrated bundles of public goods’ – play an essential role. However, the wider context of EU Cohesion policy is changing, with global challenges receiving increasing attention.

‘Europe 2020’ is the title of the follow-up of the Lisbon Strategy. As is well known, the latter had been adopted at the European Council at Lisbon in 2000 with the aim of turning Europe by 2010 into the most competitive knowledge-economy globally. By the mid-2000s it had become clear that the Lisbon Strategy was not going to achieve its ambitious targets with, according to the Sapir Report (Sapir et al. 2004) and the Kok Report (High Level Group 2004), the governance of the Lisbon Strategy and more in general EU economic governance, including Cohesion policy, getting some of the blame.

Upon his appointment as Commission President in the mid-2000s, José Manuel Barroso set his sights on reinvigorating the Lisbon Strategy with a Communication ‘Growth and Jobs’. DG REGIO scrambled to refocus EU Cohesion policy, one of the few instruments available to the Commission for this purpose, on the Lisbon Strategy as, indeed, it is scrambling to do the same with ‘Europe 2020’. The Lisbon Strategy as such depended on voluntary compliance. All that Member States were committed to was reporting on progress. Finding themselves at the bottom of the league table, one idea underlying was that underperformers would be

shamed into improving their ways. More generally speaking, the idea was one of mutual learning. The term often used for this is ‘Open Method of Coordination’ (OMC).

By way of contrast, under what is called the Community method, in Cohesion policy the Commission is responsible for making proposals to the Council of Ministers. This the Commission did in the ‘Community Strategic Guidelines on Cohesion 2007-2013’ (CSG). Amongst others, the guidelines invoked the up-and-coming concept of territorial cohesion, saying the famous words that ‘geography matters’. With the Lisbon Treaty in the offing, and encouraged by the Territorial Agenda of the European Union formulated by the Member States, the Commission decided to publish the Green Paper on Territorial Cohesion.

The successor document to the CSG in which amongst others the discussion on territorial cohesion will crystallise will as indicated focus EU Cohesion policy on the medium-term strategy enunciated in ‘Europe 2020’. Hopefully, the next guidelines will thus address, amongst others of course, the territorial dimension of ‘smart, sustainable and inclusive growth’ which ‘Europe 2020’ stipulates as the objective for the next decade. This is anything but straightforward, though. There are bound to be tough negotiations in the wake of ‘Europe 2020’ before the next Financial Framework takes shape. Indeed, soon due to start in earnest, this so-called budget debate, to be discussed next, is already casting a long shadow and will no doubt affect the way territorial cohesion will be handled.

The Budget Debate. Since ratification of the Lisbon Treaty, at long last under a shared competence the Union may assume responsibility for the territorial dimension of its policies. In other words, under the Community method the Commission may initiate what is now called the ‘ordinary legislative process’. The aim would be to articulate at the European level the territorial dimension of Cohesion policy. Had it not been for the fact that the main story-line of Cohesion policy as described is itself under discussion, this would have provided a stable platform for fully integrating the subsidiary ‘spatial planning’ story-line of Cohesion policy into the primary one.

As things are, the budget debate, certain to be difficult, the more so because of the economic downturn, is expected to question the very rationale of the comprehensive EU Cohesion policy as practiced. The realities of EU politics are such that support for lagging Member States and regions under the Convergence objective will continue. The issue is whether under ‘Competitiveness and Regional Employment’, what are called ‘richer regions’ by virtue of the fact that they are not amongst the ‘least favoured’ ones eligible under Convergence, should continue to receive funds. If not, then these ‘richer regions’, in practice mostly in the Member States who are net-contributors, would no longer have to abide by EU regulations so as to recoup a fraction of the money their countries pay into the Community coffers. In the jargon used, the ‘pumping around of money’ would thus come to an end.

It has also been suggested to let the Member States concerned, rather than the Commission, administer the funds under the, financially speaking much more important Convergence objectives, hence the label ‘renationalisation’ given to this radical line of thought. In terms of the sums involved a minor issue, the ‘European Territorial Cooperation’ objective is not generally discussed but it is clear that, by rescinding EU Cohesion policy for ‘richer regions’, there will be less incentive to cooperate. Thus, rather than its present comprehensive coverage, EU Cohesion policy would become selective: the opposite of what Jacques Delors and lately also Danuta Hübner in the quote at the beginning of this manifesto proposed. As a consequence, the strand aimed at ‘software’ development, capacity building and learning – and with it the ‘spatial planning’ story-line that has attached itself to this strand – would be weakened. The reaction to the Green Paper on Territorial Cohesion coming from the leading proponent of radical changes to EU Cohesion policy, the UK, already intimated that territorial cohesion was mainly, if not exclusively, for the Member States to be concerned about.

On the face of it, there is logic in focusing increasingly scarce resources on Member States and regions lagging behind and to let others look after themselves. Member States carry the primary responsibility for the social and economic fabric of their territories. They pursue multiple sectoral and territorial policies, depending on their spatial characteristics and politico-administrative organisation. However, EU policies like agriculture, research, environment, transport, energy, too, have direct or indirect implications for territories. To reiterate, the subsidiary ‘spatial planning’ story-line addresses the need for coherence and coordination between policies at all levels, including that of the EU. As is well known, to ensure consistency of all public policies, from the local to the European level so as to serve European citizens, it advocates the integrated territorial approach.

Iain Begg (2009) has explored arguments in favour of and against Cohesion Policy in ‘richer regions’. Accordingly, the main arguments are constitutional: the Treaty makes it compulsory; economic: support of Lisbon Strategy aims; political: there is value in maintaining a policy resonating with so many stakeholders everywhere in EU; and administrative: like others, ‘richer regions’, continue to need EU incentives to define appropriate development policies and improve their governance. The issue at stake is: in order to give strategic stimulus, in order to promote the strand of ‘software development’ in Cohesion policy, are, albeit modest financial incentives needed, or would an intergovernmental approach supported by EU networking aiming at the transfer of experiences and benchmarking, like under the OMC, but without EU regional programmes suffice? Iain Begg does not answer this question, but the answer is likely to be negative and, in any case, there is advantage in a mixed approach involving some EU funding alongside with national policies.

Indeed, the NSRFs and OPs should articulate integrated strategies for projects funded by the EU as well as by others. For projects funded by the EU, under the regulations Commission approval would be required, thus offering the opportunity for injecting common concerns. The EU would of course focus on demonstration projects, the experiences of which could be relevant for others. This knowledge transfer should be a condition of funding. EU added value would rest on the catalytic effect to be achieved through dialogue with the Commission, capitalisation at EU level and transfer of experiences from other regions. Evaluation should rely on classical project assessment, but also take more account of qualitative aspects such as capacity building in the regions. For policies and projects not funded by the EU, Commission approval cannot, of course, be a requirement. However, Member States and regions could engage in dialogue with each other and the Commission in a manner similar to what is happening under the OMC.

The long and the short of it is thus: EU Cohesion policy engenders dialogue between Member States and regions and with the Commission concerning competitiveness, cohesion and sustainability and the way they are implemented and how and why they benefit European citizens and territories. With its multi-level system of governance, it allows to promote the coherence of policies with territorial impacts. However, as this section has shown, the cards are being reshuffled with a view to a new overall policy designed to render the EU fit for the next decade with its challenges. With a view to the coming debates, it is necessary to present a clearer view of what territorial cohesion in this context would mean.

Territorial Cohesion

EU Cohesion policy is by now routine, but beyond the operational definitions as laid down in the regulations, what is economic and social cohesion, and what is territorial cohesion, the main issue discussed here? And, what does ‘territory’ in territorial cohesion refer to? These are the issues discussed in the remaining sections of this Explanatory Statement, starting with territorial cohesion. First, the concept as such will be discussed, followed by the philosophy underlying.

Economic and social cohesion, under the umbrella concept of sustainable development. In the EU, there is common agreement that policies at whatever level should rest on the three pillars of sustainable development. They are: efficiency (the economic pillar); equity (the social pillar); preservation of the environment. The real debate is about trade-offs between these pillars, the aim being long-term progress as regards all three. John Rawls (1972), much appreciated in the relevant literature, links sustainability with intergenerational equity. Originally, EU Cohesion policy has focused on the first two pillars: economic cohesion aims to improve competitiveness and to create a better balance between Member States and NUTS2 regions throughout Europe, and social cohesion seeks to achieve more labour market participation and equity. Under the ‘European model of society’, the issue is one of the proper balance between economic and social cohesion. Cohesion policy has progressively taken on board the third pillar: as already said, during the

last ten years, Cohesion policy has been progressively earmarked to serve the Lisbon strategy (economic and social aspects), completed by the Gothenburg strategy (environmental aspects).

The Concept of Territorial Cohesion. A contemporary French sociologist, Pierre Bourdieu (1984), has extended the economic notion of capital, articulating its social, symbolic and cultural dimensions. Now, the valorisation of capital in all its various dimensions depends on where agents live. In other words, place itself also represents capital in terms of access to social relations, services, jobs and so forth, which is why the geographer Jacques Levy (1994) has proposed the notion of ‘spatial capital’. Similarly, the OECD (2001) has invoked that of ‘territorial capital’, a concept emulated in the Territorial Agenda of the European Union. It is thus that geography enters into the equation, calling for attention to the territorial dimension of EU Cohesion policy. In the pursuit of competitiveness, territorial capital is simply a factor. Likewise, efficiency requires territorial integration.

Territory is also important in pursuing equity and, as Fabrizio Barca argues, this is equally true for social exclusion and social policies. Lastly, where the environment is concerned, the natural heritage addressed amongst others in the European Spatial Development Perspective is clearly rooted in territory.

Thus, the concept of territorial cohesion articulates what has always been implicit: that geography matters for the effectiveness and efficiency of policies. Both may crucially depend on where policies take effect and which other policies may have a, positive or negative, as the case may be, cross-impact upon them.

Taking stock of the debate, also and in particular around the Green Paper on Territorial Cohesion, the most common, even if not universally agreed understanding is, indeed, that territorial cohesion addresses territorial interdependency, for instance between urban and rural areas, between areas with a predominantly productive and those with a predominantly residential economies, and so forth.

In the theoretical case of an individual territory, such as a small island with no relation to other territories, the notion would not have much added value. However, territorial cohesion is not only about the development of individual territories; it is also and in particular about territorial integration. Daily flows of commuters, of people going on leisure trips and to their vacation destinations or to other places for study or retirement, stimulating the local economy at their points of destination in the process, the flows of goods and services developed by the opening of economies, the flows of funds linked with welfare and public policies generating employment and safeguarding services, they all add up to territorial interdependency. Territorial cohesion means assuring a balanced – not to be equated with equal – spatial distribution of activities and people, promoting this interdependency between regions and in so doing also the overall coherence of policies addressing these issues.

Interdependency requires solidarity between territories. The issue is addressed implicitly by way of welfare, unemployment and other policies that are space-blind but nevertheless have territorial impacts (Davezies, 2008), or explicitly by means of territorial budget equalisation across jurisdictions and/or transfers to finance specific projects.

Addressing the territorial dimension of EU Cohesion policy more in particular, the institutional specificities of EU multi-level governance come into play. Here, different levels, from the EU to the national and the infra-national coexist. Territorial cohesion can thus be understood as addressing the multi-level dimension of sustainable development, in fact a generalisation of the famous exhortation: "Think globally, act locally"!

To summarise, territorial cohesion thus articulates solidarity between territories at all levels. In this, the EU represents a new dimension, always keeping in mind that solidarity is mainly a national issue. The above suggests the following, synthetic definition of territorial cohesion:

Territorial cohesion is about enabling citizens and enterprises, wherever they happen to live or operate, to benefit from, and contribute to, European integration and the functioning of the Single Market and to make the most of the territorial capital of that place, in so doing observing the sustainability principle.

This has consequences for territorial governance. They were addressed during the consultation on the Green Paper on Territorial Cohesion. Thus, an integrated approach is required, firstly at each territorial level between sectors: horizontal coordination. The reason is that places combine all dimensions of life. Secondly integration is required between levels: vertical coordination. The reason is that we live at different scales simultaneously. Thirdly cooperation is needed between different territorial entities with the aim of identifying possible synergies resulting from the interdependency as discussed.

The Philosophy Underlying. Cohesion policy, and with it territorial cohesion, relates to core issues like whether integration is, or is not, exclusively about the Single Market. Now, in French social philosophy ever since Émile Durkheim cohesion has social and political dimensions. This classic sociologist wondered how, increasing autonomy and differences between individuals notwithstanding, to maintain social cohesion in modern societies. According to him the division of labour in society (Durkheim 1933) creates interdependency, the benefits of which are not only economic, but mainly moral: It is a source of an 'organic solidarity' between social agents, like with different parts of the human body. However, for Durkheim, division of labour in itself is insufficient. Solidarity cannot be sustained solely on basis of contractual relations. Rather, it also requires non-contractual relations by way of developing civic morality, laws, administrative and governmental functions. This thesis is considered to be the source of 'solidarism': the ideological basis of the French social State, which has been institutionalized after the Second World War (Peyrony, 2007). Though Durkheim himself did not extend this to territorial aspects, interdependency and

solidarity between territories can be seen as reflecting a ‘territorial division of labour’. With many of the initiators of cohesion policy, including its territorial dimension, Jacques Delors and Michel Barnier amongst them, having been French, the body of thought discussed here is important.

Cohesion in society thus depends on the existence of manifold economic, social and political links which all need to be taken into account. In a bold attempt to systematise them, Luc Boltanski and Laurent Thévenot (2006) discern as many as six reference systems, which they call ‘cities’, city being a metaphor for societal configurations. As applied to Europe, we may say that the economic ‘city’ – the Single Market – is highly developed, but the civic ‘city’: democratic European institutions; the ‘city’ of fame: Europe in the media and public opinion; the industrial ‘city’: the investments in European hardware such as infrastructure; the domestic ‘city’: links between individuals across borders; and the ‘city’ of inspiration: the emergence of a common European vision or culture are all lagging behind. In making Europe a success, in developing policies visible to citizens in their territories, in encouraging them to deliberate with their political representatives on all matters relating to their lives and in so doing to contribute to EU integration, all these reference systems are relevant.

It is here where EU Cohesion policy can contribute. This is true for its classic strand contributing to the industrial ‘city’, but also for the stimulation of networks of stakeholders across borders which contribute to the emergence of a European domestic ‘city’. Likewise, peer reviews and the dissemination of ideas help to build the ‘city’ of fame; discussions between levels through multilevel governance relate to the European civic ‘city’; territorial visions contribute to the ‘city’ of inspiration. Cohesion policy is potentially a powerful, multi-dimensional ‘learning machine’ (Faludi 2008), and territorial cohesion is part of this. The opposite, restricting the EU to the Single Market, environmental regulations and macro-economic policy, whilst reserving matters relating to social and territorial cohesion to Member States can only widen the rift between Europe and its citizens, thus diluting the European project to the point where it might implode.

Territory

Among the issues raised in the debate on the Green Paper for Territorial Cohesion is the extent to which the territorial scale of policy intervention should vary according to the nature of the problem or problems at stake. This assumes that problems can be identified and matched to territorial scales, but can they?

The ‘Dictionnaire de la géographie et de l'espace des sociétés’ (Levy, Lussault, 2003) distinguishes a local and a regional scale. Accordingly, ‘local’ refers to the scale of daily life: housing, commuting, working, accessing basic services. In the absence of comprehensive statistics for the whole of Europe, daily commuter sheds are a good proxy. ‘Regional’, as against this, refers to the smallest spatial scale able to contain activities of a whole lifetime: areas where one can be born, grow up, study, work and retire. This means the

availability of services such as airports, HST stations, universities, hospitals, key cultural establishments, natural and recreational areas.

It is important to realise what the above implies: Neither the local nor the regional scale as described – the scales where the problems which policy needs to address occur – necessarily coincides with the jurisdictions of local respectively regional authorities. In other words, there can be and – the more so since the scale of human activities increases – there regularly is a mismatch. The mismatch is between territorial governments, each responsible for a circumscribed space with its inhabitants and each endowed with a set of formal institutions to deal with any issues arising on the one hand and the real interaction criss-crossing jurisdictional boundaries in such a way that problems and solutions regularly escape the control of any one of them on the other. What has been said of the nation-state – that the ‘Westphalian nexus’ between national territory and sovereignty has been subject to ‘unbundling’ – is in fact true for all levels of government. In their daily lives, people commuting to their places of work or accessing services and leisure facilities and firms pursuing their day-to-day business define new local geographies, such as urban-rural or metropolitan areas, criss-crossing administrative boundaries. Wider challenges appear at multi-regional scales within which there is access to specialised services like universities, research centres or airports; environmental management of river basins or mountain ranges. In short, new geographies appear, because the world changes, because of globalisation, migratory movements, climate change, none of which respects borders.

So citizens, let alone enterprises producing for a wider market, are no longer locked into territories, as most – but never all! – were in the past. To cater to their needs, to facilitate their far-flung relations, many new services are needed. This whereas democratic representation is inexorably linked to the idea of politicians being accountable to their territorially defined constituencies; that the territories concerned are clearly delimited; and that the institutions responsible have the appropriate powers and resources for handling any problems on that level.

As the World Development Report 2009 (World Bank 2009) and the Green Paper on Territorial Cohesion quoting it have argued, existing political and administrative divisions are thus major obstacles to development. The challenge is to overcome discrepancies between the functional areas defined by the real interactions taking place on the one hand and the institutions representing territorial units on the other. This does not mean changing their competences, nor can the relevant areas for cooperation be defined from the top down. What it means is that the upper levels, including the EU, should raise awareness, provide strategic guidance and incentives to policies taking account of functional realities.

This leads into a consideration of the role of European Territorial Cooperation, the third objective of EU Cohesion policy. Cooperation within national territories being naturally a matter for the Member States,

actions under this objective involve partners from at least two Member States because the mitigation, specifically of the effects of national borders is at the core of the European project.

As a result, new European territories and networks emerge: cross-border agglomerations or urban systems; ‘cross-border regions’, as the Treaty on the Functioning of the European Union says in article 174; macro-regions, where the issue at stake is territorial development with a wider focus, such as development corridors along major European infrastructure; transnational mountain ranges; maritime or river basins relevant for managing the environment; potential economic integration zones like the Baltic Sea, the Danube Basin or the Alpine Space.

Thus it transpires that in the context of addressing the territorial dimension of EU cohesion policy, the very concept of territory changes its meaning. It is no longer the exclusive locus where people and the legitimate exercise of power come together to form a privileged, indeed the only relevant unit of collective action. It is rather a fleeting constellation in space in which issues are identified and addressed, ideally jointly by all relevant actors, but without the presumption of in any sense covering the totality of life. Invoking a term coined by Haughton, Allmendinger, Counsell and Vigar (2010) one can describe these as ‘soft spaces’. The approach to these can never be the same as for territorial jurisdictions. Rather, the approach must reflect the reality of powers and responsibilities being dispersed. Thus, ‘soft spaces’ require ‘soft planning’, and this is true for all efforts to address the territorial dimension of EU Cohesion policy.

Conclusions

The EU Strategy for the Baltic Sea Region is emblematic for the approach to territory as described. It does not refer to any one clearly delineated space or territory called ‘the Baltic’ but to a series of overlapping functional spaces. It is a ‘soft space’. Nor does it aim for the creation of a ‘Baltic Sea Authority’ to tackle the issues identified. What it does is to create an arena for articulating relevant issues in which relevant actors, importantly including all Directorates-General of the Commission concerned, invoke their resources and powers. The EU Strategy for the Baltic Sea Region is thus a good example of ‘soft planning’.

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