

The Hour of the Regions: An Analysis of the State of Governance in the European Union

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## ABSTRACT

As the European Union has expanded and delved into new policy areas the need for cooperation among local, national, and supranational actors has become evident. Scholars have characterized this new wave of European Union and regional cooperation as multilevel governance. However the exact role of regional entities remains a hotly contested issue. This thesis analyzes the current state of regional government participation in the European Union. I argue that, despite its initial fame in the late nineties, multilevel governance is not a viable description of the type of governance seen in today's European Union. Instead I show that governance in the European Union most closely resembles a combination of multilevel governance and liberal intergovernmentalism.

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## Table of Contents

Section	Page
I. Introduction	4
II. Literature Review	9
III. Research Methods	16
IV. Results	20
V. Conclusions	38
VI. Bibliography	41

## Chapter 1: Introduction

The European Union, in its ever increasing supranational sense, has wrested some power away from the national governments to its institutions. Almost simultaneously the EU has worked to forge partnerships with regional and local governments across Europe. The apparent interest in promoting cooperation between the EU and regional entities has been heralded by scholars as signifying the hour of the regions. Hooghe and Marks, two of the most insightful scholars on regionalism in Europe, argue that power in the EU is now shared among various territorial levels instead of being concentrated within one group. Others have been skeptical of Hooghe and Marks' argument, stating that overall power in the EU still rests with the nation states. Given these two sides of the debate the question has become who is correct. Has the EU moved towards a system of governance in which the regions have a more viable role in policy-making? That is to say, can the current system of governance in the EU be described as multilevel governance? Or are liberal intergovernmentalists correct in arguing that decision-making power in the institutions still rests with the nation-states? This thesis does not take a side on either of those points. In thinking about the ways the EU, member states and regions come together perhaps the best way to describe governance in this organization is a system that marries both multilevel governance and liberal intergovernmentalism.

Regionalism in the European Union is a fairly recent phenomenon, one that has completely shaken up the existing power structure of the supranational body. Prior to

1985 the idea of regional involvement in the EU seemed outlandish. While the member states were anxious to reduce regional disparities, as evident by the preamble to the Treaty of Rome<sup>1</sup>, they were not yet ready to allow regional entities to have a say in the decision making process (Allen 2000: 247). In order to bring the goal of reducing regional disparities to fruition, the idea of “cohesion” was written into the Single European Act of 1985. Cohesion was to be achieved by giving European Investment Bank loans to needy regions, coordinating member states’ economic policies, and promoting common Community guidelines. To fund this effort the member states agreed to a large financing package, named Delors-1, that would double the EU’s structural funds (Allen 2000: 249). Initially, the structural and cohesion funds were meant to assist regions where GDP per capita, technology and development were falling behind the EU average. Over time the structural and cohesion funds have expanded to include more regions and greater policy areas. Since 1988 the objectives of the funds have expanded to include regions that are affected by industrial decline, regions that require assistance in facilitating the adaptation of workers to industrial change, regions combating long term unemployment and regions working to modernize their employment and education systems (Allen 2000: 252).

Due to the structural and cohesion funds, regional governments became important partners in the EU's policy implementation process (Jeffery 2002: 315). As these regional

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<sup>1</sup> The preamble to the Treaty of Rome states that an objective of the states was to, “strengthen the unity of their economies and to ensure their harmonious development by reducing the differences existing between the various regions and the backwardness of the less-favored regions.”

governments became even more involved in the implementation of EU policies, some called for a method through which they could regularly provide their input on EU guidelines. The Commission responded by creating its own body in 1988, named the Consultative Council of Regional and Local Authorities (Jeffery 2002: 315). The goal of this body was to promote a partnership between the Commission and regional authorities in the planning and decision-making of the structural funds (Allen 2000: 259). A few years later the Commission proposed that a body for regional and local governments be formalized into the treaties. When the Treaty of Maastricht was first discussed and later implemented in 1993, the Commission's proposal was upheld. The Committee of Regions was created and had its inaugural meeting in 1994.

The initial discourse surrounding how to end regional disparities among the member states and the formalization of regional participation marked the emergence of multilevel governance and liberal intergovernmentalism in the EU. In those early years many viewed the structural and cohesion funds and creation of the Committee of Regions as a shift towards regionalism. Due to intense lobbying by regional governments there finally emerged an opportunity for the regions to have a voice among the member states and institutions of the EU. However, the very creation of structural and cohesion funds was due to intense inter-state bargaining (Allen 2000: 245). It was the member states who had to agree to the terms of Delors-1, and it was the member states who decided how these funds should be monitored. It can be argued that both the member states and regions acted as the driving forces behind the creation of the structural and cohesion funds. As

evident by the emergence of regionalism the issue of governance in the EU is not so black and white.

Since the emergence of regionalism in the European Union itself was marked by both multilevel governance and liberal intergovernmentalist tendencies it is important to understand what each of these arguments state. As previously mentioned multilevel governance emerged in the 1990s with the work of Liesbet Hooghe and Gary Marks. Primarily Hooghe and Marks argue that, "Political areas are interconnected rather than nested". This means that while national arenas remain important venues for the formation of national government preferences, sub-national governments are no longer nested inside of them. Instead sub-national actors operate in both a national and supranational arena (Hooghe 4). Liberal intergovernmentalism, as seen in the work of Andrew Moravcsik, argues that states are the main actors in European integration; there is no room for sub-national actors to have a place in the decision making process. In an organization as large as the EU it is difficult to make such black and white generalizations about its trajectory or agenda. My thesis shows that the same is true for characterizing governance in the EU. Instead of the relationship between the EU, regions and member states being marked by *either* multilevel governance or liberal intergovernmentalism it is characterized by both.

A discussion on how to characterize the relationship between the European Union, member states and regions is timely because in recent years the EU has expanded into more policy areas. Cooperation among all levels of government is needed now more than

ever. The EU alone has neither the power nor the resources to govern at the most local level. Including the regions into its institutional framework may be the only way the EU can continue with its policy goals. However, the member states still wield a significant amount of power in the EU decision making process. It is undeniable that the EU needs both regional governments and member states to move forward. The following research analyzes how the EU has come to incorporate the regions into its existing structure and public sentiment on the efficacy of its attempts.

Overall, this thesis explores the current state of relations between the European Union and regional governments. With this information I show that governance in the EU is most accurately described as a fusion of multilevel governance and liberal intergovernmentalism. The remainder of my research sets out to demonstrate this marrying of liberal intergovernmentalism and multilevel governance using the Basque and Catalan regions as case studies. The following chapter explores the literature surrounding each of these theoretical frameworks, and relations between the EU and regions. Chapter three then explains the methodology used to analyze how multilevel governance *and* liberal intergovernmentalism explain the current state of relations. Chapter four consists of an analysis of the results from Chapter three's methodology, and Chapter five will conclude my research with a look ahead at how the findings can be applied to other aspects of EU regional policy.

## Chapter 2: Literature Review

Following the expansion of the European Union into greater policy areas and emergence of the Structural and Cohesion Funds demands for greater regional participation in the institutions mounted, specifically in those areas with entrenched regionalist movements like the Basque Country and Catalonia in Spain. Gradually these regional groups did gain some presence in the institutions, and the EU entered a new phase of governance. However traditional understandings of the integration process proved incapable of explaining this shift in control. Though prior literature has pitted multilevel governance and liberal intergovernmentalism against each other, the most accurate way of describing governance in the EU is as a mixture of these arguments.

The process of regionalism in the European Union and development towards a system that is a combination of multilevel governance and liberal intergovernmentalism can be thought of as having occurred in two time frames. The first came about in the late 1980s through 1995 and was marked by initial movement towards regional involvement in the EU and euphoria over the 'hour of the regions'. The second time frame began in 1996 and extends into the present. It has been characterized by greater exercising of influence by the regional governments but also disappointment with the extent to which power has been devolved to the regions. This final time frame has been the period during which governance in the EU has emerged as a mixture of multilevel governance and liberal intergovernmentalism, and is the subject of my results chapter.

### **Late 1980s-1995: Initial Optimism and the Hour of the Regions**

Much of the literature on regionalism in the European Union focuses on the Committee of Regions and regional offices, and does so with good reason. Perhaps the most visible example of multilevel governance and regionalism in the European Union has been the creation of the Committee of Regions (CoR). Established in 1994 the CoR was meant to be a venue through which regional governments could formally participate in the policy-making process of the EU (Jeffery 2002: 313). Primarily the Committee of Regions was able to exercise its influence on the EU by writing opinions on legislative issues (Illeborg). Furthermore, the members of the CoR would offer policy suggestions and 'lobby' EU officials to address issues that are of concern in their region. Though these opinions and policy suggestions are not legally binding, many members of the CoR viewed them as a means of bringing regional concerns to the European level (Jeffery 2002: 313). Proponents of multilevel governance viewed the creation of the Committee of Regions as proof that power in the EU was being shared across territorial levels.

The establishment of regional offices in close proximity to the EU institutions marked the second important development towards regionalism and serves as an example of multilevel governance in this time period. In 1986 Spanish regional offices were opened in Brussels (Magone 2003: 12). Not surprisingly, the Basque and Catalan regions were among the first Spanish regions to exercise this privilege and open offices. When regional offices were first established they were viewed as a means of directly linking the regions to the EU institutions. Though the regional offices had no individual powers over

the policy-making process they provided an opportunity for the regions to directly lobby EU representatives. However, the Spanish central government was not so keen upon sharing its influence with its regions.

Following the creation of Basque and Catalan regional offices in Brussels the central government cited a statute in the 1978 Spanish Constitution that explicitly barred the autonomous communities from entering into any “international commitments” (Roller 2004: 82). As Roller mentions in her work on the topic, the government went even further by taking the issue to the Spanish Parliament and courts; on both of these occasions the courts ruled against the government. In 1995 the courts upheld the right of the regions to establish offices in Brussels (Roller 2004: 79; Bourne 2008: 77). For the regional governments and scholars working on the topic the courts’ ruling in favor of the regions provided more evidence that the era of national governments suppressing the interactions of the regions with the EU was ending.

With the emergence of the Committee of Regions and regional offices it is no wonder that the late 1980s and early years of the 1990s were thought of as the hour of the regions. During this time period the regions gained a formal means of interacting with the European Union despite the fact that they were still under the auspices of their national government. Between the late 1980s and 1995 it appeared as if scholars supporting multilevel governance, namely Hooghe and Marks, were correct and that the regions were finally establishing themselves at the EU level. However the subsequent time period (1995-present) demonstrated a move towards a more mixed system in which multilevel

governance and liberal intergovernmentalism are both viable characterizations of governance in the EU.

### **1995-Present: Exercising of Regional Influence and Disappointment**

Given their new-found status at the European level, regional governments in the Basque Country, Catalonia and beyond sought to extend and exercise their influence as much as possible. However, within this time frame the member states also moved to reassert themselves vis-à-vis the growing presence of the regions in the EU. It is in this period when the nature of governance in the EU, a system that is a mix of liberal intergovernmentalism and multilevel governance, comes to light.

The expansion of the European Union to include new member states and contend with more policy areas left scholars and EU officials wondering how the institutions would accommodate all of the recent changes. The EU Constitution was proposed to provide solutions to these issues. Though it was meant to address the more superficial concerns of the institutions and provide a framework for the future, the regions saw the Constitution as a means of gaining more power for themselves and the Committee of Regions. Thus, the regions became actively involved in the 2003 debates surrounding the EU Constitution. As this section shows the regional involvement in the constitutional debates serves as one of the best examples of the intersection of liberal intergovernmentalism and multilevel governance.

During the debates among EU officials over the Constitution the Committee of Regions (CoR) actively advocated for greater territorial cohesion and a better division of

power that included the regional governments. Both the Basques and Catalans played a role in making recommendations to the Constitutional Convention on these issues (Bourne 2008: 286). Beyond this, the Basques and Catalans took steps independent of the CoR to insert themselves into the constitutional debates. The Catalans participated in several “mini” conventions that brought together intellectuals, politicians and societal leaders in an effort to gather opinions on what the people in the regions wanted in an EU constitution. The Basque government took a more unilateral approach and chose to submit statements containing their position on a number of issues directly to the Convention (Bourne 2008: 288).

The ability of the regions to voice their concerns and assert themselves in the constitutional debates is undeniably a sign of multilevel governance in the EU. Throughout these debates the regions were able to advocate for issues that were salient to them and act within an official body that was connected to the EU. However, for the most part, the regions still had to bring their policy agendas to the institutions and national governments. Though the regions were actively involved in the debates surrounding the EU Constitution, they were not involved in the drafting of the document that would be up for referendum (Bourne 2008: 288). Furthermore, as Bourne mentions, the Basques and Catalans (and the regions in general) were only able to make policy *recommendations* to the Constitutional Convention. They had little say in what would be the final outcome of the convention. In this example it is clear that the member states (and institutions) wielded a significant amount of control as well. Here the fusion of

multilevel governance and liberal intergovernmentalism in the EU becomes evident.

While the regions boasted some influence in the constitutional debates, the member states remained at the helm of discussion and policy-making. Thus “governance” took the form of a combination of liberal intergovernmentalism and multilevel governance.

The intersection of multilevel governance and liberal intergovernmentalism becomes even more evident when one looks toward the Lisbon treaty. The Lisbon Treaty, signed in 2007, has greatly expanded the power of the regions in the European Union. Specifically the principle of subsidiarity has provided an opportunity for regional governments to garner greater influence in the policy-making process. Subsidiarity refers to the idea that decisions on policy must be taken as closely to the citizen as possible (Subsidiarity 2010). This means that when policy decisions come about that can be handled by the regional governments the EU has resolved to allow them to take control. The Treaty of Lisbon reinforced this principle by introducing a means for the regions to contest a legislative act before the Court of Justice if they feel subsidiarity has been infringed upon (Subsidiarity 2010). The addition of this power to the Committee of Regions’ repertoire has devolved more decision-making power to the regions. However the Lisbon Treaty also states that only through their member states can the regions contest legislative acts (Subsidiarity 2010). In this case power has been devolved to both the national governments and regions. Power in the EU is based on both parties and neither one can claim complete control.

Overall, the discourse surrounding the European Union has fundamentally changed. Instead of just focusing on the expansion of policy areas or the inclusion of more member states, the EU is also interested in forging relations with regional governments. The ideas of multilevel governance and liberal intergovernmentalism analyzed in this chapter differ in opinion on what governance looks like in the EU, and whether regional governments are capable of supporting a direct relationship with the institutions. The remainder of this thesis offers a deeper analysis of the state of relations between these two entities, the EU and regional governments. In doing so I demonstrate that it is a combination of these theories, multilevel governance and liberal intergovernmentalism, that best describes the current nature of governance in the EU.

### Chapter 3: Methodology

As has been mentioned throughout this paper scholars and officials are divided over the scope of regionalism in the European Union. On one side are the supporters of multilevel governance, an argument that states that power and governance in the EU is no longer concentrated within the institutions and member states, but is instead shared among all territorial levels (Hooghe and Marks 2000: xi). Liberal intergovernmentalists find themselves on the opposing side of this debate. Their theory argues that integration does not eliminate the role of the nation state, but that integration may preserve or even strengthen the power of the state (Milward 2000: 2). My argument is situated in the middle of this debate. I argue that governance in the European Union more closely resembles a system in which there is a mixture of liberal intergovernmentalism and multilevel governance.

In order to build my argument and effectively show the intersection of liberal intergovernmentalism and multilevel governance I adopted a two-pronged approach that includes analysis of public opinion data and interviews. This design was most appropriate for my research question because it allows for the opinions and analysis of all the groups involved in this debate. The public opinion data, which features the Spanish autonomous communities of Catalonia and the Basque region, allowed for a glimpse into how EU integration has been experienced by regional entities. Seeing the EU from the perspective of the regional entities clarifies the debate on how multilevel the institutions are. My interviews with EU officials were meant to show how regional entities and their presence

in the institutions are perceived by the organization as a whole, offering a glimpse into where the EU stands in this debate.

In my two-pronged approach I focused on the Basque and Catalan autonomous communities of Spain. Although there are numerous examples of regionalism in the European Union, few can be considered as vocal as the Basque and Catalan regions. These regions have had devolved powers since 1978, and a history of regional identity even before that. Both the Basques and Catalans have unique languages and cultures that, in their opinion, set them apart from other regional groups. This deep sense of nationalism made these communities great examples of regional authorities in Europe. Furthermore, I chose the Basque and Catalan regions because they have taken such different paths in their nationalist movements. Using two different cases answers the question if the formation of relations between the EU and regions is a universal idea that can be applied to any region, or if it only works for governments that have taken a more political route to achieve their goals (i.e. the Catalonians). Finally, each of the cases I mentioned have been active participants in those opportunities for regional involvement that are available. Their previous interactions with the EU were useful in helping me to understand the ways in which liberal intergovernmentalism and multilevel governance intersect.

Part one of my two-pronged approach consisted of an analysis of EU election data and public opinion data in the Basque and Catalan regions. Specifically, I examined the results of the 2005 Spanish referendum on the EU Constitution and Eurobarometers 168,

307, and 356. Eurobarometer 168 focuses on Spain and lists the results of the referendum on the EU Constitution on a regional basis. Eurobarometers 307 and 356 ask participants to state their knowledge of regional involvement in the EU. Additionally, Eurobarometers 307 and 356 ask participants how much they trust each level of government in Europe. I decided to place an emphasis on both public opinion data and the referendum results because they offer the best possible insight into the stance of regional governments on the European Union. Public opinion data and referendums are two of the most powerful tools the public has for communicating their approval or disapproval of a government. They allow the people to openly offer feedback on policies that have been enacted and future policy initiatives. This data is the best way of gauging public sentiment and it is for that reason that I have made public opinion data the centerpiece of my research.

In addition to analyzing public opinion data, I chose to use interviews with officials from the European Union. I chose interviews as a primary means of supporting my argument because they are a valuable tool in gathering information from individuals who have witnessed the phenomena I am studying. As previously mentioned the goal of this thesis is to analyze the opinions of each group involved in the debate over regionalism in the EU. In my opinion this is the best method of gaining insight into the type of governance the EU is currently experiencing. Furthermore, having direct contact with EU officials has presented an opportunity to gather evidence in support of my argument that

is not readily available in the literature previously written on the subject. It is for this reason that I believe interviews are a valuable tool in my research process.

Brussels serves as a meeting place for dozens of regional governments who want to influence policy making in the EU. Regional offices litter nearly every street in the city and the official representative of regional groups, the Committee of Regions, sits at the heart of the EU district. The presence of so many institutions and regional offices made Brussels an ideal location for gathering opinions on regionalism in the EU from the people who are closest to it, the officials. Though it is the least structured of its kind, I used open-ended interviews in order to gather evidence for my thesis. These interviews differ from most in that they do not involved a specific set of questions, and the questions are not asked in a specific order. Despite the fact that this appears to be an arbitrary way of conducting interviews it was quite useful. An open-ended interview allowed me a great deal of freedom in structuring the conversation and probing areas that caught my interest throughout the session. Overall this interview method allowed my conversations with the EU officials I met with to be more open, and it gave me the chance to explore new ideas that I had not thought of on my own.

Thus far I have set up an argument that states that governance in the European Union is more of an amalgamation of liberal intergovernmentalism and multilevel governance. In the next chapter I offer evidence in support of my argument and conclude with suggestions for the future of regionalism in Europe.

## Chapter 4: Results

So far I have offered a history of governance in the European Union and have analyzed multilevel governance and liberal intergovernmentalism in the context of two cases, the Basque and Catalan regions of Spain. Though each is varied in its approach toward the European Union the Basque and Catalan regions serve as sterling examples of regional participation at the European level. These regions were among the first to establish a presence in Brussels and are arguably some of the most active regions in the EU. More than this, the Basque and Catalan communities are two of the most autonomous regions to date, and serve as excellent examples of regional governments interacting with EU officials. For these reasons, I have chosen the Basque and Catalan regions as cases that demonstrate the new type of governance and power-sharing the EU is facing.

My research question is a simple one, how does liberal intergovernmentalism and multilevel governance combine to form a means of describing the current nature of governance in the European Union? In order to evaluate my research question I adopted a two pronged approach in which I interviewed EU officials and used public opinion surveys to draw conclusions on the state of governance in the institutions. The Basque and Catalan regions serve as cases through which I carried out my research methods. Hence, the public opinion surveys and interview questions have all been taken from these regions. I argue that despite the initial fervor surrounding multilevel governance the structure of the EU more closely resembles a system in which liberal

intergovernmentalism and multilevel governance co-exist. Beyond the obvious symbols of multilevel governance, the Committee of Regions (CoR) and regional offices, it is undeniable that the member states still wield a significant amount of power. It cannot be said that the institutional structure of the EU is one in which neither one of these parties (the regions or the member states) completely dominates the other.

Before continuing with this paper I must mention that the research presented here comes with a caveat. Though I have taken two of the best examples of regions interacting with the European Union, the Basques and Catalans, as case studies there may be different results for other regions. The public opinion data presented here and interviews conducted were all approached with the Basque and Catalan regions in mind. A closer analysis of other regions might yield different results as to how the public feels about regional involvement in the EU. That being said the research I have included in my thesis is indicative of a wider trend in the EU that marries liberal intergovernmentalism and multilevel governance. No matter the case study chosen the argument that governance in EU resembles more of a mixture of these two arguments is likely to come about.

The argument I have presented is developed in two parts. Part one analyzes public opinion data from the EU. This data is taken from both a country-wide and regional perspective, and is used to draw conclusions on how the public sees regionalism in the EU. Though the literature presented in previous chapters has revealed laudable efforts to include regional entities into the European framework it has exposed little about public opinion on the EU. Understanding how the regions themselves perceive their

involvement in the EU is an important step in concluding that the institutions are more of a mixture of multilevel governance and liberal intergovernmentalism. Part two addresses the results from interviews with three officials who have all witnessed first-hand governance structures in the EU. This chapter concludes with a look ahead at how the results generated from my research offer insight into the future of the EU.

### **Public Opinion on EU Participation**

Public opinion data provides governing bodies with a means to assess how the people in their territory feel about certain issues. For the European Union public opinion data is especially important. The power of the EU stretches across an entire continent and affects millions of people. Thus, it is vital for the EU to have a means of analyzing how the public feels about its structure and policy decisions. Perhaps the best way public opinion on the EU can be assessed is with Eurobarometer Surveys and results from EU referenda. In this section I use both of these tools to analyze the current nature of governance in the EU.

Before analyzing the opinion data taken from the Eurobarometer Surveys it is important to look back and understand how public sentiment for the European Union has developed over the years. Doing this provides context to the data presented later in this chapter. It would be difficult to comprehend the change in public sentiment without first analyzing how the regions felt during the early years of regionalism in the EU. The following table includes data from a 2002 survey conducted in the Basque Country and Catalonia. Participants in this survey were asked about their confidence and trust in the

three level of government that affect their lives, the regional leaders, the national government and the EU.

If a ranking of five is taken as the threshold for confidence we see that much of the population in both the Basque and Catalan regions had support for the European Union in the early 2000s. This is unsurprising given that just a few years earlier the EU made attempts to offer these regions a means of influencing the institutions and a place on the European stage. For many people, as evident by this survey, support for the EU was almost equal to that of their regional government. However the data presented in the rest of this chapter shows that once the fervor of regionalism dies down and the regions become increasingly disappointed by the amount of power they actually possess support for the EU decreases.

*Table 1.1- On a scale of 0 to 10 how much confidence do you have in each of these institutions, with 0 meaning 'no confidence' and 10 'total confidence' (Centro de Investigaciones Sociológicas)<sup>2</sup>?*

**Basque Region:**

	No Confidence	1	2	3	4	5	6	7	8	9	Total Confidence
Regional Government	1.0	0.3	1.5	2.4	4.2	15.7	16.3	19.9	23.3	7.4	6.2
Central Government	10.5	1.2	4.6	11.4	14.2	25.5	14.6	7.0	6.0	1.3	0.6
European Union	4.0	0.8	3.5	6.6	9.9	32.1	14.3	9.9	5.2	1.8	1.0

<sup>2</sup> Numbers shown are percentages.

Catalonia:

	No Confidenc e	1	2	3	4	5	6	7	8	9	Total Confidenc e
Regional Governme nt	4.7	0. 8	3. 0	3. 3	8.0	29. 0	15. 8	13. 7	11. 1	3. 3	4.2
Central Governme nt	12.6	2. 5	5. 5	8. 7	12. 3	28. 5	10. 6	6.9	5.5	1. 7	2.4
European Union	6.8	1. 3	3. 8	5. 9	7.9	30. 2	13. 9	9.7	7.5	0. 9	1.4

In 2005 the Spanish people became the first Europeans to vote on the text of the EU Constitution. Though this referendum was simply meant to gauge public opinion on the constitution, it revealed startling information on regional approval of the EU. Overall, the Spanish public voted in favor of the EU Constitution (see table 1.2). Both the media and political elites in Spain dubbed the results of the referendum a clear yes and stated that the Spanish people had helped to move the rest of Europe forward (“Spain Voters” 2005). However, within the Basque and Catalan regions support for the referendum varied.

*Table 1.2- Results from the EU Constitution Referendum in Spain, source: Eurobarometer 168*

	Yes (in favor of the constitution)	No (not in favor of the constitution)
Spain (overall)	76.72 %	23.28 %
Basque Region	66.34 %	33.66 %
Catalan Region	71.93 %	28.07 %

As table 1.2 shows the no vote in the Basque and Catalan regions was a bit higher than that of the Spanish state overall. In fact, of all the autonomous communities in Spain the Basque and Catalan regions had the highest percentage of no votes (Flash

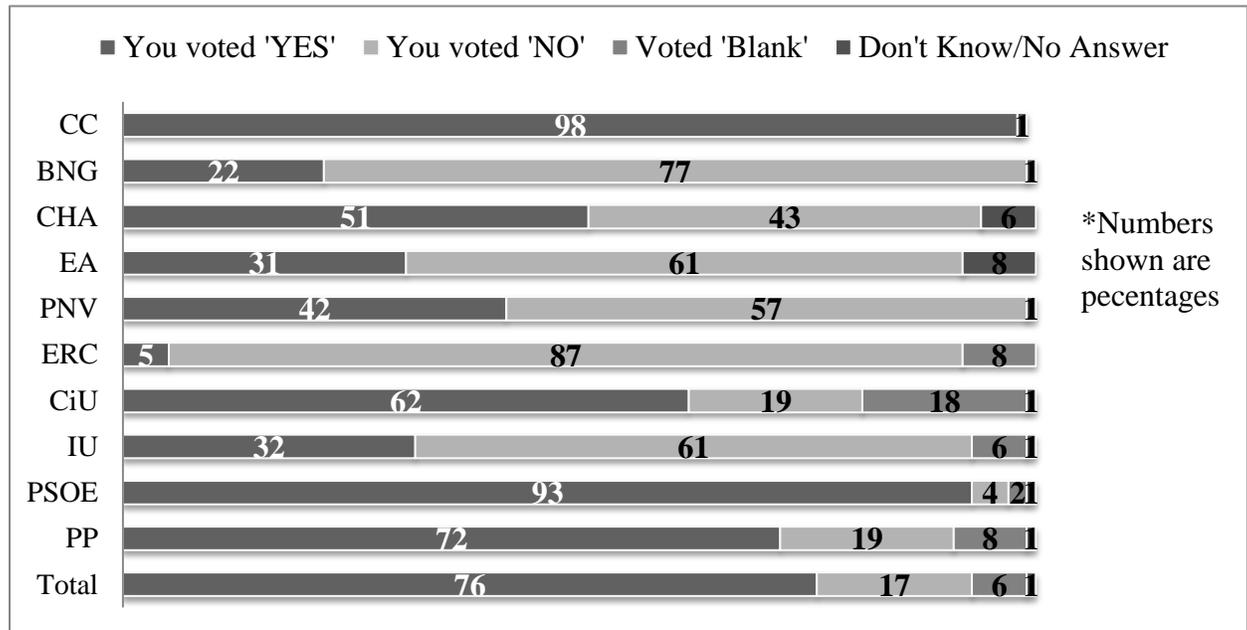
Eurobarometer 168: 16). It is undeniable that in both regions the majority of the populace voted in favor of the constitution. In the midst of the fervor surrounding multilevel governance, the Basques and Catalans believed that the EU would be a means for them to bypass their national government and exert some influence on the international stage. Support for the EU in these regions soared as the local authorities professed their faith in the EU's regional policies (Elias 2008: 557). However the percentage of no votes suggests that in these regions faith in the EU is waning.

The results of Flash Eurobarometer 168 serves as an additional marker that there is a decrease in regional support for the EU's initiatives. In figure 1.3 participants in Eurobarometer 168 were asked to identify which party they affiliate themselves with and how they voted in the referendum. The vast majority of participants who affiliate with either the PNV (Basque Nationalist Party) or EA (Eusko Alkartasuna) voted against the EU Constitution. In that same vein, Catalanian affiliates of the ERC (Republican Left of Catalonia) voted a resounding 'no' against the constitution. The results are surprising given that in the past the Basque and Catalan regions have been some of the biggest supporters of EU initiatives (Elias 2008: 559). Overall the no votes suggest that the regions are not in favor of more integration in the form of an overarching constitution. They also leave the reader to question the role of cueing in the weeks leading up to the referendum. When voters have limited knowledge of a policy or issue area political parties can provide 'cues' delineating what is at stake and how the public should cast its vote. As Ben Crum writes center-left and center-right parties tend to be more supportive

of the EU. Outright rejection of EU policies is typically restricted to the far ends of the left-right party spectrum (Crum 2007: 64). A party's placement on this spectrum can have a considerable impact on how it uses cueing; the outcome of the EU Constitution referendum is a testament to how much of an impact cueing can have on the voter.

In Spain the PNV (Basque Nationalist Party) and CiU (Convergence and Union) joined the PSOE, the party in power at the national level, in supporting the EU Constitution (Crum 2007: 71). Similarly, the ERC (Republican Left of Catalonia) and EA (Eusko Alkartasuna) used cueing to generate support for a no vote in their regions. With cueing having such a large role in the campaign for the EU Constitution it is unsurprising that many supporters of the PNV and CiU parties voted yes in the referendum while most affiliates of the ERC and EA parties voted no (see figure 1.3). Despite the obvious impact of cueing on the outcome of the referendum the results show that the regions are not as supportive of EU initiatives as they once were. The notion of political party cueing and its ability to serve as an indication that the liberal intergovernmentalism and multilevel governance are interrelated is revisited at the end of this chapter.

Figure 1.3- Results from Flash Eurobarometer 168



The slight decrease in support for EU initiatives, as evident by the number of 'no' votes coming from the Basque and Catalan regions, is indicative of the type of governance currently seen in the EU. As previously mentioned, the local authorities viewed the initiatives of the EU as a sign that the hour of the regions had arrived. However, the regions were not completely satisfied with the capacities extended to them. The decrease in regional support shows that the EU has not become a body in which the regions have an equal amount of power. Yes, they have an influence in what kinds of policy the EU pursues but the regions are not equal to the member states or institutions. The regions and member states both have influence and power, but the position of the member states in the EU may be a little higher than that of the regions. The situation described here is part of the reason why support for EU initiatives in the regions has experienced a slight decrease; if the regions felt they were equal partners in the EU

support may not have fallen. It is clear that the EU has developed a system in which the principles of multilevel governance are combined with those of liberal intergovernmentalism.

Those who believe that liberal intergovernmentalism and multilevel governance are mutually exclusive might counter that the constitutional referendum and subsequent Eurobarometer took place in 2005. They might argue that those results cannot possibly be characteristic of the European Union we see today. Indeed, the EU has changed since Eurobarometer 168 was conducted. However, the opinions of the general population in Catalonia, the Basque Country and many autonomous regions across Europe have not. Eurobarometer 307 and 356 corroborate the idea that regional populations remain skeptical of the EU's commitment to the regions. The disappointment of local authorities with the extent of regionalism in the institutions provides evidence that multilevel governance cannot solely be used to describe the EU.

Eurobarometer 307, commissioned in 2008, seeks to evaluate how citizens view various levels of public authority in Europe. Specifically, this Eurobarometer asks participants to state their level of knowledge of the Committee of Regions (CoR) and their trust in local, national, and EU institutions. Though the data from Eurobarometer 307 is not categorized on a regional basis important observations can be made about support for the EU versus support for regional governments in Spain. As the following tables show awareness of regional presence in the EU and satisfaction with the EU's

treatment of the regions is not very high in Spain. This sentiment is reflective of the opinions of the larger EU member-state network.

*Table 1.4- In your opinion, which of the different levels of public authorities (European level, national level, regional or local level) has the most impact on your life conditions?*

	Spain	EU 27
European Level	9 %	9 %
National Level	39 %	43 %
Regional or Local Level	42 %	38 %
Don't Know	10 %	10 %

Source: Eurobarometer 307

*Table 1.5- In your opinion, are regional or local public authorities sufficiently or not taken into account when deciding policies in the European Union?*

	Spain	EU 27
Sufficiently	21 %	19 %
Not Sufficiently	50 %	59 %
Don't Know	29 %	22 %

Source: Eurobarometer 307

*Table 1.6- The Committee of the Regions of the EU represents the point of view of regional and local public authorities of all Member-States when deciding policies in the EU. Before this interview, did you know that?*

	Spain	EU 27
Yes and you were very familiar with it	5 %	4 %
Yes, but you were not really familiar with it	18 %	20 %
No, not at all	38 %	52 %
Never heard about the CoR	35 %	18 %

Don't Know	4 %	6 %
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Source: Eurobarometer 307

In evaluating the results from Eurobarometer 307 it becomes clear that there are large discrepancies between whom regional populations feel have a greater impact on their lives and who is receiving the most recognition at the EU level. As table 1.4 shows a large percentage of the population in both Spain and the EU as a whole feel that their local/regional governments have the most impact on their daily lives. However, table 1.5 shows that for many people regional authorities are not sufficiently recognized at the EU level. As the closest level of governance to the people regional authorities should be recognized in the EU, and for the most part they are. However the data shows that many people are not satisfied with how their regional governments are being represented at the EU level. In fact a vast majority of the population does not know what regional bodies like the Committee of Regions do or that they exist (see table 1.6)!

Eurobarometer 356 provides further evidence of the disappointment people in the regions feel towards regionalism in the European Union. This Eurobarometer, the first to collect data on a regional basis, asks questions similar to those posed in Eurobarometer 307. It is useful in that it offers further insight into the public's opinion on the role of the regions in the EU. In particular the following question from Eurobarometer 356 is pertinent to my analysis.

*Table 1.7- I would like to ask you a question about how much trust you have in the European Union. Could you please tell me if you tend to trust it or tend not to trust it?*

	Basque Region	Catalonia
Tend to trust	36 %	38 %
Tend not to trust	60 %	57 %
Don't Know	4 %	5 %

Source: Eurobarometer 356

Table 1.7 shows that mistrust of the European Union is greater once opinions are taken at the regional level. In the past the regions have expressed goals of gaining greater influence at the European level. Mistrust of the EU is high because the regions feel that they have not been able to reach this goal, despite the fact that opportunities for regional involvement do exist. All of the aforementioned public sentiment points toward a system in which multilevel governance is not the only means of describing governance in the EU.

The tables and figures presented above provides evidence that overall the public is disappointed with the extent to which regionalism has been pursued in the European Union. In the late 1980s and 1990s many believed that the hour of the regions had finally arrived and that the regional entities would have a viable say in the inner-workings of the EU. Though the regions have gained a significant amount of influence in the EU they do not feel as if they are on equal footing with the member states and institutions. The member states especially still have a large amount of control in the organizational structure of the EU. It is the member states who are represented in the Council of the

European Union, one of the three main institutions involved in EU legislation. The Committee of Regions exists outside of this triangle of decision-making. Thus the proponents of multilevel governance and liberal intergovernmentalism are both correct. Hooghe and Marks argue that instead of power being concentrated within the member states and institutions power is now shared across all territorial levels. Andrew Moravcsik and liberal intergovernmentalists argue that it is the member states who are the main actors in EU integration. The previous discussion of public opinion in the regions demonstrates that there are aspects of both of these arguments in the EU. While the regions are influential the member states possess a type of power that has not yet been given to the local authorities. This realization shows that governance in the EU most closely resembles a mixture of multilevel governance and liberal intergovernmentalism.

### **Party Cueing and Support for the EU**

Before continuing to a discussion of how EU officials view governance and regionalism it is important to return to the notion of political party cueing. Throughout this chapter I have presented data that shows that regional publics (both in the Basque and Catalan regions and greater Europe) have become disappointed with the scope of regionalism in the European Union. Though the general public is capable of making judgments on its own people rely on cues as short-cuts. As previously stated cueing refers to a signal that tells voters what is at stake in an issue and how they should vote on said issue. In the context of my discussion of the current nature of governance in the EU, understanding the extent to which the public is subject to cues from political leaders

illuminates whether or not regional support for the EU, especially in the Basque and Catalan regions, is decreasing as much as it appears to be.

The Basque and Catalan regions are two of seventeen autonomous communities in Spain. Such decentralization has created a state in which the regional governments have more access to the ‘hearts and minds’ of the people in their community. Minority nationalist parties in both of these regions have taken advantage of their proximity to the general population by cueing for certain policies and initiatives. In the 1980s and 1990s Basque and Catalan regional parties felt as if they had more to gain than to lose within Europe (Elias 2008: 559). Thus they threw their support behind the European Union, and most likely used cues to convince the general public to do the same. When the regions began to feel that the power they had hoped to gain from the EU was not being given to them their support for the EU waned (Elias 2008: 559). *Figure 1.8-Identity in Catalonia (Martinez-Herrera 2002: 436)*

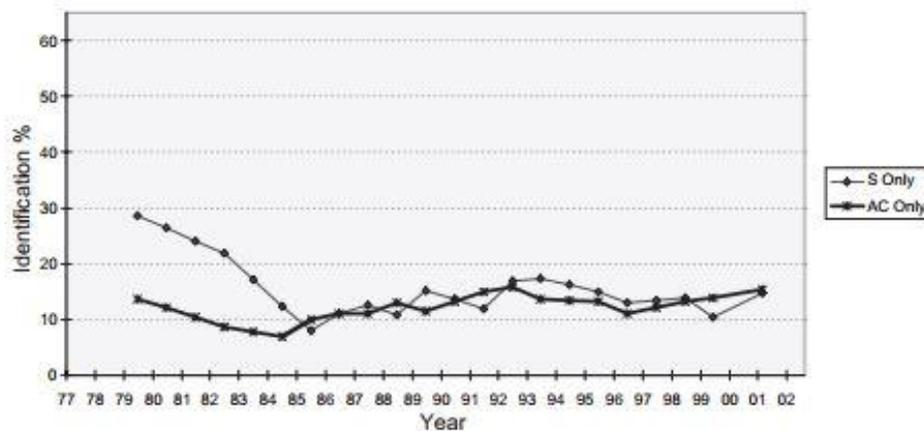


Figure 3. Exclusive identifiers, Catalonia 1979–2001.  
Source and key: See Figure 1.

*Figure 1.9-Identity in the Basque Country (Martinez-Herrera 2002: 438)*

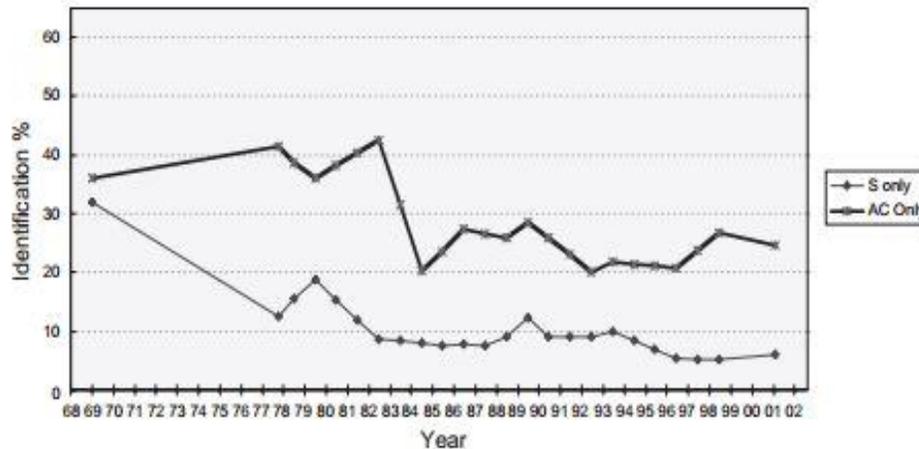


Figure 5. Exclusive identifiers, Basque Country 1969–2001.  
Source and key: See Figure 1.

The decrease in elite (meaning regional party) support for the European Union certainly affected how the public would view the EU. The Basques and Catalans are more attached to their regions because they reside within those autonomous communities. Figure 1.8 and 1.9 shows that the percentage of people in the Basque and Catalan regions who identify as ‘more Spanish’ has decreased. At the same time the number of people who identify as ‘more regional’ or being both Spanish and regional has grown (Martinez-Herrera 2002: 436). It is no wonder then that the cueing of political parties in these regions can affect how people vote and perceive the EU. If parties within those regions cue for a ‘no’ on referendums or negatively portray the EU the people in those regions are likely to follow their lead. The lack of faith in the EU on the part of regional political elites has led to decreased support in the Basque Country and Catalonia.

## **EU Officials and Governance**

The second part of my research methodology consists of interviews with officials on the best way to describe governance in the European Union and regional participation.

Risto Raivio, former employee in the Directorate for Consultative work in the Committee of Regions, made a clear point of saying that as of late regional governments have recognized that the EU is a new framework for them to work in. Mr. Raivio stated that in the late nineties and early part of the millennium there was widespread belief that a lasting partnership would be forged between the commission and regions on implementing policies. Despite the initial optimism for multilevel governance in the EU it has become clear that the vast capabilities the regions were hoping to receive did not come about. As Mr. Raivio states, “the center of power in the EU remains concentrated within the Council, Commission and Parliament” (Raivo). Thus there is little room for other groups, namely the regions, to exert influence in the EU unless room is made for them.

Pedro Cervilla, a Director of Registry and Legal Service in the Committee of Regions, expressed a more optimistic view of the current state of relations between the EU and regions. He maintains that the CoR is the only source for representation for the regions in the EU, that it serves as a public lobby for the citizens of Europe, and that it should have a larger role in the institutions. More than this he argues that, “The Committee of Regions does have influence, though less than it could be. The CoR has the power to give opinions to the Council on legislative issues. Furthermore, the body has the

possibility of going to the Court of Justice if the principle of subsidiarity has been infringed upon” (Cervilla). In these two responses alone it is clear that there is a difference of opinion on both the role of the regions and the state of regionalism in the EU. This disagreement on the role of the regions is precisely why governance is best described as mixture of liberal intergovernmentalism and multilevel governance. The arguments and examples provided by Mr. Raivio and Mr. Cervila shows that there are traces of both of these principles in the EU we see today.

Steen Illeborg, the former director of the Committee of Regions, was also optimistic about organizations like the CoR and stated that the process of regional integration into the EU has thus far been a success. He argues that the presence of the EU has allowed strong regions like Catalonia to engage in more talks for independence. In regards to the regional offices Mr. Illeborg states that, “Given the present state of the economy if they weren’t useful and didn’t serve a purpose they would most certainly be speedily closed. At the same time the presence of these offices in Brussels and all their promotional activities efficiently adds to the knowledge of regions in the EU system and thus to the regional profile in the EU” (Illeborg). Mr. Illeborg’s statement offers another facet to this discussion on governance in the EU. According to him greater regional participation offers a chance for the EU to expand its knowledge of the populace in Europe and generate partners in the policy-making process. However the EU must find a way to expand the powers given to the regions without drastically changing the existing balance of power. As has been discussed throughout this paper the members still have the upper

hand over the regions. Since regional participation still lies under the auspices of the national government it can be curbed at any point. For example, the drafters of the Maastricht Treaty included a provision for sub-state actors to participate in the Council of Ministers. However, the Spanish government has yet to allow the Basques and Catalans, or any regional group in its borders for that matter, to take advantage of the Council of Ministers' offer (Roller 2004: 83). Given this, it is imperative that the EU find a way to negotiate control and delegate powers for both parties. Otherwise cooperation within the EU and policy implementation could be at risk.

The interviews conducted with European Union officials have revealed a crucial point in the multilevel governance vs. liberal intergovernmentalism debate. All of the officials interviewed have provided examples of regional participation in the EU as well as member state control. Steen Illeborg identified the Committee of Regions and regional offices as the centers of regional influence in the EU institutional structure. Pedro Cervilla cited all of the new competencies given to the regions by the Lisbon Treaty. Finally, Risto Ravió mentioned that though the regions do wield some influence in the EU, the main locus of power is centered within the Commission, Council and Parliament. Given these examples we see that both the regions and the member states have avenues for influence in the institutions. Scholars who side with either multilevel governance or liberal intergovernmentalism are both correct. The arguments brought forth by these dueling theories are interconnected and *together* they describe governance in the EU.

## Chapter 5: Conclusion

Years after the emergence of local actors onto the European stage the debate over the role of the regions in the EU rages on. As has been stated throughout this thesis the debate has largely converged around two camps, those who believe that the regions have a vital role in the EU and those who believe it is the member states that hold all of the power. In the course of this thesis I have argued that neither theory alone is an adequate means of describing the current structure of the EU. A final conclusion on the role of the regions in the EU is far off, but it can be said that governance in the EU as of late most closely resembles a mixture of multilevel governance and liberal intergovernmentalism.

Political elites within the regions view participation in the EU as a means of having their concerns voiced on the international stage. This view is most evident in the two cases I selected for my thesis, the Basque and Catalan regions of Spain. Both the Basque and Catalan governments have made strides to interact with the EU and expand their capacities at the European level. Through active participation in the EU's most visible regional body, The Committee of Regions, and the formation of regional offices the Basques and Catalans have established a name for themselves in Brussels. These cases have demonstrated that there is room for regional participation in the EU and that the officials in Brussels are largely open to greater regional involvement. At the same time the member states have proven to be influential forces in the EU and have a firm grasp of power in the institutions.

Though EU involvement has been embraced by political elites in the regions, there is evidence to suggest that both the general public and regional governments are feeling disappointed by the degree of power extended to them. As my analysis of Eurobarometers 307 and 356 showed the populations in the Basque and Catalan regions are not very trusting of the EU. In addition many believe there is a large gap between the salience of the regions in the lives of the people and the extent to which the public feels those regions are represented in the EU. More than this the recent financial crisis has drawn the public's attention back to the domestic level. People in the Basque and Catalan regions, and regions outside of Spain, are more focused on ending the financial crisis than they are in pursuing Europe. That is not to say that the EU is no longer important to the regions, simply that it is less of a priority.

Finally, it has yet to be seen whether the member states are fully willing to share power with another entity in the EU. As it stands the member states already share power with the EU institutions. Will member states be willing to share power with regional actors as well? The answer to this question is vital to the expansion of powers for the regions and is unfortunately beyond the scope of this thesis. Until the member states agree it will be difficult for the regions to exert greater influence on the EU.

Throughout the 1990s and at the turn of the millennium many scholars, particularly Hooghe and Marks, proclaimed that the hour of the regions had come. However more than 10 years later the regions remain in largely the same positions they were when Hooghe and Marks wrote their piece on multilevel governance. The locus of real

decision-making power still resides within the Commission, Council and Parliament of the EU. Undeniably there are instances of both regional and member state influence in the policy proposals of the institutions. Governance in the EU has been shown to be a mixture of multilevel governance and liberal intergovernmentalism. As previously stated a final resolution to this debate is far off, but this thesis has offered some insight into the current state of relations between the EU and the regions. This information can now be used to understand where regionalism in the EU is headed and to devise a plan for how the EU can get there.

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