

Regionalisation and the Eastward enlargement of the European Union: a missed opportunity?

Jurado, Elena

Policy Network. Third floor. 11 Tufton Street. London SW1P 3QB

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EB ekialdera hedatzeak Europa erdialdeko eta ekialdeko estatu azpiko erakundeetan izango duen eragina aztertzen du lan honek. Era berean, Europa erdialdeko eta ekialdeko zortzi herrialde eransteak EB berri eta handiago baten barneko estatu azpiko erakundeen egitekoan izan dezakeen garrantzia aztertzen du.

Giltza-Hitzak: Europar Batasuna. Haztea. Europako Erdialdea eta Ekialdea. Lurralde autonomia. Estatu azpiko erakundeak. Baldintzazkotasun. Gutxiengoaren eskubideak.

Este trabajo examina el impacto de la expansión hacia el este de la UE en la situación de entidades sub-estatales en los nuevos Estados miembros de Europa central y del este. También estudia lo que puede significar la incorporación de ocho países de Europa central y del este en el papel de las entidades sub-estatales dentro de una nueva y ampliada UE.

Palabras Clave: Unión Europea. Crecimiento. Europa Central y del Este. Autonomía territorial. Entidades sub-estatales. Condicionalidad. Derechos de las Minorías.

Ce travail examine l'impacte de l'expansion vers l'est de l'Unbn Européenne dans la situation d'organismes sous-étatiques dans les nouveaux états membres de l'Europe centrale et de l'est. Il étudie également ce que peut signifier l'incorporation de huit pays d'Europe centrale et de l'est dans le rôle des organismes sous-étatiques dans une UE neuve et élargie.

Mots Clé : Union Européenne. Croissance. Europe Centrale et de l'Est. Autonomie territoriale. Organismes sous-étatiques. Conditionnalité. Droits des Minorités.

The objectives of this paper are two-fold. Firstly, I seek to provide an overview of the situation of sub-state entities in the countries of Central and Eastern Europe. Rather than provide a comprehensive account of the role of sub-state entities in any particular state, I identify the broad trends that are common to the countries of Central and Eastern Europe that have recently joined the European Union (EU). This, I believe, will provide a more fruitful basis for drawing comparisons with the experience of sub-state entities in Western European countries. The second objective of my paper is to consider the likely implications of the EU's eastward enlargement for the role of sub-state entities in the older EU member states. This second task is particularly interesting, for existing work on the EU's eastward enlargement has tended to focus exclusively on the impact of the EU on Central and Eastern European states, without considering what the EU as an institution, or the EU's Western European member states have learnt or can learn from the experiences of the accession countries.¹ As I explain in this paper, the territories of Central and Eastern Europe have experienced a remarkable and, in human terms, often tragic history of decentralization and centralization since the 16th century, a trajectory which may shed interesting light on both theoretical and policy-relevant discussions of the role of sub-state entities in the European Union.

Both of these objectives are fraught with difficulties. Firstly, any attempt to outline, in general terms, the experience of sub-state entities in Central and Eastern Europe is confounded by the great diversity that characterises the region. The countries of Central and Eastern Europe have followed similar political trajectories across the years (often imposed by external agents), most recently, the yoke of Soviet-controlled communism. However, their similar political trajectories have always had to contend with the cultural, socio-economic and territorial differences, which exist in each country.² Secondly, the situation of sub-state entities in Central and Eastern Europe is currently in flux. It is only recently – since the late 1990s – that attempts to set up regional authorities have begun in most countries of Central and Eastern Europe. This makes it very difficult to identify patterns across the region, let alone try to predict what the role of sub-state entities will be in the future. Finally, there is the enormous diversity in the situations of sub-state entities in Western European states. With no common 'regional framework' in Western Europe, it is very difficult to establish how the recent wave of accession will impact upon the situation of sub-state entities across the EU as a whole. In light of these difficulties, my paper provides no cut-and-dried answers, but rather a set of tentative observations designed to open up avenues for discussion.

A brief explanation of the terminology used in this paper is necessary before advancing any further. I use the term *sub-state entity* to refer to any territorial unit

1. For examples of this perspective, see Henderson, K. (ed.) *Back to Europe: Central and Eastern Europe and the European Union* (UCL Press: London, 1999) and Linden, R. H. (ed.) *Norms and Nannies: The Impact of International Organizations on the Central and East European States* (Rowman and Littlefield Publishers: Oxford, 2002).

2. Readers who are interested in the differences between the countries of Central and Eastern Europe should consult Rothschild, J. and N. Wingfield (eds.) *Return to Diversity: A Political History of East-Central Europe since World War Two* (Oxford University Press: Oxford, 1999) and Kaldor, M. and I. Vejvoda, *Democratization in Central and Eastern Europe* (Continuum International: London, 2002).

below the level of the state, whatever its degree of autonomy. It is an umbrella term, encompassing municipal, provincial and regional units alike. Since most of the discussion in my paper focuses on the regional level of government and administration, I sometimes refer to 'regions' and 'regional' authorities instead of 'sub-state entities'. However, the term 'region' also has a broader meaning, namely, any geographical unit larger than the territory of a state, as in 'the Central and Eastern European region'. In order to avoid confusion between these two meanings, in this paper I make greater use of the term 'sub-state entities' to refer to territorial units below the level of the state. The terms *territorial autonomy* and *regionalism* are used interchangeably in the paper to refer to political arrangements where sub-state entities have the right (a) to administer policies reached centrally by states whenever these policies have an impact on their territories; and/or (b) to participate in (or even control) the decision-making process in those policy-areas which affect them. Finally, I use the term *regionalisation* to refer to the process of establishing or strengthening territorial autonomy or regionalism within a state.

My paper proceeds in four parts. In Part I, I provide a very brief history of the practice of territorial autonomy in Central and Eastern Europe to explain why, in spite of having historical associations with this region, territorial autonomy was deemed an unacceptable way of managing the region's cultural diversity when the communist regimes collapsed during the late 1980s. In Part II, I turn to the transition years of the 1990s. I explain that, during the first half of the 1990s, neither the domestic nor the international environment facing Central and Eastern Europe was conducive to the development of strong sub-state entities. This changed somewhat in the second half of the 1990s, when the EU began to make regionalisation a condition for membership. The third part of my presentation focuses on the outcome of this process. I argue that, in spite of the EU's use of 'regional conditionality', the accession process has *not* resulted in the empowerment of sub-state entities in the countries of Central and Eastern Europe, at least not in the short term. In the fourth and final section I consider what the incorporation of eight Central and East European countries into the EU may mean for the role of sub-state entities in the new and enlarged EU.

1. TERRITORIAL AUTONOMY IN CENTRAL EUROPE: THE DEATH OF AN IDEA

The Habsburg Legacy

The principle of territorial autonomy is not new to Eastern Europe. During the 16th century onwards, while the territories of Western Europe were subject to centralizing pressures in the hands of monarchs bent on 'rationalizing' their political and military administrations, the situation was very different in the territories belonging to the Habsburg Empire. Partly due to the efforts of the Habsburgs to resist modernization,³ and partly due to the economic and political weaknesses

3. The territories of the Habsburg Empire were sheltered from the Reformation, the rise of capitalism, and the Napoleonic reforms shaking the Western half of Europe during the 18th and 19th centuries.

of their empire, the processes of cultural and territorial integration that gave rise to the nation-states of Western Europe failed to gain ground in Central and Eastern Europe. For this reason, the Habsburg territories entered into the 19th and 20th centuries with much more heterogeneous populations (culturally and linguistically) than those found in most Western European states. In addition to this demographic dimension, the territories of the Habsburg Empire were characterised by a much more fragmented administrative structure, which included various forms of cultural and territorial autonomy. This is not to say that the Habsburgs managed the cultural diversity of their empire in a just or efficient manner. On the contrary, the unequal treatment given to the different ethnic groups within the empire resulted in a series of revolts (including the events of 1848), culminating in the Slavic uprising of the early 20th century that led directly to the outbreak of the First World War.⁴

Nationalism between the Two World Wars (1918-1940)

In spite of the considerable degree of decentralization in the Habsburg Empire, the principle of territorial autonomy entered into terminal decline during the 20th century, first due to the rise of nationalism and then due to the communist experience. Most of the states that joined the enlarged EU on 1 May 2004 only acquired their current form in the aftermath of the First World War (1918-21) as a result of the emasculation of Germany and her allies in the Paris Peace Treaties, and the dissolution of the Habsburg, Russian and Ottoman empires. This is true for the three Baltic states of Latvia, Lithuania and Estonia; Slovakia and the Czech republic (until 1993 Czechoslovakia), Hungary in its present borders, and Poland. (Slovenia's first experience of independence came in 1991). The extremist ideologies in vogue throughout Europe at this time combined with the internal weakness and international vulnerability of the new Central and East European states to prevent the consolidation of liberal democracy in the region. One by one the fledgling democratic systems set up in the states of Central and Eastern Europe were overthrown by nationalist dictators who embarked on a set of centralizing and homogenizing policies that caused untold damage to the region's multicultural fabric. The most devastating expression of this was the decimation of the region's Jewish population during the Holocaust.

'Pseudo-regionalism' during the Cold War (1945-1989)

The communist experience that engulfed Central and Eastern Europe after the Second World War did little to ameliorate the situation of national minorities. This is in spite of the nominal self-government introduced to the area by the Communist

4. For a useful account of the territorial situation in the Habsburg Empire, see Caramani, D. 'State Administration and Regional Construction in Central Europe: A Comparative-Historical Perspective', in Hughes, J. and M. Keating (eds.) *The Regional Challenge in Central and Eastern Europe: Territorial Restructuring and European Integration* (Peter Lang: Brussels, 2003), pp. 21-50.

regimes.⁵ During the Communist era, a three-tier system of 'Soviets' (or 'People's Councils') was introduced to all of the countries of Central and Eastern Europe, modelled on the system of territorial administration that existed in the USSR. These nominally elected Soviets, which existed at the local, district and regional levels, were designed to create a semblance of local autonomy. In fact, however, the Soviets were entirely dominated by both the central state administration and the Communist Party.⁶ Far from providing a source of proto-regional identity, the regional Soviets of Central and Eastern Europe came to be associated with the worst excesses of the communist system: corruption, bureaucratic rigidity and arbitrary power. As Andrew Coulson points out 'while there was no legitimate system of local-self-government [in Central and Eastern Europe under communism], there were traditions of local corruption, baronial fiefdoms and a growing sense of bureaucratic ungovernability.'⁷ Therefore, when the communist regimes collapsed throughout Central and Eastern Europe in the late 1980s, the idea of territorial autonomy was not only unpopular amongst the region's new political elites; it was also positively mistrusted by the majority populations of the newly democratic states.

2. THE 1990s: OBSTACLES TO THE REVIVAL OF TERRITORIAL AUTONOMY

Far from resurrecting the principle of territorial autonomy, the democratic transitions that the countries of Central and Eastern Europe embarked upon during the 1990s served to marginalize it even further. Initially, the collapse of communism witnessed a wave of extreme decentralization throughout the countries of Central and Eastern Europe, with power devolved to the very smallest units possible, at the expense not only of the 'regional' entities created during the communist period, but also of economic efficiency. By 1992, this was followed by a process of territorial rationalization, which – with the partial exception of Hungary and Poland – effectively saw the re-centralization of political authority throughout the area.⁸

The rejection of territorial autonomy by the governments of Central and Eastern in the early 1990s was not only a consequence of the region's 20th century experiences. With the collapse of communism, nationalism became a useful ideology for political elites to mobilise support amongst the weary populations of the new democracies.⁹ Moreover, the proximity of kin-states with irredentist

5. Kymlicka refers to the pseudo-federalism introduced in Yugoslavia, Czechoslovakia and the USSR. See Kymlicka, W. and M. Opalski (eds.) *Can Liberal Pluralism be Exported? Western Political Theory and Ethnic Relations in Eastern Europe* (Oxford University Press: Oxford, 2001), p. 64.

6. Hughes, J., G. Sasse and C. Gordon, 'The Regional Deficit in the Eastward Enlargement of the European Union: Top Down Policies and Bottom Up Reactions' (ESRC One Europe or Several? Working Paper 29/0), p. 11.

7. Coulson, A. (ed.) *Local Government in Eastern Europe* (Edward Elgar: Aldershot, 1995), p. 9.

8. Gibson, J. and P. Hanson 'Decentralization and Change in Post-Communist Countries', in Gibson, J. and P. Hanson (eds.) *Transformation from Below* (Edward Elgar: Cheltenham, 1996).

9. Snyder, J. 'The New Nationalism', in Rosecrance, R. and A. Stein (eds.) *The Domestic Bases of Grand Strategy* (Cornell University Press: Ithaca, 1993).

ambitions meant that the option of territorial autonomy was perceived to be suicidal by political elites in the states of Central and Eastern Europe, most of which have large territorialized ethnic minorities. It is no coincidence that the only two states that set up a system of limited regional self-government were Hungary and Poland, the two countries with the most ethnically homogeneous populations. In the majority of Central and East European countries, the sub-state entities that had (nominally) existed during the communist period were either abolished altogether (as in Czechoslovakia) or divested of all power and resources (in all the others).¹⁰

Neither was the international environment facing the countries of Central and Eastern Europe conducive to the revival of territorial autonomy as a system of managing the region's cultural diversity. The end of the Cold War and outbreak of ethnic-based conflict in various parts of the former Soviet bloc did encourage international institutions – led by the OSCE (before 1995, the CSCE) and the Council of Europe – to establish a common set of norms that should govern the way European states treat individuals belonging to ethnic minorities. These norms, enshrined in the 1990 Copenhagen Document of the CSCE and in subsequent Council of Europe conventions, not only proscribe racial or ethnic discrimination, but also call on European states to foster cultural pluralism within their borders by creating the necessary conditions for members of minorities to participate in society on the basis of their mother tongue and cultural particularities. However, these European norms do not explicitly include territorial autonomy. For instance, the Council of Europe's first treaty dealing with minority issues – the 1992 European Charter on Regional and Minority Languages – recognises a variety of practices for preserving and developing the cultural and linguistic diversity within State Parties territories, the 'strongest' of which can only be implemented in states with decentralised forms of public administration. However, because the Charter is based on an 'à la carte' system, where each state party chooses the option best adapted to the linguistic, demographic and political situation on its territory, the Charter in no way makes territorial autonomy an obligation for states.¹¹ Similarly, whilst the Council of Europe's Framework Convention for the Protection of National Minorities (which came into force in 1998) calls on governments to involve members of national minorities in decision-making processes, it does not specify the form that this involvement should take.¹²

10. Rumania refused to re-establish the Autonomous Hungarian regions that existed between 1954 and 1968, and Bulgaria explicitly forbids territorial autonomy in its Constitution. See Brunner, G. *Nationality Problems and Minority Conflicts in Eastern Europe: Strategies for Europe* (Gütersloh: Bertelsmann, 1996).

11. In 1993, the Parliamentary Assembly of the Council of Europe (PACE) issued a recommendation (Recommendation 1201) which raised the possibility, for the first time, that a national minority should have its own autonomous administrative system and status when living in a territory where it is the majority. This, however, was rejected by the Committee of Ministers, the Council of Europe's inter-governmental decision-making forum.

12. Having said this, the Framework Convention's Explanatory Report cites 'consultation with their representative bodies' and 'decentralised or local forms of government' as examples – but only as examples, not as requirements.

In order to understand the (official) silence of the OSCE and Council of Europe regarding territorial forms of autonomy, we must turn our attention to the attitudes of European governments. The latter continue to resist conferring *collective rights* to ethnic minorities - something they fear will feed separatist tendencies and thus threaten the territorial integrity of their states. The existence of a European Charter on Local Self-Government (in force since 1985) has not affected this situation in any significant way, as its provisions focus on democratic participation at the local/municipal level and say relatively little about regional autonomy.¹³ Therefore, whilst European institutions like the OSCE and Council of Europe have sought to ensure that the countries of Central and Eastern Europe respect the cultural and personal autonomy of their ethnic minorities, they have not insisted on the adoption of territorial autonomy as a system for managing the region's cultural diversity. Indeed, Kymlicka goes even further, arguing that European institutions have actively discouraged this option. He points out that the OSCE has only promoted territorial autonomy in cases where ethnic unrest threatens to escalate into civil war, citing the examples of Crimea (in the Ukraine), Transdniestria (in Moldova) and the former Yugoslavia.¹⁴

3. EU ACCESSION: BLESSING OR CURSE FOR SUB-STATE ENTITIES IN CENTRAL AND EASTERN EUROPE?

The situation appeared to change after December 1997, when six 'first wave' candidates were invited to start EU membership negotiations. In 1998 the European Commission began to make the strengthening of 'regional administrative capacity' a condition for the candidate states to receive EU structural funds and to proceed with accession. This mechanism, whereby the EU links economic assistance and political opportunities (including membership) to specific political and economic reforms in third countries, is generally referred to as *conditionality*.¹⁵ Although it is difficult to assess the precise impact of EU 'regional conditionality' on the territorial policies of the candidate states - not least because in all the countries of Central and Eastern Europe there were also domestic pressures for decentralization - EU accession appears, at the very least, to have had an influence on the timing of territorial reforms introduced in these countries. This is suggested by the nature of reforms carried out in individual countries of Central and Eastern Europe after 1997.

Thus, in spite of a general commitment to regionalism expressed in the new Czech constitution as early as 1993, it was only in 1997 that a law was passed

13. The Council of Europe's Congress of Local and Regional Authorities has produced a draft European Charter on Regional Self-Government. Keating and Hughes *The Regional Challenge in Central and Eastern Europe*, p. 63. However, the lack of enthusiasm shown by Council of Europe member states suggests this treaty is unlikely to be adopted in the foreseeable future.

14. Kymlicka and Opalski, *Can Liberal Pluralism be Exported?*, p. 380.

15. Sørensen, G. *Political Conditionality* (Frank Cass: London, 1993); Smith, K. E. *The Use of Political Conditionality in the European Union's Relations with Third Countries: How Effective?* (EUI Working Paper no. 97/7, 1997).

establishing 14 regions (*kraje*) within the territory of the Czech Republic, which, in 2000, acquired democratically elected assemblies. Similarly, in 2001, Slovakia reversed its earlier resistance to introducing democratically elected regional assemblies. Slovenia and Estonia, two small countries that had abolished the regional tier of administration upon gaining independence in 1991, decided to set up Regional Development Agencies in 1997. Even in Poland and Hungary, where a process of regionalisation had already begun, reforms were introduced in 1998 that saw the establishment of Regional Development Agencies. As Fowler has noted, the parliamentary debates that ushered in these reforms were all dominated by references to real or perceived EU requirements.¹⁶ However, in spite of these institutional developments, one would be hard-pressed today to find a single country in Central and Eastern Europe whose regions have been empowered over the last 6 or 7 years. Indeed, as I shall outline shortly, far from encouraging Central and East European states to embark on a process of devolution, EU accession appears to have contributed to a process of re-centralisation in all of the Union's most recent member states. As we shall see, this even applies to those countries – Hungary and Poland – which had embarked on a degree of regionalisation during the early 1990s.

Three important shortcomings in the EU's regional policy explain this outcome. The first shortcoming has to do with the vagueness of the EU's approach. The EU has not specified how these regional authorities should be set up, nor where the borders of these authorities should be drawn. A glance at the European Commission Regular Reports published since 1998 reveals the exceedingly vague language the Commission has used when referring to the requirement of strengthening 'regional administrative capacity'. In particular, the Commission has failed to establish explicit benchmarks for measuring the candidate countries' progress towards setting up appropriate levels of 'regional administrative capacity'.¹⁷ This is hardly surprising since the Commission has no expertise in the area of minority rights and territorial autonomy. Indeed, the Commission's hands have been tied by the fact that the EU's 'acquis communautaire' does not define how the management of structural and cohesion funds should be arranged, leaving this up to each Member state. This means that Commission members have been forced to rely on implicit suggestions in their efforts to encourage a degree of decentralization in the countries of Central and Eastern Europe - not an ideal basis from which to exert pressure.

A second shortcoming in the EU's efforts to strengthen the role of sub-state entities, closely related to the first, is the functional logic that characterises the way the European Commission talks about regionalism. The Commission has relied on functional arguments, rather than ethical ones, to explain the importance of strengthening 'regional administrative capacity'. This functional logic

16. Fowler, B. 'Debating Sub-State Reform on Hungary's 'Road to Europe'' (ESRC One Europe or Several? Working Papers 21/01).

17. Hughes, J., G. Sasse and C. Gordon, 'European Union Enlargement, Europeanisation and the Dynamics of Regionalisation in the countries of Central and Eastern Europe,' in Keating and Hughes, *The Regional Challenge in Central and Eastern Europe*, p. 75.

has consisted above all in claiming that the regional level of administration is more 'competent' in designing and implementing cohesion policy than the central level of government. By referring only to arguments about 'efficiency' and overlooking the democratic dimension of regional self-government, the European Commission has, unwittingly, provided Central and East European governments with a perfect excuse to avoid, or at least reign in, regionalisation processes in their respective countries, namely: the absence of administrative and financial capabilities outside the central state. As one Hungarian MP explained, 'As regards the institutional systems for territorial developments, there aren't any norms in the EU to which we have clearly to adjust... In my reading [EU pressure] primarily means that we have to create an effective system of institutions, which guarantees the Union the effective use of the funds it sends... [In Portugal] the regional system is a completely state one, but it spends the money effectively.'¹⁸

Finally, the EU's efforts to promote regionalism in the countries of Central and Eastern Europe have been undermined by the total marginalization of sub-state authorities from the negotiations that have surrounded the accession process. Political elites operating at the sub-state level in Central and Eastern Europe have not been given any say in the EU's negotiations and communications with the applicant states. Indeed, surveys conducted by one group of scholars have revealed an astonishing level of ignorance amongst political and economic actors operating at the sub-state level, who appear to have very little knowledge of the implications of EU membership for their activities.¹⁹ This not only casts doubt on the seriousness of the European Commission's claim to support 'partnership' between states and sub-state entities. It also means that the EU has failed to use the accession process as an opportunity to 'socialize' regional actors by putting them in contact with ideas about local and regional self-government.

As a result of the EU's failure to provide concrete guidelines about regionalisation, governments in Central and Eastern Europe have been able to engage in a 'strategic' delimitation of sub-state entities. This strategic delimitation has taken two general forms. The first consists of efforts to prevent the boundaries of sub-state entities from coinciding with the territories inhabited by minority groups. These efforts have generally been very successful. Today, although ethnic minorities in Central and Eastern Europe are frequently found in territorially concentrated areas, they rarely enjoy any political authority embedded in territorial arrangements. On the contrary, the ethnic minorities tend to be located in areas spanning state and regional borders. Thus, Transylvania, the territory within Romania where the majority of ethnic Hungarians live, has been parcelled out among several regions.²⁰ The same is true for Slovakia, where regional boundaries were redrawn

18. János Hargitai quoted by Fowler, B. 'Debating Sub-State Reform on Hungary's 'Road to Europe'', p. 38.

19. Hughes, Sasse and Gordon, 'The Regional Deficit in the Eastward Enlargement of the European Union' pp. 34-40.

20. Batt, J. 'Between a Rock and a Hard Place – Multi-ethnic Regions on the EU's New Eastern Frontier', *East European Politics and Societies*, vol. 15, no. 3, pp. 517-518.

during the 1990s to ensure that the territory inhabited by ethnic Hungarians would be fragmented.²¹ Meanwhile Estonia has presented its entire territory as a single EU 'statistical region', in spite of (or rather because of) the large Russian-speaking minority concentrated in the North East of the country.²²

The EU's functional approach to regionalism and the bilateral nature of the EU accession process have allowed the governments of Central and Eastern Europe to resist devolving competencies to the new regional authorities. Many regions continue to be represented by officials appointed by central governments, rather than elected by those residing in the regions. This is the case in Romania, Bulgaria, Slovenia and Estonia. Even in those countries of Central and Eastern Europe where elected regional authorities exist, the legislative powers of the new regional assemblies are very limited. This is the case in Slovakia and Hungary. Those Central and East European regions that enjoy a greater degree of autonomy (e.g. Poland) have very limited tax-collecting powers, forcing them to remain dependent on central governments. Moreover, the new regional tiers of government set up in the countries of Central and Eastern Europe have not been given responsibility for managing EU structural funds. This responsibility has been given to newly constructed Regional Development Agencies, whose territorial remit does not coincide with regional boundaries. The Regional Development Agencies are not elected by regional constituencies, but rather are appointed by each central government.²³

4. IMPLICATIONS FOR THE ROLE OF SUB-STATE ENTITIES IN EU DECISION-MAKING

When considering the implications of these developments in Central and Eastern Europe for regionalisation processes in the EU as a whole, a brief excursion is necessary to establish, in general terms, what the situation facing sub-state entities in Western Europe is today. The 1980s were a decade of great enthusiasm for regional authorities in EU Member states. In particular, European integration was believed to be accelerating regionalisation by providing sub-state entities with new *motives* for demanding greater autonomy and self-government (e.g. increased economic vulnerability); with new *sources of legitimisation* (e.g. Council of Europe legal conventions, which encourage central governments to actively foster the languages and cultures of minority groups within their borders); and with new *means* with which to act autonomously. The latter included the establishment of the EU's

21. Bucek, Jean. 'Balancing Functional and Ethnic Regionalism', in Keating and Hughes, *The Regional Challenge in Central and Eastern Europe*, p. 153.

22. For a comprehensive analysis of the Estonian government's policy towards the Russian-speaking minority see Jurado, E. 'Complying with 'European' Standards of Minority Protection: Estonia's relations with the European Union, OSCE and Council of Europe' (D.Phil. thesis, University of Oxford, 2002).

23. Hughes, Sasse and Gordon, 'European Union Enlargement, Europeanisation and the Dynamics of Regionalisation in the Central and East European Countries,' in Keating and Hughes, *The Regional Challenge in Central and Eastern Europe*, pp. 69-88. To make matters worse, in 2001, in view of the resistance of Central and East European governments to engage in political and administrative decentralization, the European Commission decided to stop insisting on 'regional administrative capacity' as a condition for the candidate countries to receive structural funds.

Committee of Regions, in 1994, designed to act as a forum for sub-state entities in EU member states to debate issues of common interest and to send joint proposals for action to EU decision-making bodies. The new means for sub-national mobilisation also included provisions for sub-state entities, central governments and EU institutions to jointly manage and implement EU structural funds. Many believed these developments would provide regional authorities with effective avenues for projecting their interests at the European level.²⁴

Contrary to expectations, the 1990s witnessed a deceleration, if not a reversal, of regionalisation processes throughout Western Europe. The EU's Committee of Regions was given a purely consultative function, disappointing regional elites who sought to participate directly in EU decision-making. This was followed by changes to the way the European Commission distributed its structural and regional funds, changes that reasserted the role of central governments in EU member states. The sense of returning to the 'state-centrism' of the past was especially palpable in the aftermath of the convention set up to draft a new Treaty establishing a European Constitution, signed by EU member states on 18 June 2004 and still awaiting ratification. Numerous demands were put forth at this convention by representatives of sub-state entities, ranging from a constitutional recognition of the positive aspect of diversity as embodied in the EU's regions, to a request for the Committee of Regions to be strengthened as an institution, enabling it to go beyond its purely consultative functions.²⁵ However, the convention's Working Group on Subsidiarity mostly rejected these demands. The Preamble of the Treaty establishing a European Constitution mentions regional and local authorities. However, it does so in connection with the principle of 'respect for the internal organization of the member states'; no attempt is made to formalise the role of sub-state entities in European decision-making. Title III, Articles 9 and 10, which deal with 'subsidiarity', leave open the possibility of attributing competencies to sub-state entities in order to obtain the objectives laid down in the Constitution. However, as John Loughlin has pointed out, the new Constitutional Treaty opts for an understanding of subsidiarity that primarily concerns relations between member states and EU institutions (by strengthening the role of national parliaments in EU decision-making), thereby downgrading the relations of these two levels with sub-state entities. The consultative status of the Committee of Regions has been maintained.²⁶

In the short-term, the incorporation of eight Central and East European states into the EU is likely to complicate, perhaps even represent a setback for, the efforts

24. For analyses of these developments, see Jones, B. and M. Keating *The European Union and the Regions* (Clarendon Press: Oxford, 1995); and Hooghe, L. (ed.) *Cohesion Policy and European Integration: Building Multi-Level Governance* (Oxford University Press: Oxford, 1996).

25. The proposals included granting the Committee of Regions the right of a 'suspensive veto' in cases of mandatory consultation; the right to attend the dialogue between the Council, European Parliament and Commission in co-decision procedures; and the right to trigger sanctioning measures in cases of failure to consult the Committee of Regions where this is mandatory.

26. Loughlin, J. 'The Regional Question, Subsidiarity and the Future of Europe', in Nicolaidis, K. and S. Weatherill, *Whose Europe? National Models and the Constitution of the European Union* (Papers of a Multi-Disciplinary Conference held in Oxford in April 2003, European Studies Centre, University of Oxford).

of Europe's sub-state entities to increase their role in EU decision-making. The membership of eight new countries, all of which (excluding Hungary) are suspicious of territorial autonomy, will make it even more unlikely that the Treaty establishing a European Constitution (still to be ratified by EU member states) will be amended to ensure a greater voice for regions in EU decision-making. Given the strategic delimitation of regional boundaries I referred to earlier, the sub-state entities of Central and Eastern Europe are neither culturally distinct nor do they have a sense of historical identity. Their entry into the EU's Committee of Regions is therefore likely to complicate the politics of regionalism in Europe considerably, not least by shifting the balance of power within the Committee of Regions away from the so-called 'big hitters' (the 'constitutional regions', which have legislative powers) towards the 'administrative regions' (those without legislative powers). Moreover, competitive rather than cooperative relations are likely to develop between the 'old' beneficiaries of EU structural funds, and the 'new' beneficiaries in the countries of Central and Eastern Europe.²⁷ So long as doubt remains as to the capacity of sub-state entities in Central and Eastern Europe to administer structural funds effectively, the wealthier EU 'donor' states are likely to call for steps to 're-nationalise' EU regional policy.²⁸

In the medium to long term, it is difficult to predict what the status of sub-state entities in the EU will be. The EU's eastward enlargement and plans for further enlargement are likely to force the EU to pay more attention to the question of how cultural diversity within EU member states should be managed – a question which, so far, the EU has preferred to delegate to the OSCE and Council of Europe. The incorporation of eight new EU member states from Central and Eastern Europe has already served to highlight the inequality of rights enjoyed by ethnic minorities across the EU. Up until now, the EU has justified this inequality by affirming its respect for the constitutional provisions of each member state. The problem with this argument is that, whilst the inequality of minority rights across the 'EU of 15' was indeed the result of each member state's 'constitutional traditions', this is no longer the case for the 'EU of 25'. If ethnic minorities in the new Central and Eastern European member states enjoy greater rights than ethnic minorities in France (which they do), it is only because the governments of Central and Eastern Europe *have been forced* to adopt higher standards in order to join the EU. This double standard is already resented by governments in Central and Eastern Europe. Once inside the EU, there is nothing to prevent them from reversing their pledges to respect the rights of ethnic minorities.²⁹

27. The latter are expected to receive 75% of EU funding by the year 2007 out of a total which is going to remain at 0.45% of the European Union's GDP. This total, according to many experts, will in any case be insufficient as the countries of Central and Eastern Europe are unlikely to contribute to the EU budget as much as they take out.

28. Calls for each member state to receive a 'bloc' of EU assistance, which they would proceed to administer independently, are already being voiced. These proposals would undermine the transnational system currently in place, which allows for some direct relations between the Commission and regional authorities.

29. For analysis of the double standard in Europe's minority rights regime, see Chandler, D. 'The OSCE and the Internationalisation of National Minority Rights', in K. Cordell (ed.) *Ethnicity and Democratisation in the New Europe* (Routledge: London, 1999); and de Witte, B. 'Politics versus Law in the EU's Approach to Ethnic Minorities', in J. Zielonka (ed), *Europe Unbound. Enlarging and Reshaping the Boundaries of the European Union* (Routledge: London, 2002).

Should such a development occur, the EU may finally acknowledge the need to incorporate common standards of minority protection into its Constitution.³⁰ Of course, even if the EU finally adopts common rules regarding minority protection, these are likely to be limited to the rights of ethnic minorities to enjoy personal and cultural autonomy, *not territorial autonomy* - something which is unlikely to satisfy the demands of Europe's most autonomous regions. However, the adoption of a common set of rules governing minority protection, however limited in scope, would represent an important step in the right direction. At the very least, it would stimulate further mobilisation amongst Europe's sub-state entities, thus opening up the possibility of more far-reaching changes to the European Constitution in the future.

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