



CIS PAPERS

No. 25

Regional Interest Representation in
the European Union

Comparing the Adaptation of
German, Italian and British Regions
to European Integration

Nathalie Buijs

Oktober 2009

The CIS – Discussion Papers are published on an irregular basis by:

Centre of International Studies

University of Hamburg
Von-Melle-Park 9

D-20146 Hamburg

E-mail: Maja.Liebing@wiso.uni-hamburg.de

Citation:

CIS Papers, Centre of International Studies Hamburg

TABLE OF CONTENTS

INTRODUCTION: HOW ARE REGIONS AFFECTED BY EUROPEAN INTEGRATION?	5
--	----------

CHAPTER I: THE DOMESTIC IMPACT OF EUROPE AS A PROCESS OF INSTITUTIONAL ADAPTATION	9
--	----------

1.1. Modelling domestic institutional change	9
---	----------

1.1.1. Intergovernmentalist, neo-functionalist and multi-level governance theories	9
--	---

1.1.2. Institutional approaches: allowing for a 'differential impact'	10
---	----

1.2. Hypotheses	11
------------------------	-----------

1.2.1. Adaptation pressure	12
----------------------------	----

1.2.2. Adaptation capacity	13
----------------------------	----

1.2.3. Adaptation strategies	13
------------------------------	----

1.3. Methodology and data	14
----------------------------------	-----------

CHAPTER II: THE CHALLENGES OF EUROPEAN INTEGRATION TO REGIONAL GOVERNANCE	16
--	-----------

2.1. Regions as the losers of European integration?	17
--	-----------

2.1.1. The EU's 'regional blindness'...	17
---	----

2.1.2. ... and its effect on regional governance	17
--	----

2.2. Three member states, three different institutional contexts	18
---	-----------

2.2.1. The German Federal State and the <i>Länder</i>	19
---	----

2.2.2. The Italian Republic and its regions and autonomous provinces	21
--	----

2.2.3. The United Kingdom and its devolved administrations	25
--	----

2.3. Comparing adaptation pressure in the three countries	28
--	-----------

CHAPTER III: THE CAPACITY OF REGIONS TO ADAPT TO EUROPEAN INTEGRATION	30
3.1. The EU as ‘opportunity structure’: channels of European interest representation	31
3.1.1. The European channel	32
3.1.2. The national channel	34
3.2. Regions and their legal, financial, organisational and political resources	35
3.2.1. German <i>Länder</i> : strong institutionalisation	35
3.2.2. Italian regions: the rich north versus the poor south?	39
3.2.3. The UK’s cultural nations	43
3.3. Comparing the total resources of the three regions	45
CHAPTER IV: COMPETITIVE VERSUS COOPERATIVE ADAPTATION STRATEGIES AND DOMESTIC CHANGE	47
4.1. Cooperative versus competitive strategies	48
4.2. Regional experiences	49
4.2.1. Germany – Mecklenburg-Vorpommern	49
4.2.2. Italy – Piemonte	55
4.2.3. The United Kingdom – Scotland	59
4.3. Comparing the strategies of the three regions	64
CONCLUSIONS	66
BIBLIOGRAPHY	71

List of figures

Figure 1: European integration and domestic change	6
Figure 2: European integration and domestic adaptation pressure	16
Figure 3: Domestic institutions and regional adaptation capacity	31
Figure 4: Institutional cultures and regional adaptation strategies	47

List of tables

Table 1: Overview of hypotheses guiding the research	16
Table 2: Adaptation pressure in Germany, Italy and the United Kingdom	31
Table 3: Budget of the German <i>Länder</i> in 2009 (in Euros)	39
Table 4: Staff employed by the German <i>Länder</i> (full-time equivalents) on 30 June 2007	40
Table 5: Total expenditure of the Italian regions in 2004 (in Euros)	43
Table 6: Number of staff in the Italian administrations on 31 December 2003	44
Table 7: Total public expenditure of the devolved administrations in 2007-2008 (in British Pounds)	46
Table 8: Public sector employment in the devolved administrations (full-time equivalents)	47
Table 9: Total resources of the three regions	48
Table 10: Institutional cultures, adaptation strategies and domestic change	67
Table 11: Summary of findings	69

INTRODUCTION: HOW ARE REGIONS AFFECTED BY EUROPEAN INTEGRATION?

The regional question in European integration

The regional question was largely absent from the European integration debate until the late 1980s. Until the 1960s, it was considered a matter of domestic concern, to be dealt with as deemed appropriate by the individual member-state governments. In the 1970s, the European Union (EU) first 'discovered' its regions, but only in an economic sense: regional convergence programmes regarded regions as economic entities with different problems and needs (Loughlin, 1996).

With the establishment of the Committee of the Regions, about twenty years later, regions were finally recognised as political actors, invited to participate in the integration process (Mathias, 2004: 1). Regions had been increasingly affected by the creation of European institutions and policy-making processes. Especially in federalised and regionalised states, regions were faced with the progressive shifting of their competencies to the European level (Börzel, 2002: 1).

According to Marks et al (1996: 164), the 1990s saw "*the growth of a new and unheralded form of regional mobilisation in the European Union*". Local and regional governments set up offices in Brussels, subnational governments created a complex maze of formal and informal networks, and subnational officials came to participate in EU policy committees – in some countries, regional representatives participate directly in meetings of the Council of Ministers (Hooghe and Marks, 1996: 73).

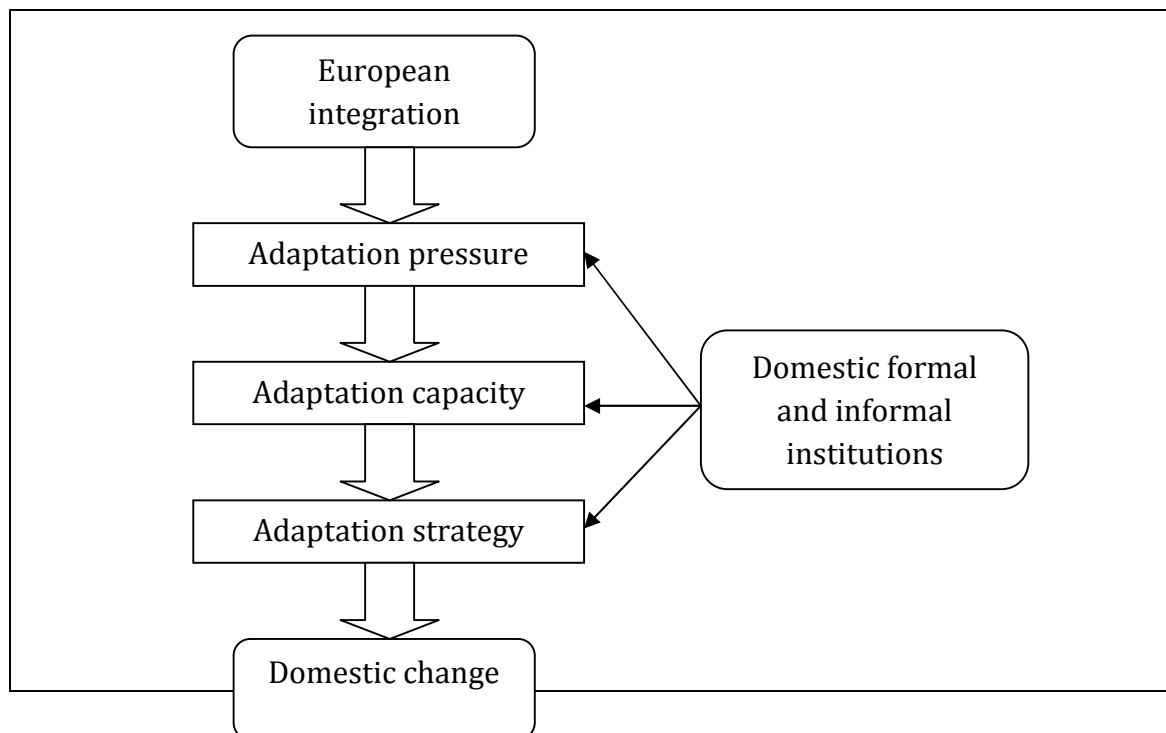
How do regions adapt to the EU?

The *objective of this paper* is to analyse how regions adapt to European integration. It is investigated how regions develop policy action and defend their interests both

at the European and at domestic level. Growing regional involvement in European affairs is not only characterised by the establishment by regional governments and stakeholders of direct contacts with the European institutions, but also by changed relations between regional and central governments at member-state level. Studying the European *and* the domestic level – that, moreover, will prove to be inextricably linked – should allow taking full stock of the impact of European integration on regional governance.

The impact of the European Union on regions is conceptualised in the following *theoretical model* (see figure 1). Firstly, it is argued that the EU exercises *adaptation pressure* on regional governments, because it changes the distribution of power between the regional and the European level of government, and between the regional level and the central state. Secondly, this paper examines the resources regions possess to tackle European challenges. The *adaptation capacity* of regions is constituted by their legal, financial, organisational and political resources. Thirdly, a region's resources define the range of options from which it may choose a specific *adaptation strategy*. All three variables (adaptation pressure, adaptation capacity and adaptation strategy) determine the nature and the degree of domestic institutional change triggered by European integration.

Figure 1: European integration and domestic change



Source: own figure based on Börzel, 2002.

An institutionalist approach

Domestic adaptation processes crucially depend on a member state's formal and informal institutions. The adaptation pressure regions face, their adaptation capacity and the adaptation strategies they choose are conditioned by the institutional framework of which those regions form part. Domestic institutions are considered the filter through which European integration affects regions, rendering their adaptation 'institution-dependent' (Börzel, 2002: 27).

In contrast to intergovernmentalist, neo-functionalist and multi-level governance theories, asserting that European integration either strengthens, weakens or transforms European nation-states, it is argued here – using an institutionalist theoretical framework – that the processes of domestic adaptation in different member states will not necessarily be identical. Institutional approaches – rather than predicting similar developments in all countries – allow grasping the divergence of institutional adaptation across the EU.

Overview of this paper

This paper examines the impact of the European Union on three regions: *Mecklenburg-Vorpommern* (Germany), *Piemonte* (Italy) and *Scotland* (United Kingdom). *Chapter one* sets out the theoretical framework of the investigation (part 1.1) and presents three hypotheses (part 1.2) that will be tested in the empirical chapters (chapters two, three and four). The first chapter also informs about the methodology and data used for the research (part 1.3).

Chapter two is concerned with the adaptation pressure European integration exerts on regional governance. First of all, the general impact of European institutions and policy-making processes on regions is discussed (part 2.1). Subsequently, the impact of the EU on the three selected regions is analysed and compared (parts 2.2 and 2.3). It is argued that, in strongly regionalised member states, regions will face higher adaptation pressure, because more of their

competencies are affected by European integration (constituting a 'misfit' between European and domestic institutions).

Chapter three looks at the capacity of regions to adapt to European integration. It describes the different channels available to regions to represent their interests in the EU (part 3.1). As mentioned, the adaptation capacity of regions is measured according to their legal, financial, organisational and political resources (the resources of Mecklenburg-Vorpommern, Piemonte and Scotland are analysed in part 3.2). The expectation is that regions with more resources will be better able to adapt to European challenges.

Chapter four: in the institutionalist perspective, regions will (from the range of strategic options available) choose those adaptation strategies that correspond to the collective understandings prevalent in the domestic institutional system. Regions might either decide to cooperate or to compete with the national government on European issues – a choice that is likely to depend on the institutional culture regarding the relations between regions and the central government in the domestic realm (part 4.1). The adaptation strategies adopted by the three selected regions are discussed in part 4.2.

CHAPTER I: THE DOMESTIC IMPACT OF EUROPE AS A PROCESS OF INSTITUTIONAL ADAPTATION

1.1. Modelling domestic institutional change

1.1.1. Intergovernmentalist, neo-functionalist and multi-level governance theories

Leading theories on European integration increasingly recognise the impact of the European Union on the institutions of the member states. The object of their study is no longer merely the creation of European institutions and policy-making processes (*bottom-up*), but – applying these theories in a ‘second image reversed’ perspective (Gourevitch, 1978) – also the effect of European institutions and policies on the domestic polity (*top-down*).

Intergovernmentalist theories argue that the influence of member-state governments on European decision-making also strengthens their control on domestic affairs, because more and more decisions are taken at the European instead of at the national level. National governments have thus become the gatekeepers between the European and the domestic level (Milward, 1992; Moravcik, 1993). In this regard, intergovernmentalists claim that national governments have gained power vis-à-vis the regions that saw many of their competencies transferred to the European level.

Neo-functional and supranationalist theorists (Haas, 1957; Lindberg and Scheingold, 1970) assert exactly the opposite, namely that the European Union creates new channels for domestic actors, e.g. regional governments, to influence policy-making. European opportunity structures allow them to bypass or circumvent member-state governments by establishing direct relations with European institutions. This direct influence at EU level also gives them more leverage domestically.

Theories on *multi-level governance* oppose both views and assert that European, national and subnational actors share rather than compete for power resources. The fact that they are mutually dependent on resources results in the emergence of cooperative forms of governance (Rhodes, 1997; Hooghe and Marks, 2003). Scholars conceiving the European Union as a multi-level governance system do not expect a 'withering away of the nation-state', as do neo-functionalists, nor its 'obstinate resilience', as do intergovernmentalists, but, instead, its fundamental transformation (Börzel, 2002: 3).

1.1.2. Institutional approaches: allowing for a 'differential impact'

Intergovernmentalist, neo-functionalist and multi-level governance theories have different expectations on whether European integration strengthens, weakens or transforms the nation-state. They do, however, not look at the conditions under which the state is strengthened, weakened or transformed. Tanja Börzel argues that the impact of the European Union is conditioned by domestic institutions, both formal and informal. European integration will therefore not lead to convergence (a uniform strengthening, weakening or transformation of all European nation-states) but affect every member state in a different manner (Börzel, 2002).

Institutionalist approaches recognise the importance of national and subnational institutions as a filter through which European integration impacts on the domestic system (Bulmer, 2007: 49). Institutions are defined as "*principles, rules and norms that structure interactions in the policy process*" (Featherstone en Kazamias, 2003: 7) and are both formal and informal. *Formal* institutions are for example constitutions, laws and institutionalised policy-making processes. *Informal* institutions are constituted by norms and beliefs associated with formal institutions and define what is considered appropriate behaviour under various circumstances.

The effect of European integration is institution-dependent because of three reasons. First, formal domestic institutions influence the degree of misfit and thus the *pressure for adaptation* exerted by European institutions and policy processes. Depending on the domestic institutions in place, the European Union will exercise

a higher or lower pressure on national and subnational actors to adapt to European policy-making (Börzel, 2005: 50; Risse et al, 2001: 7).

Second, also the *capacity* of actors to adapt to European integration depends on domestic structures. National and regional institutions define the legal, financial, organisational and political resources of regions that allow them to engage in European policy-making (Börzel, 2002). A region's resources set the framework for action both at domestic and at EU level.

Third, informal domestic institutions influence how domestic actors respond to European challenges (Börzel, 2002: 3-4). The *adaptational strategies* actors choose not only depend on their formal resources, but also on the informal collective understandings that domestic institutions entail. These collective understandings (a member state's institutional culture) influence the dominant strategy employed by actors as they respond to adaptational pressure exerted by the European Union.

1.2. Hypotheses

The model of institutional change that is used in this paper combines rationalist and sociological variants of the institutionalist perspective. *Rational choice institutionalism* assumes that actors with fixed preferences will try to maximise their utility through the exchange of resources with other actors (they adapt a 'logic of calculation'). Institutional change will occur as a result of the redistribution of resources among actors (Börzel, 2005: 52; Risse et al, 2001: 10).

Nevertheless, even though a change in resources triggered by European integration is a necessary condition for institutional change, it is not a sufficient one. *Sociological and historical variants of institutionalism* stress that adaptation will take place along historically developed national paths. Institutions are more than a formal set of rules: they also shape the informal understandings and expectations of actors (acting according to a 'logic of appropriateness') (Featherstone and Kazamias, 2003: 8). This explains how actors with the same resources may choose different strategic options according to the domestic context in which they operate.

Three hypotheses on regional adaptation are derived from the described institutionalist theories. In line with the three arguments mentioned in part 1.1.2, these hypotheses concern: (1) the pressure for adaptation exerted on regions (related to the degree of misfit between European and domestic institutions); (2) regions' capacity (corresponding to their formal resources) to adapt to changes triggered by European integration; (3) the adaptation strategies employed by regions (influenced by informal domestic institutions).

1.2.1. Adaptation pressure

The creation of institutions and policy-making processes at European level exerts pressure on domestic institutions, caused by a misfit between European institutions on the one hand and domestic structures on the other. In case this misfit is strong, domestic actors will feel considerable pressure to adapt to the new European requirements, leading to EU-induced institutional adaptation at the domestic level. The higher the misfit between European and domestic institutions, the higher will be the pressure for adaptation (Börzel, 2005: 50).

Since all member states have different institutions in place, the pressure for adaptation varies greatly from country to country. This paper focuses on the effect of member states' degree of centralisation on the pressure for adaptation the EU bears on their regions. European integration affects federalised or regionalised member states in a different way than more centralised states, because in the former the impact of European legislation on regional competencies is much higher (Börzel, 2002).

For example, the German *Länder* and the Spanish *Comunidades Autonomas* have more power to lose than their French and Dutch counterparts, simply because their constitutions give them more legislative and executive responsibilities (Börzel, 2002: 4). The first hypothesis of this paper is therefore that the challenges of European integration to domestic institutions and thus *the pressure for adaptation will be higher in federalised and regionalised states than in decentralised or unitary states.*

1.2.2. Adaptation capacity

The capacity of regions to adapt to European integration crucially depends on their legal, financial, organisational and political resources, defining the range of strategic options available. Domestic institutions provide regions with different financial means, different scope of access to the public sphere and the political decision-making apparatus, information and legitimacy. Powerful regions like the German *Länder* or the Spanish *Comunidades Autonomas* are better able to use opportunities provided by the European Union because of the resources granted to them in their national constitutions. Institutionally weaker regions, like the French regions or the Dutch provinces, often lack the money, personnel, expertise and the legal rights for direct involvement at the European level (Börzel, 2002: 4).

The second hypothesis is hence that *the capacity of regions to adapt to European integration is positively correlated with their amount of legal, financial, organisational and political resources*. The more resources a region has at its disposition, the better able it will be to engage at the European level and to accommodate losses of competencies at the national level.

Legal resources are constituted by a region's constitutional autonomy, its policy competencies, strong bicameralism and cooperation agreements with the national government. *Financial resources* relate to the financial autonomy of regions – the degree to which they control regional expenditure and the possibility to create own revenues. *Organisational resources* refer to the means and efficiency of regional administrative systems. *Political resources* derive from a region's identity and legitimacy to act as an independent actor.

1.2.3. Adaptation strategies

Out of the range of strategic options available, institutionalist theories predict that regions will choose those strategies that comply with the norms prevailing in their respective domestic institutional systems. Regions might adopt either a cooperative strategy aimed at securing co-decision rights in the formulation and representation of the national bargaining position, or a confrontational strategy of 'circumventing the state' in order to prevent losses of power (Börzel, 2002: 4-5).

It can be expected that regions part of a country with a cooperative institutional culture will also opt for a cooperative approach when it comes to coordinating their European position with that of the national government. In countries characterised by competitive regionalism, by contrast, regions will be more tempted to compete with the national government on European affairs.

Thus, assuming that the strategy adopted by regions to adapt to European integration is determined by the domestic institutional culture, the third hypothesis is that *a cooperative culture will induce regions to cooperate with the national government on European affairs, whereas a competitive culture will induce regions to compete with the national government on European issues.*

Table 1: Overview of hypotheses guiding the research

	<i>Assumption</i>	<i>Hypothesis</i>
1	The adaptation pressure faced by regions depends on the domestic degree of centralisation.	The pressure for adaptation will be higher in federalised and regionalised states than in decentralised or unitary states.
2	Resources determine a region's capacity to engage in European policy-making.	The adaptation capacity of regions is positively correlated with their legal, financial, organisational and political resources.
3	The adaptation strategies adopted by regions depend on the domestic institutional culture.	A cooperative culture leads to cooperation; a competitive culture leads to competition on European issues.

1.3. Methodology and data

The three hypotheses from table 1 will be empirically tested in chapters two, three and four, respectively. Each of the three chapters contains three case-studies, examining the adaptation of German, Italian and British regions (and subsequently comparing them). This sample is not claimed to be representative for the entire European Union, but, by choosing one western European, one non-continental and one southern European country, tries to reflect European political, economic and

cultural differences. Moreover, the varying degree of centralisation in the respective countries allows making interesting comparisons between federalised (Germany), regionalised (Italy) and devolved (United Kingdom) states.

Additionally, for each of the selected countries, one region was chosen: Mecklenburg-Vorpommern for Germany, Piemonte for Italy, and Scotland for the United Kingdom. The pressure for adaptation, adaptation capacity and adaptation strategies of these regions will be analysed in depth alongside a general description of the other regions of the three countries.

The aim of comparing the three cases is to come to more general conclusions that are also applicable to other European countries. The choice of the cases tries to mirror the variety among European regions: regions with a strong autonomy but limited financial resources (Mecklenburg-Vorpommern), institutionally weak but rich regions (Piemonte), and regions with a strong cultural identity and a high degree of autonomy but without constitutional protection of their competencies (Scotland).

The data used for this research are primarily empirical studies conducted by other authors (mainly readers covering different member states in the respective chapters). This information is complemented by the evidence from three interviews conducted in the regional offices for Mecklenburg-Vorpommern, Piemonte and Scotland in Brussels in May and June 2009.

The questions asked in these semi-structured interviews relate to: (1) the strategy of regions to represent their interests in the EU (both at domestic and at European level); (2) their capacity to act upon European developments and exert influence in the European Union; (3) the observed effect of European integration on a region's domestic position.

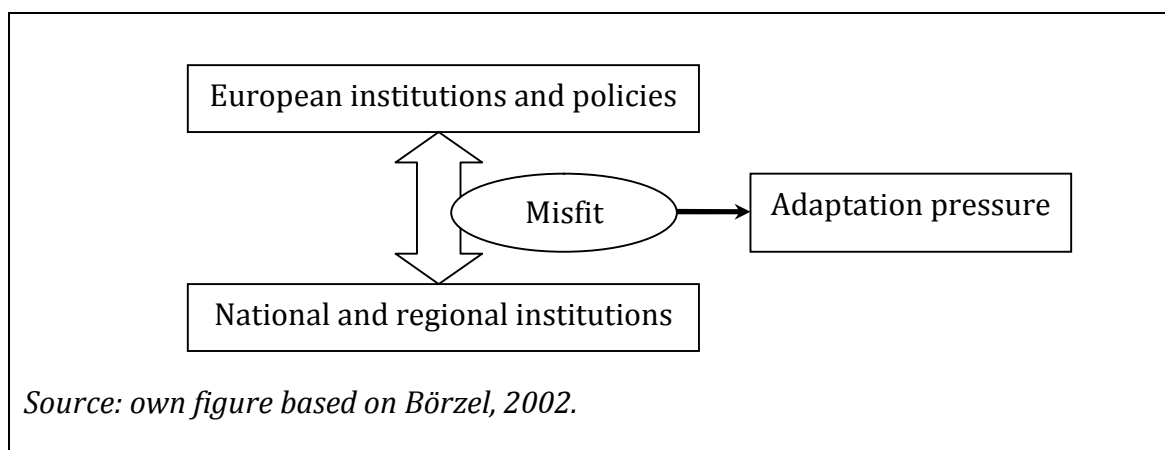
The questionnaire can be found in Appendix 4; the transcripts of the interviews are annexed in Appendixes 5 to 7. The names of the interviewees have been left out upon their request.

CHAPTER II: THE CHALLENGES OF EUROPEAN INTEGRATION TO REGIONAL GOVERNANCE

The deepening of European integration profoundly changed the institutional environment in which regions exercise their competencies. The creation of a common market, the ongoing expansion of the EU's legislative powers, and the consolidation of the European institutions (including the introduction of direct elections to the European Parliament in 1979 and the establishment of the Committee of the Regions in 1992) have not only constituted a new framework for the politics of member states, but also directly affect subnational entities such as regions (Neunreither, 2000: 1).

This chapter analyses the impact of European integration on domestic institutions of regional governance. It is investigated how EU institutions and policy-making processes exercise adaptation pressure on national and regional institutions by creating a 'misfit' between European-level processes on the one hand and the functioning of domestic institutions on the other. *Part 2.1* looks at the overall impact of the European Union on the regional level of government. *Part 2.2* then deals with three specific cases: Germany, Italy and the United Kingdom.

Figure 2: European integration and domestic adaptation pressure



Even though the challenges posed by European integration are similar for all EU regions, the degree of misfit resulting from these challenges and thus the pressure to adapt to European policy-making may vary from region to region because of the different nature of domestic institutions (see figure 2 above).

Primarily the degree of centralisation affects the misfit between the European and the domestic level and is therefore a major determinant of the adaptation pressure a region is faced with. Regions enjoying a considerable autonomy as part of a federal state face a much higher risk of losing power to the EU and the central state than regions of highly centralised states (Börzel, 2002: 2). The *hypothesis* is therefore that the pressure for adaptation will be higher in federalised and regionalised states than in decentralised and unitary states.

2.1. Regions as the losers of European integration?

2.1.1. The EU's 'regional blindness'...

It is often said that the European Union is 'blind' to the internal arrangements of its member states. The obligations, responsibilities and opportunities of membership fall on each of those states in precisely the same manner. Whether federalised or unitary, there is no account taken of the internal arrangements preferred by member states. As Weatherill (2005: 1) asserts: "*Regions are not the EU's concern. States are.*" In the event of a breach of EU law, for example, the member states only face legal responsibility, regardless of the internal distribution of competencies. As under international law, the EU treats the state as a single entity, responsible for ensuring conformity with European law on its own territory (Weatherill, 2005: 2).

2.1.2. ... and its effect on regional governance

The alleged 'regional blindness' of the European Union does, however, not prevent it to exert a profound influence on regional patterns of governance. The biggest challenge resulting from European integration is the fact that – in the field of their competencies – regions are subject to obligations imposed by European laws (Treaty law as well as regulations and directives), whereas they mostly have no

formal access to the negotiation processes generating these laws. Thus, regions may be made responsible for bearing the costs of implementation and enforcement of rules which have been agreed by their central government at EU level (Weatherill, 2005: 3). This results in an uneven distribution of 'say and pay' between the central state and the regions (Börzel, 2002: 33).

Regions lose competencies to the EU

Since member-state governments are the actors responsible for drafting and amending the EU Treaties, they also decide on the transfer of domestic competencies to the EU level, regardless whether these competencies are national or regional. As a consequence, the bargaining processes in Intergovernmental Conferences and in the European Council may come to deprive regions of power they are guaranteed under domestic constitutional arrangements (Weatherill, 2005: 7). This causes a redistribution of power from the regional to the European level.

Central governments break into regional sovereignty

Furthermore, through the transfer of regional competencies to the European Union, central governments gain access to them at the EU level. Since most regions are not represented in the European decision-making process, national governments get to decide how regional competencies are exercised in the Council of Ministers (Börzel, 2002: 33). Also in countries where regional ministers are allowed to negotiate and vote in the Council, they do not get to speak on behalf of their region, but instead are bound by the national position that needs to be negotiated with the representatives of the other regions and with the national government ministers (Hopkins, 2002: 197). Regions thus not only lose power vis-à-vis the European Union but also vis-à-vis the central state.

2.2. Three member states, three different institutional contexts

The following paragraphs analyse the challenges of European integration to German, Italian and British national and regional institutions. It is investigated

how the degree of centralisation in each of the studied countries affects the pressure on the regions of those countries to adapt to European integration.

2.2.1. The German Federal State and the *Länder*

The institutions of German cooperative federalism

Article 20(1) of the German Basic Law (*Grundgesetz*, GG) confirms federalism as one of the basic principles underpinning the German state, and places it among the eternity clauses that may never be amended (Hopkins, 2002: 79). The German federal structure, first of all, provides a vertical dimension of separation of power, designed to prevent the re-emergence of a strong central state. Moreover, it is aimed at ensuring more or less equal living conditions for all Germans (the welfare state principle). The German model, commonly described as 'cooperative federalism', is based on three major institutions: a functional division of labour, strong bicameralism and fiscal equalisation (Börzel, 2002: 45).

Functional division of labour. German cooperative federalism entails a functional division of labour between the central state and the regions (the *Länder*), the former being mainly responsible for legislating, the latter being largely entrusted the execution and administration of federal laws. The *Länder* have a considerable margin of discretion in administering federal laws (Müller-Graff, 2005: 104), and moreover, through the *Bundesrat*, participate in federal decision-making.

The German *Länder* are said to be unique amongst European regions in having a formal and extensive role in the federal legislative process (Hopkins, 2002: 89). This role has given rise to the extensive system of interlocking politics (*Politikverflechtung*) that characterises the exertion of shared competencies (Börzel, 2002: 46).

Strong bicameralism. Their representation in the *Bundesrat* allows the *Länder* to bring their political interests and their administrative experience into the federal legislation (Börzel, 2002: 46). According to Article 76(1) GG, the *Bundesrat* has the right to legal initiative. Moreover, any federal law affecting the interests of the *Länder* requires the consent of the *Bundesrat* (Article 77(2) GG). In case no explicit consent is required (Article 77(3) GG), the *Bundesrat* has a suspensive veto that

can only be overridden by an equal majority in the *Bundestag* (Article 77(4) GG). It is estimated that about a half to three quarters of all federal laws require the consent of the *Bundesrat* (Hopkins 2002: 90; Gerstenlauer, 1995: 191).

Fiscal equalisation. Since the *Länder* differ considerably in size, population, per capita income, and administrative capacity, the provision of similar living conditions requires a system of vertical and horizontal equalisation allowing for a fiscal balance between the federal and the regional levels of government, as well as among the *Länder* themselves (Article 106 GG) (Börzel, 2002: 48). As long as the Federal Republic has existed, equalisation has caused significant conflicts between the poorer *Länder* (particularly from the East), claiming a bigger part of the German revenues, and the rich *Länder*, demanding more financial responsibility (Hopkins, 2002: 92).

EU integration: a redistribution of resources in favour of the federal government

The transfer of domestic competencies to Europe constitutes a second major push of centralisation, apart from the internal process of centralisation triggered by constitutional changes in the 1960s and 1970s – e.g. the introduction of ‘joint tasks’ in the Basic Law in 1969 (Börzel, 2002: 53) – and the fact that the federal government took responsibility for most concurrent powers (Hopkins, 2002: 86).

Holding the powers of foreign policy (Articles 32(1) and 87(1) GG), the federal government in the Council of Ministers can decide on the opening of German sovereignty not only in relation to EU measures affecting federal powers, but also in relation to those dealing with the competencies of the *Länder* (Müller-Graff, 2005: 107). In this manner, the *Bund* has gained access to regional competencies that the German Constitution had placed beyond its reach (Börzel, 2002: 53; Gerstenlauer, 1995: 192).

Yet, as the number of exclusive *Länder* competencies is rather small (culture, media, education, justice and home affairs), the *Länder* have been primarily affected by the transfer to the European level of federal and shared competencies. In the course of European integration, they found themselves increasingly excluded from the direct law-making process – in which they via the *Bundesrat* had co-determination rights – they were accustomed to in the Federation (Müller-Graff,

2005: 108). Both losses of self-determination (the loss of exclusive competencies and the loss of participation in federal law-making) can be seen as a 'double shift of competencies' in favour of the central state (Börzel, 2002: 53-54).

Moreover, the fact that European regulations have direct impact made German *Länder* lose part of their executive discretion. Even for directives, that need to be transposed into domestic law, discretion is limited, as European directives set binding objectives and often provide very detailed regulations on how to implement them (Börzel, 2002: 54). Consequently, the *Länder* face the costs of implementation of policies in which they often did not have a say – costs which might, moreover, upset the fiscal balance between the federal and regional levels of government.

Conclusion: German Länder face strong adaptation pressure

The formal exclusion of the German *Länder* from the formulation of European policies constituted a serious misfit between European and domestic institutions, and exercised strong pressure on the *Länder* to adapt to the new institutional framework created by European integration (Börzel, 2002: 57-58).

From the beginning, the *Länder* have recognised the problems resulting from this configuration and have attempted to counteract developments that might reduce them to purely administrative entities (Gerstenlauer, 1995: 192). Chapters three and four discuss the efforts of the German *Länder* (with a special focus on the case of Mecklenburg-Vorpommern) to “*bully their way into the European decision-making process*” (Hopkins, 2002: 92-93) and as such offset the potential negative consequences of European integration.

2.2.2. The Italian Republic and its regions and autonomous provinces

Italy's 'constitutional' but weakly institutionalised regions

The Italian Constitution envisaged a form of regional devolution with a significant but limited level of regional governance (Hopkins, 2002: 102). Article 114 confirms that “*the Republic is divided into regions, provinces and municipalities*”, and in Article 115 it is stated that “*the regions are constituted as autonomous territorial*

bodies with their own powers and functions according to the principles established by the Constitution”.

However, unlike Germany, the Italian Republic is not a federation, and the regions are considered a territorial division of the state, not an integral part of a federal or national level (Hopkins, 2002: 101). Moreover, the implementing legislation did not live up to the regional ideals expressed in the Constitution (Hopkins, 2003: 107).

According to Keating and Hooghe, Italian regional governments have traditionally been institutionally weak. Their domination by national political parties and the fact that they are poorly linked to civil society have undermined their ability to formulate a regional interest (2006: 274). The Italian system is characterised by asymmetric regionalism, strong national supervision and a weak regional involvement in national legislation.

Asymmetric regionalism. Italy is divided into twenty regions, of which five have a special constitutional status: Sicily, Sardinia, Trentino-Alto Adige, Valle d’Aosta and Friuli-Venezia Giulia (Desideri, 1995: 66). These five regions – created in 1948, except for Friuli-Venezia Giulia, which was created in 1963 – have a constitutional statute with a status equal to that of the Italian Constitution and have greater autonomy than the other fifteen regions, established in 1970 by an ordinary statute and enjoying more limited powers (Hopkins, 2002: 107). Regional competencies in Trentino-Alto Adige are exercised by the province of Bolzano and the province of Trento, referred to as ‘autonomous provinces’.

Strong national supervision. Until the constitutional reform of 2001, the legislative power of Italian regions was very limited. A region had the right to legislate within its competencies, but every regional law needed to be signed by the state commissioner for this region, allowing the national government to supervise all regional legislative initiatives (Hopkins, 2002: 113).

The 2001 reform foresees that regions can approve their statutes autonomously (Caravita, 2004: 2-3). Moreover, Article 117 of the Constitution now states that “*the regions have exclusive legislative power with respect to any matters not expressly reserved to state law*”. Before 2001, the regions had powers only in those areas the Constitution explicitly assigned to them. Also, administrative actions are

no longer subject to review by the national government, and the regional commissioner no longer exists. Yet it remains to be seen how successful the Italian regions (especially the 'ordinary' ones) will be in assuming their new role (Caravita, 2004: 6).

Weak regional involvement in national legislation. The regions possess certain powers to influence the national authorities. For example, the regional councils are allowed to initiate legislation in the national parliament. The presidents of the special regions may even attend the meetings of the Italian Council of Ministers. According to Hopkins, however, these possibilities are rarely used, and the government does not encourage their application (Hopkins, 2002: 110).

The Senate, although it is directly elected on a regional basis, with each region represented by a minimum of seven senators (except for Valle d'Aoste, which has only one senator), does not represent the regional executives or legislatures. Being divided along national party lines, it can be considered more a national than a regional institution (Hopkins, 2002: 108).

Legislation on shared competencies provides for joint policy-making and administration with the central government, often through joint bodies formed by representatives of the national ministries and the regional authorities. An important body is the Permanent Conference of State and Regions that operates in the area of shared competencies and aims at settling conflicts between the regions and the national government.

However, even though they give regions an opportunity to state their case, the Conference and other bodies do not do away with the government's predominant role in policy-making (Desideri, 1995: 68). The constitutional reform of 2001 aims at creating the mechanisms to ensure greater participation of the regions in political decisions of the central government (Caravita, 2004: 6).

EU policy-making in Italy: low regional involvement

As in national law-making, the participation of Italian regions in European policy-making until the reform of 2001 was very limited. The Italian government treated EU matters as a branch of international relations – an area in which it has exclusive competence – and denied the right of regions to establish direct contacts with the

European institutions, including the setting up of representation offices in Brussels. To deal with the institutions on issues for which they are responsible, the regions had to turn to the relevant national ministries (Desideri, 1995: 75).

Although the regions were given a domestic consultative role for matters that fell within their responsibility – including the possibility to submit comments on draft directives and regulations to the national government – they did not make use of this opportunity. According to Desideri (1995: 75), “*the regions showed little interest and trust in an instrument whose effectiveness depends on the government’s good will.*” The Permanent Conference of State and Regions took up EU matters but, because of the random character of its meetings, was not able to allow a continuous and effective participation on the part of the regions (Desideri, 1995: 75).

The fact that the Italian government assumed exclusive competence in European affairs as part of its foreign policy was also reflected in the implementation of EU directives and regulations. At least until the end of the 1970s, the central government took responsibility for the implementation of European policies in areas where the regions were constitutionally competent. This meant that the government would limit the powers of the regions and take back tasks entrusted to them (Desideri, 1995: 74).

Conclusion: EU impact on Italian regions relatively limited

Like for the German regions (albeit to a more limited extent), European integration weakened the domestic position of Italian regions and autonomous provinces – the special status regions being more strongly affected than the ordinary regions. The central government assumed some of the regions’ competencies that had been transferred to the European Union, and considered itself the single authority to define the Italian position on European policies.

In contrast to the German *Länder*, though, the Italian regions were not used to a privileged status in the national policy-making process. Whereas the deepening of European integration impacted on the exercise of the regions’ exclusive competencies, it did not so much affect their position in joint policy-making with the national government, because their participation in the national legislative

process had been limited all along. Chapters three and four investigate whether the 2001 constitutional reform has improved the resources of Italian regions and whether this has resulted in their enhanced participation in EU affairs, both at the national and at European level.

2.2.3. The United Kingdom and its devolved administrations

Several cultural nations, one institutional sovereign

The United Kingdom has been described as a 'multi-national state' with different constitutional arrangements for its constituent parts (Mathias, 2004: 51). Even though attempts at devolution did not succeed until 1999, Wales, Scotland and Northern Ireland have historically enjoyed a distinctive status going well beyond that of a territorial segment of the UK, including the privilege of Scotland and Wales to field 'national' sports teams with their own flag and anthem (Sharpe, 1996: 63-66). Yet, the supreme legislative power remains vested in the UK Parliament (Mathias, 2004: 51). Three main characteristics of the UK's devolved state system are parliamentary sovereignty, informal intergovernmental relations, and a rigid two-party system.

Parliamentary sovereignty. Unlike Germany and Italy, the UK lacks a codified constitution and a clear conception of the state as an institution separate from the government of the day or civil society. Therefore, also for the UK's regions – Wales, Scotland, Northern Ireland and the nine English regions – a constitutional guarantee is lacking. The principle of parliamentary sovereignty allows Parliament (the monarch, Lord and Commons) to alter both the substance and procedure of government (Keating and Jones, 1995: 89). The establishment of the Scottish Parliament, the National Assembly for Wales and the Northern Ireland Assembly in 1999 can therefore always be reclaimed by a normal act of Parliament.

Furthermore, unlike the German *Länder* who are free (within the limits of the *Basic Law*) to organise their own regional structures, the devolved institutions in the UK are defined by the devolution Acts themselves, and the devolved assemblies do not have the power to amend them (Hopkins, 2002: 169). Yet, although the majority of the UK remains governed directly from London, it is important to mention that the

legislative competence granted to Scotland is far in excess of that of the German *Länder*, whilst the legislative competence of Northern Ireland is deemed to parallel that of the *Länder* (Hopkins, 2002: 181).

Informal intergovernmental relations. Scotland and Wales enjoy privileged representation in the UK Parliament, a favourable method of allocating public expenditure, and each have a Secretary of State that is part of the UK Cabinet (Keating and Jones, 1995: 90). Having lost a lot of their powers with devolution, the Secretaries of State remain responsible for representing the interests of the relevant region in the UK Executive (Hopkins, 2002: 176).

However, although intergovernmental relations in the devolved system are monitored by the Secretaries of State, they are primarily based upon bilateral links between the devolved executives and the different ministerial departments. These relations have led to an informal system of non-binding concordats, further increasing the constitutional weakness of the UK's devolved institutions. Also the Joint Ministerial Committee, comprising ministers of the devolved and the UK governments, is made vulnerable by its informal status, and the agenda of the committee's meetings are set by the central government (Hopkins, 2002: 176).

A rigid two-party system. UK politics are dominated by the Labour Party and the Conservative Party. The majority voting system, allowing these two parties to alternately form one-party governments without the need for a coalition partner, has stimulated party competition. As a result, the rigidity of the two-party system long prevented devolution and continues to complicate the relations between the central and the devolved governments. Much more than in Germany, cooperation is likely to be hindered in case the UK Executive is ruled by a different party than the devolved institutions (Hopkins, 2002: 176-177).

UK European policy-making: no formal mechanisms for regional participation

As was the case in the Italian Republic, the UK government reserved the right to negotiation on all European Union matters, and, in order to ensure UK-wide parity of EU rules, also reserved the right to implement or transpose European legislation should this prove necessary (Carter and McLeod, 2005: 67-68). Before devolution, the principal channel to the decision-making instances of the EU for Scotland,

Northern Ireland and Wales was through the respective Secretaries of State that, as members of the Cabinet, occasionally provided the membership of the Council of Ministers and the Council committees. Still, their function as junior partners in the UK Executive merely allowed them to present minor modifications to the overall UK line (Keating and Jones, 1995: 100-101).

According to Keating and Jones (1995: 101), a major challenge of European integration to Scotland, Wales and Northern Ireland is that their distinct position, if taken up in the UK Council position, may be traded away in cross-functional compromises with other member states. The fact that the three regions have privileged access to the national government does not prevent the governing party to set the limits of action. In particular when the devolved administrations are led by a different party than the government party, cooperation between the regional and the national level on European issues – as is the case for domestic issues – is severely hindered (Keating and Jones, 1995: 106).

This is particularly problematic for Scotland and Northern Ireland, which possess a wide range of competencies affected by European integration. Especially Scotland, having a separate legal system, a separate educational system and a separate local government system (Sharpe, 1996: 63), is affected by the transfer of parts of its competencies to the European Union.

However, since the devolved administrations are not formally involved in national law-making (the Joint Ministerial Committee being a forum for consultation rather than a legislative body), UK intergovernmental relations have not been affected to the extent that they have in Germany. Yet, like in Italy, European integration might provide the impetus to establish a more elaborate system of intergovernmental cooperation and regional participation. This issue will be treated more in detail in chapters three and four.

Conclusion: Scotland more strongly affected than other British regions

The impact of European integration on the British regions depends both on the national institutional framework created by devolution and on the range of competencies of the respective devolved administrations. Regions as Scotland and Northern Ireland are obviously more strongly affected by European integration

than are Wales and the English regions. Unlike in Germany, however, the United Kingdom did not have an institutionalised system of regional participation in national law-making that could have come under pressure by European integration. Also after devolution, the exercise of national policies (even if they affect the devolved administrations) continued to be dominated by the central government.

2.3. Comparing adaptation pressure in the three countries

This chapter showed that domestic institutions matter a great deal in relation to the influence European integration exerts on different regions. The regions of a federal state such as Germany are more strongly affected by European policy-making than the Italian or British regions. For Italy and the UK, however, it is important to differentiate between regions with more and less competencies. Italy's special status regions saw more of their competencies transferred to the European level than did its ordinary regions. Similarly, the EU presents a bigger challenge to Scotland and Northern Ireland than to Wales and the English regions (see table 2).

Yet, not only the degree of regional autonomy, but also the institutions for regional participation in national law-making are of importance. In Italy and the United Kingdom, where such institutions did not exist, regions lost less power to the central government than in Germany, where the regions, due to the transfer of shared competencies to the EU, lost a great deal of their co-determination power at the federal level. Both the influence of European integration on exclusive regional competencies and on the exercise of shared competencies (in the case of the UK regional involvement in national legislation that affects them) constitutes the impact of the EU on a specific region and thus the pressure for adaptation experienced by this region.

Table 2: Adaptation pressure in Germany, Italy and the United Kingdom

	Germany	Italy	United Kingdom
<i>Degree of centralisation</i>	Federal state	Regionalised state	Devolved state
<i>Impact of European integration on regional competencies</i>	Regional competencies considerably affected	Regional competencies considerably affected for special status regions; moderately for ordinary regions	Regional competencies marginally affected for English regions; moderately for Wales; considerably for Scotland and Northern Ireland
<i>Impact on shared competencies</i>	Shared competencies considerably affected	Shared competencies marginally affected	Shared competencies marginally affected
<i>Degree of misfit – Adaptation pressure</i>	High	Special status regions: Moderate Ordinary regions: Low	English regions and Wales: Low Scotland and Northern Ireland: Moderate

CHAPTER III: THE CAPACITY OF REGIONS TO ADAPT TO EUROPEAN INTEGRATION

Chapter two presented a rather pessimistic picture of the impact of EU integration on regions. In all three countries studied, regions seem to have become the losers of the integration process. It is observed, however, that regions manage to adapt to EU-induced domestic changes and are able to redress the balance of power between the regional and the central level of government.

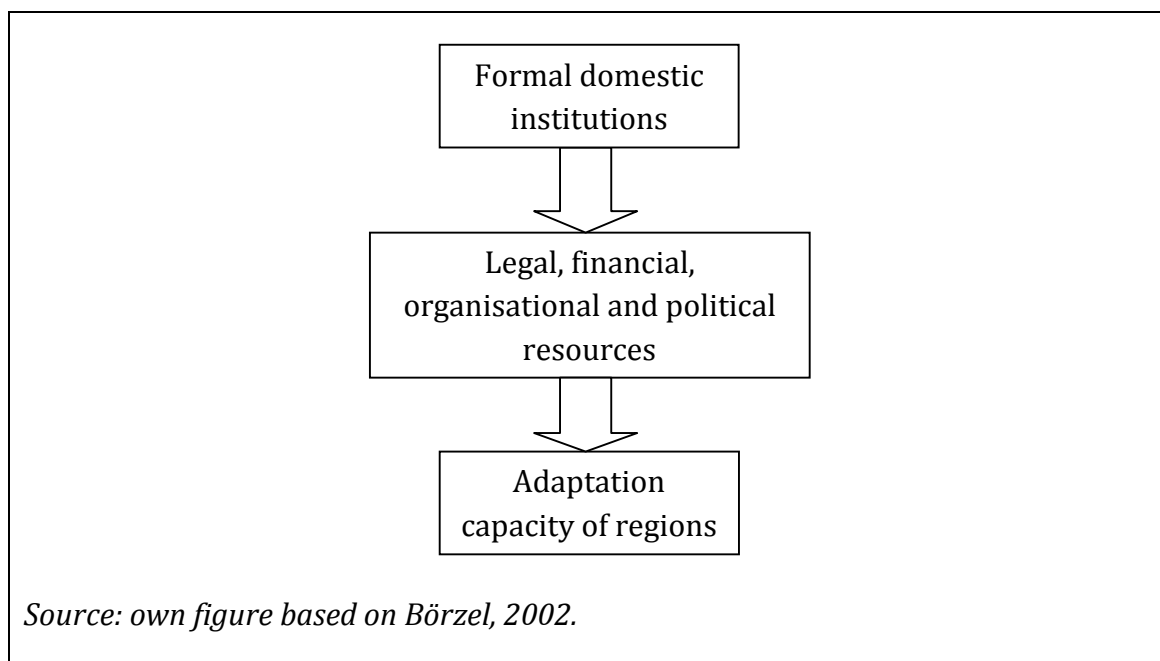
The European Union as a political opportunity structure (Börzel, 2002: 3) provides regions with new possibilities to make their voices heard, both at the European and the domestic level. Regions have acquired influence in the EU arena through direct contacts with the European institutions, the setting up of regional offices, membership of the Committee of the Regions, and regional networks. Moreover, by means of intergovernmental coordination and participation in Council meetings, many regions now enjoy the right to co-determine and represent their country's stance on European legislation.

In order to analyse the strategies adopted by regions on how to make use of these channels of representation (which will be done in chapter four), it is essential to first look at the capacity of regions to get involved in EU affairs. Not only the adaptation pressure exerted by European institutions and policy-making processes (caused by a misfit between new European institutions and existing domestic institutions) varies considerably, but also the capacity to cope with this pressure is likely to be different, because regions are not equally endowed with resources.

The *hypothesis* guiding this chapter is therefore that the higher the amount of (legal, financial, organisational and political) resources a region has at its disposal, the better able it will be to engage in strategies to adapt to European integration. As with the pressure for adaptation, the resources regions are granted and their

adaptation capacity crucially depend on domestic institutional structures (see figure 3).

Figure 3: Domestic institutions and regional adaptation capacity



This chapter is structured as follows. *Part 3.1* discusses the (national and European) channels that are generally available to regions for participating in EU affairs. *Part 3.2* then provides empirical evidence concerning the capacity of the three selected regions (Mecklenburg-Vorpommern, Piemonte and Scotland) to engage in these mechanisms of participation. The concrete strategies adopted by regions and the domestic changes resulting from these strategies will be analysed in chapter four.

3.1. The EU as ‘opportunity structure’: channels of European interest representation

Most scholars distinguish six possibilities for regions to influence European policy-making and, more broadly, represent their interests at the European level: the Committee of the Regions, the European Commission, the European Parliament, regional Brussels offices, European networks and associations, and the Council of Ministers (Tatham, 2008: 498; Hooghe and Marks, 1996: 74 – the latter do not include the European Parliament).

The first five of these opportunity structures allow regions to engage in relations with the European institutions and other regions independently from the central government (*the European channel*), whereas regions' presence in the Council of Ministers requires cooperation with the national executive (*the national channel*). Apart from Council participation, the national channel includes a whole range of other domestic arrangements permitting regions to take part in their countries' European affairs policy.

3.1.1. The European channel

The Committee of the Regions

According to the Treaty on the European Union, the European Commission and the Council of Ministers are obliged to consult the Committee of the Regions on regional matters. Moreover, in case the Committee deems it appropriate, it can forward its opinion to the Commission and the Council (Hooghe and Marks, 1996: 75).

Even if the Committee of the Regions is extremely diverse and its powers are merely advisory, it is said to have two sources of influence. First, its members speak for regional and local governments that implement European policies. Second, some of its members, such as the German *Länder* or the Flemish and Walloon region, are in a position to pressure their national governments through the Council of Ministers or in the national arena (Hooghe and Marks, 1996: 75). The last point, however, also indicates a weakness of the Committee of the Regions, in the sense that institutionally entrenched regions have a variety of more direct channels for exerting political pressure (Hooghe and Marks, 1996: 76).

The European Commission

The Commission is said to operate an 'open door policy', being very responsive to external actors – including regional actors – wanting to share their views with its officials (Tatham, 2008: 502). The engagement of regional representatives with the Commission has been primarily stimulated by the EU's cohesion policy, stipulating the principle of an ongoing partnership between the Commission and national, regional and local authorities. Since the 1988 reform of the structural funds,

committees monitoring regional programmes include subnational representatives alongside representatives from the Commission and the national governments (Hooghe and Marks, 1996: 78).

Apart from regional policy, regions now also participate in a wide range of other policies, including agriculture, economic and financial affairs, research and development, education and culture, and environment (Committee of the Regions, 2008). However, access to the Commission is highly differential: democratically elected, strongly institutionalised regions are at an advantage compared to those that are granted less institutional resources (Tatham, 2008: 504).

The European Parliament

The European Parliament can be an effective channel to promote subnational interests in the European Union, in particular when a country's MEPs are elected in regional constituencies. In addition, MEPs from a democratically elected level of government are considered to have more influence than those coming from a weakly institutionalised constituency (Tatham, 2008: 504).

Despite the fact that even powerful regions (e.g. Scotland or Flanders) only have a handful MEPs and some of them may not take the role of representing their region, Tatham (2008: 506) asserts that *"it is clear that MEPs who are sensitive to regional concerns can be a very effective way for regions to promote their particular interest, bypass their member state's tutelage, gain direct access to the Commission's higher hierarchy and directly influence EU legislation."*

Regional Brussels offices

At the time of writing, over 200 offices had been established in Brussels to represent the interests of subnational (regional or local) governments and stakeholders (Committee of the Regions, 2008). They range from poorly-resourced offices with only one or two officers to large quasi-embassies employing over 20 representatives (Hooghe and Marks, 1996: 83). Yet, regions having a strong representation at the European level are not the poorest regions or those receiving most funding from the EU, but the most politically entrenched, most ethnically and politically distinct regions (Marks et al, 1996).

The more competencies regions have, the more likely that their government will mobilise in Brussels. This has resulted in a so-called 'first league' and 'second league' of regions, of which the latter are much less able to influence European policy-making than are the more resourced and institutionally stronger regions (Tatham, 2008: 507).

European networks and associations

The number of European organisations representing regional interests is constantly growing, some of them comprising very powerful regions (e.g. the 'Four Motors for Europe') and having close working relations with the Commission (e.g. the Assembly of European Regions and the Council of European Municipalities and Regions) (Hooghe and Marks, 1996: 86-87). Many authors are sceptical about the influence of often loosely organised European networks and associations on the EU policy process. Tatham, however, states that, though it might be somewhat sporadic and erratic in nature, the influence of such networks cannot be dismissed (Tatham, 2008: 509).

3.1.2. The national channel

Regional representation in the Council of Ministers

The Treaty on the European Union grants member states the right to include regional representatives with full negotiating rights in Council and working group meetings. Yet, only the German and Austrian *Länder*, the Spanish *Comunidades Autonomas*, the UK devolved administrations and the Flemish and Walloon region have had access to Council meetings and have been allowed to vote on behalf of their member state (Tatham, 2008: 499).

It is disputed whether being represented in the Council allows regions to push forward their case: Council negotiations demand a single national position, implying that the national and regional governments have to come to an agreement before entering the meetings. Even if a region gets to speak or vote as head of the delegation, it does so 'on behalf' of the member state: there is no freedom to represent particular regional interests. The impact of regional representation in the Council is therefore considered rather political: it allows

regional ministers to directly react to developments at the European level and has made Commission officials and member state representatives recognise regional representatives as 'serious players' (Tatham, 2008: 500-501).

Other domestic arrangements

Several member states instituted arrangements that allow regions to participate in European policy-making and implementation at the domestic level. The German *Länder* can influence the German position through their representation in the *Bundesrat*. Scottish and Welsh civil servants are appointed in areas of special concern to Scotland and Wales, such as fisheries and regional policies (Hooghe and Marks, 1996: 77). Italian regions can exercise some influence on European policies through the Permanent Conference of State and Regions. All of these arrangements (that will be discussed in detail for the three selected regions in chapter four) provide regions with a voice in their countries' stance on EU policies.

3.2. Regions and their legal, financial, organisational and political resources

Whether regions are capable of engaging in each of the mentioned structures for participation depends on the resources they can dispose of. These resources might be of legal (policy competencies and domestic dispute settlement), financial (budget), organisational (administrative capacity) or political (legitimacy) nature. In the following paragraphs the resources of German, Italian and British regions are analysed, with a special focus on the three selected regions.

3.2.1. German *Länder*: strong institutionalisation

As was shown in chapter two, German regions are strongly affected by European integration. Apart from EU interference in some of their exclusive competencies, they initially lost a great deal of their co-determination powers in federal policies when these got (entirely or partially) transferred to the EU level. Yet, the *Länder* possess a lot of institutional resources to adapt to pressure arising from European integration.

Legal resources

The German *Länder* have important legislative powers: they are exclusively responsible for culture, media, education, and justice and home affairs, and share legislative powers with the federal government in many other areas. This broad legislative competence is crucial for being recognised as a political actor by the Commission, member states and other regions. Having legal competence in many of the policy areas that are being discussed, it makes much sense for German regions to get involved at the European level, for example in relations with the Commission or with other regional actors in European networks and associations. The *Länder* have a lot of expertise and information to offer to EU institutions in return for access to the policy-making process (Börzel, 2002: 59).

In addition, the constitutional protection of the participation of German regions through the *Bundesrat* provides them with a very powerful argument to demand co-determination rights on European issues. The federal principle of *Länder* involvement induces the *Länder* to claim the same participation rights in European policies as they enjoyed in domestic policies before they got europeanised (Hopkins, 2002: 82). They can thus draw on existing mechanisms of intergovernmental cooperation. Moreover, their veto power on EU treaties and their right to appeal to the Federal Constitutional Court against intrusions of the *Bund* in their sphere of competencies are two more powerful tools for the *Länder* to pressure the federal government to give them a voice in German EU politics (Börzel, 2002: 58-59).

Lastly, the German *Länder* did not face any legal barriers to establishing regional representation offices in Brussels. As they are considered autonomous states and the only sovereign in matters falling within their exclusive competencies, the *Bund* has no legal right to prevent the *Länder* from maintaining direct contact with the European institutions, as long as they do not claim diplomatic status (Börzel, 2002: 59).

Financial resources

The system of joint taxes and fiscal equalisation gives the *Länder* a big spending power and thus sufficient financial resources to engage in interest representation

at the EU level – even though some regions enjoy a considerably higher spending power than others. Table 3 compares the public budgets of the 16 German *Länder*. Important to mention is that the region selected for this study, Mecklenburg-Vorpommern, with a budget of less than half of the *Länder* average, possesses substantially lower financial resources than most other German regions.

Table 3: Budget of the German *Länder* in 2009 (in Euros)

Baden-Württemberg	36 785 906 900
Bayern	41 219 100 600
Berlin	19 694 000 000
Brandenburg	10 052 966 600
Bremen	4 758 448 380
Hamburg	11 248 390 000
Hessen	27 647 171 000
Mecklenburg-Vorpommern	7 035 508 500
Niedersachsen	24 745 212 000
Nordrhein-Westfalen	52 717 700 000
Rheinland-Pfalz	13 031 000 000
Saarland	3 402 617 000
Sachsen	16 584 409 200
Sachsen-Anhalt	9 993 563 300
Schleswig-Holstein	12 125 905 800
Thüringen	9 271 568 600
Average	18 769 591 743

Source: Finance Ministries of the respective Länder (see Appendix 1 for more details).

Organisational resources

The German *Länder* each have their own constitution, which establishes the structure of government within the region. This organisational autonomy, and the fact that the *Länder* administrate federal legislation largely without interference from government agencies (Hopkins, 2002: 87), has provided them with substantial organisational resources that might be used to, for example, establish regional offices in Brussels.

The number of staff employed by the different *Länder* is used here as a measure for their organisational capacity (see table 4). Even though all German regions have considerable administrations, there are big differences between the *Länder*. Like for the public budgets, it can be noticed that the rich and highly populated regions of Bayern, Baden-Württemberg and Nordrhein-Westfalen have a much higher number of full-time equivalents than the other *Länder*. Mecklenburg-Vorpommern again comes off rather badly, with a score amounting to just over one third of the *Länder* average.

Table 4: Staff employed by the German *Länder* (full-time equivalents) on 30 June 2007

Schleswig-Holstein	48 983
Baden-Württemberg	222 154
Bayern	246 943
Berlin*	130 864
Brandenburg	55 401
Bremen*	25 297
Hamburg*	69 220
Hessen	113 417
Mecklenburg-Vorpommern	37 988
Niedersachsen	165 697
Nordrhein-Westfalen	299 859
Rheinland-Pfalz	80 924
Saarland	26 009
Sachsen	95 888
Sachsen-Anhalt	55 111
Thüringen	56 415
Average	108 135

Source: *Regionaldatenbank Deutschland, 2009.*

* Note: Figures for Berlin, Bremen and Hamburg include staff employed by the local authorities.

Political resources

The fact that the *Länder* are not the product of decentralisation but founded the Federal Republic gives them a high level of authority and credibility. The federal system and the *Länder* as part of German joint government are widely accepted (Benz, 1998: 111). Moreover, the *Landtage* are directly elected institutions that enjoy a high level of popular legitimacy.

Even if the *Länder* do not correspond to historic entities – they were created as pragmatic territorial entities to prevent the resurgence of authoritarianism after the Second World War – Hopkins claims that, over time, regional identities have become very strong (2002: 79). Finally, Germany is the oldest federal state in Europe and as such regarded as a success and a model for other countries (Hopkins, 2002: 79). Yet, the different German *Länder* are not as culturally distinct as the British ‘nations’ (see further).

3.2.2. Italian regions: the rich north versus the poor south?

Both Italy’s ordinary and special status regions enjoy a strong constitutional protection. In practice, however, the role of the regions is much weaker than is reflected in the Constitution, and most implementing legislation has limited the competencies of the regional level of government by interpreting the constitutional provisions very narrowly (Hopkins, 2002: 107). The 2001 constitutional reform considerably extends regional powers – some authors even referred to it as a ‘federalist’ reform (Caravita, 2004) – but it remains to be seen how these principles will be interpreted by the Constitutional Court and by the national framework laws defining the actual limits of regional competence.

Legal resources

Since the reform of the Italian Constitution in 2001, the regions have legislative power over all subjects except those that are enumerated as exclusive state competencies (including foreign policy, monetary policy, citizenship, justice, and social security). The reform has also eliminated pre-enactment review of regional statutes by the national government. Whereas before 2001, all regional laws needed to be signed by a state representative (the regional commissioner), the

state can now lodge a claim against a regional law only after it has been enacted (Groppi and Scattone, 2006: 133).

The 2001 reform caused an increase in the number of jurisdictional disputes between the state and the regions from 2 percent of all constitutional proceedings in 2002, to 15 percent in 2003 and 22 percent in 2004 (Groppi and Scattone, 2006: 131). Yet, decisions show that the Constitutional Court in most cases decides against the regional petitioners and does not set aside national statutes that infringe on regional competencies, resulting in some authors claiming that the Constitutional Court “*has rewritten the Constitution*” (Groppi and Scattone, 2006: 131).

The national government is allowed to legislate in areas belonging to the regions’ exclusive competencies in order to protect national unitary interests, provided that it consults the regions in intergovernmental conferences (Groppi and Scattone, 2006: 137). The fact that Italian regions, unlike the German *Länder*, are not sovereign even in the field of their exclusive competencies severely hinders their capacity to engage in direct relations with the European Commission and with other regions in European networks and associations.

The Italian regions’ legal resources were further limited by the fact that, until 1994, they were prohibited to establish direct relations with the EU institutions on behalf of the regional executive (Hopkins, 2002: 106). The regional administrations thus had to rely on national ministries for information on EU legislative initiatives. In 1994, the Italian Constitutional Court confirmed the right of regions to undertake direct links with the European Commission or set up regional offices in Brussels, a decision that considerably increased the regions’ capacity to act upon developments at the European level.

Financial resources

The budgets of the 20 Italian regions (see table 5) vary greatly according to the population and the GDP of the respective regions. The more populous, richer regions have a much higher budget than the less-populous and poorer regions. Most regions from the north have a budget that is above average; the southern regions, by contrast, enjoy much less financial resources. The spending power of

Piemonte is slightly above average, placing it in the category of the better-resourced regions. It should be noted, however, that 80 to 90 percent of the regions' budget is allocated to projects of the national government (Hopkins, 2002: 105), leaving not much scope for own initiatives. Hence, even if the budgets of the richer Italian regions come close to those of the better-off German *Länder*, the spending power of Italy's regions and autonomous provinces remains rather limited.

Table 5: Total expenditure of the Italian regions in 2004 (in Euros)

Abruzzo	6 631 347 166
Basilicata	4 154 053 949
Calabria	10 847 182 048
Campania	20 430 869 347
Emilia-Romagna	18 201 997 534
Friuli-Venezia Giulia	8 452 813 901
Lazio	23 297 586 736
Liguria	8 690 989 087
Lombardia	54 683 197 266
Marche	9 738 908 178
Molise	2 072 059 184
Piemonte	17 451 171 064
Puglia	16 132 434 883
Sardegna	9 037 062 462
Sicilia	24 278 358 285
Toscana	15 349 933 689
Trentino-Alto Adige	11 413 044 130
Umbria	5 631 893 327
Valle d'Aosta	2 355 860 463
Veneto	19 142 571 485
Average	14 399 666 709

Source: ISTAT, 2009a.

Organisational resources

Since many administrative matters are delegated to the municipalities (Hopkins, 2002: 112), the latter possess a lot more administrative resources than the regions. Table 6 shows that the number of staff of all 20 Italian regions (information for the regions individually was not available) amounts to only 2.5 percent of all public employees in Italy. The regions thus have a very limited administrative capacity.

Table 6: Number of staff in the Italian administrations on 31 December 2003

<i>Governmental level</i>	<i>Number of staff</i>	<i>Percentage</i>
Central administration	1 986 209	56.1
Regions	89 039	2.5
Provinces	57 468	1.6
Municipalities	471 787	13.3
Other	935 993	26.5
Total	3 540 496	100.0

Source: ISTAT, 2009b.

Political resources

The 1948 Italian Constitution saw the regions as a safeguard for the democratic system. Especially the fifteen ordinary regions were artificial constructions. They were set up from above through the agency of the major national parties, and also their subsequent life remained influenced by national party politics – the regional elections in the 1970s and 1980s being not more than a stage of national political confrontation (Desideri, 1995: 66).

The 1990s saw a wave of regionalism, mainly pushed by the special status regions, in which ethnic, linguistic and cultural aspects played an important role. Regionalism in the ordinary regions, by contrast, was primarily based on the rejection of the traditional political parties. In Lombardia, the most developed

among Italy's regions, this led to the success of the Lombard League. The example of Lombardia demonstrates that regionalism in Italy has been driven by economic interests and relies more on the values of efficiency, industriousness and pragmatism of the northern regions than on a sense of regional identity (Desideri, 1995: 70-71).

3.2.3. The UK's cultural nations

The United Kingdom was operated as a unitary structure until devolution in 1999, after which Wales, Scotland and Northern Ireland gained legislative competence, to be exercised by the newly established devolved assemblies. However, due to the principle of parliamentary sovereignty, Westminster Parliament retained the final decision power over all devolution matters. This fact notwithstanding, Wales, Scotland and Northern Ireland are historic nations that over time have developed their own identities and remain culturally distinct from the centre (Hopkins, 2002: 165).

Legal resources

The devolution Acts of 1998 give Scotland and Northern Ireland the right to issue primary legislation, whereas Wales is given the authority over secondary legislation and executive actions delegated by Westminster. The legislative autonomy of Wales thus remains quite limited and can be compared with that of the ordinary Italian regions. Scotland and Northern Ireland, by contrast, enjoy general competence, comparable to that of the German *Länder* (Hopkins, 2002: 178-179). Especially Scotland, with its own health, education and judicial system, possesses important legal resources that can be used in networks with the Commission and other European regions.

Yet, the devolution statutes are normal laws that can easily be changed by every new legislature. The UK also lacks a traditional court to define the limits of the devolution process. Disputes between the central government and the devolved administrations are settled through intergovernmental relationships, with the Judicial Committee of the Privy Council as the final court of appeal. This committee, however, cannot adjudicate on the actions of the centre and merely ensures that

the regional institutions stay within their legislative limits. It is not possible for the devolved entities to appeal against state interventions in their area of competencies (Hopkins, 2002: 177).

Before the establishment of the regional assemblies in 1999, Scotland, Northern Ireland and Wales were not entitled to establish governmental representation offices in Brussels. In the 1980s already, there was pressure in the three regions to better coordinate lobbying efforts in Brussels, at the time mainly conducted by private stakeholders. The representation of the public authorities in the three regions was performed by the UK Permanent Representation in Brussels (Keating and Jones, 1995: 106-107). The devolution Acts gave Scotland, Wales and Northern Ireland the necessary authority to establish their own representation offices.

Financial resources

Yearly expenditure by the Scottish administration is substantially higher than the German *Länder* average, and goes beyond that of German regions with a bigger population than Scotland (see table 7). Scottish expenditure is also twice as high as the average of the Italian regions. Compared to Scotland, the Welsh and Northern Irish budgets are relatively limited and similar to those of the smaller Italian regions. Scotland thus possesses substantially higher financial resources than Wales and Northern Ireland.

Table 7: Total public expenditure of the devolved administrations in 2007-2008 (in British Pounds)

	<i>Two-year expenditure</i>	<i>Average yearly expenditure</i>
Scotland	53 336 000 000	26 668 000 000
Wales *	15 178 670 000	7 589 335 000
Northern Ireland	17 031 700 000	8 515 850 000

Source: Scottish, Welsh and Northern Ireland government (see Appendix 2 for more details).

** Note: The figure for Wales applies to 2009-2010.*

Organisational resources

The differences in budget between the British devolved administrations are also reflected in the amount of civil servants they employ (this counts at least for Scotland and Northern Ireland; for Wales, information about public sector employment was not available). The number of full-time equivalents in Scotland (see table 8) is twice as high as that of the richest German *Länder*. Hence, Scotland has (given its small population) a lot of administrative capacity, in contrast to Northern Ireland that has a much smaller staff (note that the figures are not entirely comparable due to the five-year time lag).

Table 8: Public sector employment in the devolved administrations (full-time equivalents)

Scotland (2008)	423 400
Wales	Not specified
Northern Ireland (2003)	63 510

Source: Scottish and Northern Ireland government (see Appendix 3 for more details).

Political resources

As mentioned, although the UK devolved administrations do not enjoy constitutional protection and are not institutionally sovereign over their own territory, sovereignty in fact has been transferred, and Westminster would only be able to take it back in extraordinary circumstances (Hopkins, 2002: 171). The political legitimacy of the devolved administrations of Scotland, Wales and Northern Ireland is guaranteed by the fact that they are three historically distinct nations that over time developed their own cultural identities, which have their place even in the unitarily governed United Kingdom.

3.3. Comparing the total resources of the three regions

Table 9 below summarises the findings of this chapter for the three selected regions. For *Mecklenburg-Vorpommern*, it can be concluded that, even though this region enjoys the same legal and political resources as the other German *Länder*, it has a considerably lower budget and a much smaller administration than most other German regions. Its budget is also a lot smaller than both that of Piemonte

and Scotland. Nevertheless, due to the strong institutionalisation of the German *Länder*, Mecklenburg-Vorpommern has a higher administrative capacity than Piemonte.

The Italian region *Piemonte*, like all ordinary Italian regions, possesses limited legal and political resources. Its spending power, as a fairly rich northern region, is bigger than that of most other Italian regions and Mecklenburg-Vorpommern, but still modest compared to the resources of the Scottish devolved administration. Compared to both Mecklenburg-Vorpommern and Scotland, its organisational resources are limited.

Of the three regions under study, *Scotland* is the one disposing of the most resources, scoring well in all of the four categories. Unlike the English regions, it has a broad legislative competence that is moreover broader than that of Wales and of Northern Ireland (even if the lack of constitutional protection renders Scottish legal resources more modest than that of the German *Länder*). These broad responsibilities have led to an extensive administrative system and corresponding financial resources. Finally, being a distinct historic nation, Scotland retained its own identity even after becoming part of the United Kingdom. This cultural identity and the legitimacy resulting from it provide Scotland with the necessary political capital to act on the European level.

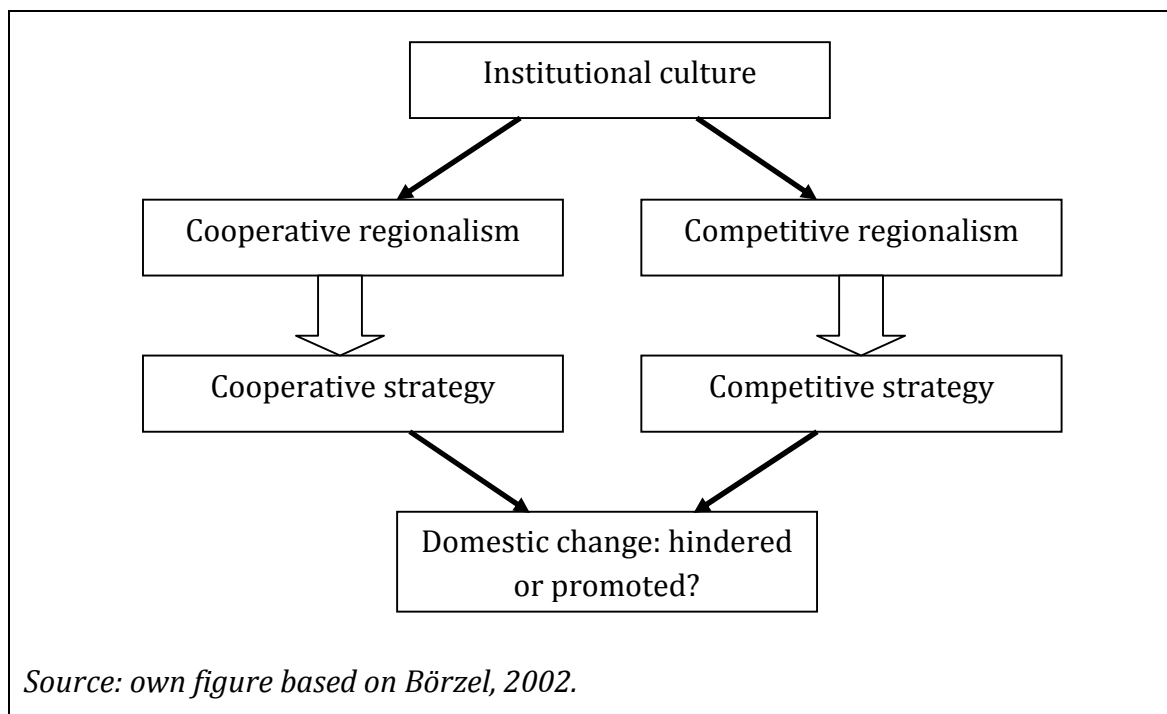
Table 9: Total resources of the three regions

	Mecklenburg-Vorpommern	Piemonte	Scotland
<i>Legal resources</i>	Substantial	Limited	Modest
<i>Financial resources</i>	Limited	Modest	Substantial
<i>Organisational resources</i>	Modest	Limited	Substantial
<i>Political resources</i>	Modest	Limited	Substantial
<i>Total resources</i>	Modest	Limited	Substantial

CHAPTER IV: COMPETITIVE VERSUS COOPERATIVE ADAPTATION STRATEGIES AND DOMESTIC CHANGE

Chapter three analysed the capacity of regions to represent their interests in the EU, both at the national and the European level. The conclusion for the three selected cases was that Scotland has considerable resources to adapt to European integration, whereas the resources of Mecklenburg-Vorpommern are relatively modest, and those of Piemonte fairly limited. *Parts 4.1 and 4.2* investigate – from the range of options available – which strategies regions adopt to make their voices heard in the European Union: do they try to circumvent the central state (by adopting a *competitive strategy*) or do they aim to work together with the central government on European policies (by adopting a *cooperative strategy*)? Subsequently, it is explored which of these strategies is most likely to result in domestic change (*part 4.3*).

Figure 4: Institutional cultures and regional adaptation strategies



This chapter aims to prove that, even though resourceful regions have the possibility to choose between a competitive and a cooperative strategy, they will nevertheless opt for that strategy that is in line with their country's informal institutions (defined as the collective understandings of what actions are appropriate under specific circumstances).

The *hypothesis* is that in countries where the relationship between the central government and the regions is characterised by cooperation, regions will choose to cooperate instead of compete with the government, also on European matters (even if their resources allowed them to opt for a competitive strategy). Again, domestic institutions (in this case informal institutions) are the intermediate variable between the impact of European integration and adaptational changes at the domestic level (see figure 4 above).

4.1. Cooperative versus competitive strategies

According to Börzel, the strategy choice of domestic actors is guided by the formal and informal domestic institutions in which they are embedded. The formal institutions, as was shown in chapter three, define the range of strategic options that are available to regions. For example, a non-cooperative strategy of circumventing the state is not possible for regions lacking the resources to establish direct relations at the EU level. But even those regions that have the necessary resources may nevertheless opt for a cooperative strategy, because a cooperative domestic institutional culture would discredit competition with the central government (Börzel, 2002: 35).

Cooperative strategies are characterised by the refraining from outcomes that unilaterally shift the costs of adaptation on a particular group of actors. Rather, actors strive for a solution that allows for the compensation of potential losers of European integration. The losers (in this case regional governments) will demand compensation for their losses, which the winners (the central state) will be likely to grant, e.g. by sharing their gained resources with the losers through giving them co-determination rights (Börzel, 2002:35).

Cooperative strategies are most likely to be found in countries where one observes a culture of cooperation between the central and the regional governments. The behaviour of the regions towards the central state in these countries is based on a collective understanding that multilateral bargaining and consensus-seeking are the most appropriate way to deal with intergovernmental disputes. Such an institutional culture is hostile to non-cooperative strategies and the shifting of adaptational costs, and rather favours a sharing of costs between central and regional actors (Börzel, 2002: 36).

Competitive strategies, by contrast, favour the shifting of adaptational costs from the regions to the national level of government. In order to redress the balance of power, the losers from European integration (the regions) will try to win back resources from the winners (the central government). The latter are, however, likely to defend their newly gained resources, resulting in conflict and competition over powers. The losers will try to gain new resources outside the domestic institutional framework in order to regain power vis-à-vis the central state (Börzel, 2002: 35).

Especially in states where ethnic, religious and socio-economic cleavages give rise to competitive regionalism, the collective understanding of the regions about their behaviour toward the central state will be based on competition and confrontation rather than cooperation. This understanding favours a non-cooperative strategy of protecting regional competencies by constitutional conflict and circumventing the state (Börzel, 2002: 35-36).

4.2. Regional experiences

4.2.1. Germany – Mecklenburg-Vorpommern

German Länder demanding ‘compensation-through-participation’

Chapter three found that German regions have sufficient resources to pursue cooperative as well as competitive adaptation strategies. Even for a region such as Mecklenburg-Vorpommern, with modest resources compared to other German *Länder*, it would be theoretically possible to opt for a competitive strategy. Such a strategy would include circumventing the federal government by establishing

direct relations at the European level, and counteracting intrusions in the regions' sphere of competencies by legal action (appealing to the Federal Constitutional Court) at national level.

Instead, the German *Länder* have opted for a strategy of 'compensation-through-participation' (Börzel, 2002: 59). They have asked the *Bund* to compensate their costs of European integration (power losses and implementation costs) by sharing decision-making powers as well as the costs of implementing European policies. The participation of the *Länder* in federal policy-making through the *Bundesrat* and other existing institutions of intergovernmental cooperation had provided them with the formal mechanisms and the expertise to make such a strategy work. Moreover, the domestic culture of cooperative federalism, promoting cooperation among the *Länder* and between the *Länder* and the federal government, favours a cooperative approach to European affairs (Börzel, 2002).

1951-1986: informal Länder participation and domination of the Bund

The period from 1951 to 1986 was characterised by the informal participation of German *Länder* in EU matters, both at the national and the European level (Gerstenlauer, 1995: 192). During the negotiations on the Treaty of Rome, the *Länder* were allowed to send two representatives as part of the German delegation, and the federal government agreed to notify the *Bundesrat* on European policies. This agreement was formalised in the *Zuleitungsverfahren* of 1957, obliging the federal government to transmit all legislative proposals to the *Bundesrat*, that was entitled to issue non-binding recommendations (Börzel, 2002: 60-61).

1957 also saw the informal creation of the position of *Länderbeobachter*, a senior civil servant responsible to the governments of all the *Länder* to collect information about EU affairs of interest to them. The *Länder* observer attends meetings of the Council of Ministers as non-speaking member of the German delegation, obtains all documents from the secretary of the Council, and takes part in the meetings that prepare the German position for Council negotiations (Gerstenlauer, 1995: 194; Börzel, 2002: 61).

In the 1970s, informal practices were developed for the participation of *Länder* representatives in EU decision-making bodies. The *Länderbeteiligungsverfahren* of

1979 confirmed this practice by allowing two *Länder* delegates to participate in Commission and Council working groups. The agreement also established a procedure entitling the *Länder* to formulate joint recommendations on European policies that fell under their exclusive responsibility (Börzel, 2002: 63-64). Yet, as this procedure was non-binding and no arrangements were made for recommendations in the field of shared competencies, European policy-making remained dominated by the *Bund*.

1986-now: redressing the balance of power

During the negotiations on the Single European Act, the German *Länder* for the first time adopted a strategy that can be said to contain some competitive elements. Through the linking of their approval of the Treaty to formal and binding participation rights in European affairs, the *Länder* managed to negotiate the *Bundesratsverfahren*, created in 1986. The *Länder* were given the right to make formal recommendations on European issues affecting their exclusive jurisdiction, and the *Bund* from now on was obliged to allow *Länder* representatives to participate in European decision-making bodies dealing with those issues (Börzel, 2002: 65-66). Also the new *Bundesrat* committee on EC matters (*Kammer für Vorlagen der EG*) allowed the *Länder* to participate more effectively in European affairs (Gerstenlauer, 1995: 201-202). Finally, the most visible sign of the increased presence of the *Länder* in EU affairs was the establishment of information offices in Brussels since 1985 (Gerstenlauer, 1995: 202).

The greater weight of the *Länder* became obvious during the intergovernmental conference on the Maastricht Treaty. The *Länder* took a leading role in promoting a 'Europe of the Regions', aimed at greater regional involvement in EU affairs at the European and domestic level. The Treaty on the European Union saw the opening of Council meetings for regional representatives in voting capacity, and created the Committee of the Regions, consisting of representatives of regional and local bodies (Müller-Graff, 2005: 108).

Domestically, the German *Länder* succeeded in having a new '*Europa-Artikel*' introduced in the German Constitution (Article 23 GG). According to this article – together with the law on the cooperation of the *Bund* and the *Länder* on European

affairs (EUZBLG) – the transfer of both regional and national competencies to the EU now requires *Bundesrat* consent. In addition, recommendations of the *Bundesrat* became decisive for the German position on exclusive regional competencies, and need to be taken into account for federal and shared competencies. Furthermore, *Länder* ministers are entitled to head the German delegation when their exclusive competencies are involved. Finally, article 23 GG gives the *Länder* the right to request the federal government to appeal to the European Court of Justice on their behalf, and provides them with a legal basis for establishing representation offices in Brussels (Börzel, 2002: 71-72; Gerstenlauer, 1995: 208-209; Müller-Graff, 2005: 111-112).

Direct representation as a complement to intra-state participation

Fully in line with the cooperative strategy adopted by the German *Länder*, direct representation in Brussels has been used as a complement to intra-state channels of influence, rather than as an alternative to it. In the 1970s, the first unofficial contacts with the EU institutions were established by the *Länder* and the *Bundesrat*. In the second half of the 1980s, the West German *Länder* started opening their own offices (the East German *Länder* followed after unification in 1991): these offices operate in close cooperation with the German Permanent Representation in Brussels and are seen to complement the work of the latter rather than to work against it (Börzel, 2002: 78).

The *Länder* have also created institutions to coordinate among themselves their presence at the European level (especially the less-resourced regions welcome the possibility to pool instruments and resources). Characteristic for the German regions is further that they prefer to operate through regional networks rather than through the Committee of the Regions. The German *Länder* generally seem to be disappointed about the role and influence of the committee (Börzel, 2002: 78).

Finally, most regions apply a division of labour between the regional offices and the *Länder* representatives at the domestic level, in the sense that regional offices focus on direct contacts with the European institutions in the agenda-setting phase, whereas intra-state participation of the *Länder* prevails during the Council negotiations (Börzel, 2002: 76-79).

Mecklenburg-Vorpommern's two-track strategy

Exactly this strategy is adopted by the region of Mecklenburg-Vorpommern, which established its representation office in Brussels in 1991, but – like all German *Länder* – also participates in EU matters through its Council delegates and through intergovernmental cooperation in the *Bundesrat*. The work of the information office seems to correspond with the first phase of the European legislative process (the drafting of the Commission proposal), whereas cooperation with the *Bund* and the other German *Länder* becomes more important in the Council negotiation phase.

During the interview in the Mecklenburg-Vorpommern Information Office in Brussels, it was mentioned that, for the office, it is very important to be involved in the first stage of the legislative process, in which it is easier to work for a small region such as Mecklenburg-Vorpommern. The interviewee stated: *“I think at the very beginning we usually act without the federal government. I mean, there are certainly several very good moments to get in touch with them, but the first step is within the region, with our partner regions.”* (Interview Mecklenburg-Vorpommern, 29.05.2009)

The federal level becomes very important once the proposal enters the formal legislative process, because from then on, claimed the interviewee, the member states are at the table, and they are more influential than individual regions. Once an issue enters the Council committees and working groups, it is taken care of by representatives from the *Bundesrat* in the Council and no longer by the regional office: *“Once an issue is in the legislative process it is not, at least that is my understanding, our primary focus. Of course you can read the reports to see in which direction things develop, but our main focus should be the field before.”* (Interview Mecklenburg-Vorpommern, 29.05.2009)

Concerning the relationship with the central state, it was stressed that a region cannot act against the federal government. Rather, the role of the regional administrations is to complement not counteract the work of the federal government. Asked whether the European channel is sometimes used to circumvent the central government, the interviewee claimed that this is not so important for the German *Länder*, because they have a strong position at the

domestic level and are heard by the federal government on European issues. The comparison was made with Finnish regions that, not always being involved at the domestic level, can counteract this problem by engaging directly at the European level. But, even for Mecklenburg-Vorpommern, the interviewee acknowledged that direct representation in the form of a regional office in Brussels can be a very efficient extra source of information and avoids having to rely on the central government all the time (Interview Mecklenburg-Vorpommern, 29.05.2009).

Conclusion: The europeanisation of German cooperative federalism

The German *Länder* have successfully employed their 'compensation-through-participation' strategy to increase their participation in European policy-making at the domestic level (even though problems remain regarding the *Länder's* power of self-determination and the effectiveness of their gained co-decision rights: see Börzel, 2002: 79-84; Müller-Graff, 2005: 113-114). Their demands for sharing the costs of adaptation caused by European integration eventually gave rise to an amendment to the German Constitution in 1992, granting the *Länder* comprehensive co-determination powers in the formulation of the German position on European policies (Börzel, 2002:79).

It can be said that the attempts of the *Länder* to reduce the costs of adaptation by sharing them with the federal government have resulted in the europeanisation of German cooperative federalism. The cooperative institutions already in place provided the *Länder* with the mechanisms and the expertise to pursue a cooperative strategy. Adaptation to European integration was thus facilitated by the existing institutions of cooperative federalism, allowing the German domestic system to flexibly adjust to the new challenges posed by European institutions and policy-making processes. Even if some new coordination mechanisms have been created (such as the *Europakammer* in the *Bundestag*), they do not break with existing institutional traditions, but adopt similar norms, rules and procedures. In the course of European integration, the German federal system saw the reinforcement rather than the fundamental transformation of existing domestic institutions (Börzel, 2002: 86).

4.2.2. Italy – Piemonte

The northern regions push for more influence

In Italy, primarily the richer northern regions have demanded more influence in the formulation and representation of the Italian position on EU matters. However, since in Italy the system of cooperation between the national and the regional governments is not well-developed (as was shown in chapter two), the cooperative strategy pursued by the German *Länder* seems less of an option for the Italian regions. As a consequence, in order to circumvent the difficult and inefficient negotiation processes at home, Italian regions have so far mainly used direct channels of representation.

It should be noticed, however, that not all Italian regions have engaged in direct participation equally. Those regions (mostly northern regions) disposing of more resources (financial and organisational) have engaged in direct relationships with the European institutions earlier and have also proven to be more successful in representing their interests at the EU level. According to Desideri, the central and northern regions have played a leading role in the formulation of proposals and seem to be willing to lobby for local economic interests and expectations within the relevant EU institutions (1995: 78). The poorer southern regions, by contrast, have seen themselves left with hardly any strategic option to engage in European policy-making.

Limited regional participation in EU affairs before 2001

Italian regions have long insisted on obtaining the right to conduct direct relations at the European level. Even though informal contacts of the regions with EU institutions were tolerated by the central government, Italian regions were until 1994 not permitted to directly participate in the European policy-making process, e.g. by establishing representation offices in Brussels. This was changed by a ruling of the Constitutional Court in 1994, which allowed 'promotional activities abroad' and activities 'of lesser international importance', as long as they did not interfere with the central government's foreign policy (Desideri: 1995: 76-77). Emilia-Romagna and Trentino-Alto Adige immediately made use of this opportunity and established regional offices in Brussels in 1994 and 1995 respectively. Lombardia,

Lazio and Veneto followed in 1997. At the time of writing, all Italian regions had opened representations in Brussels (Basilicata and Calabria were the last regions to establish their offices in 2007) (Committee of the Regions, 2008).

The regions and autonomous provinces have shown a lot less interest in domestic procedures granting them a say on Italy's position on EU matters. In the 1980s, they were granted a domestic consultative role for matters within their responsibilities, allowing them to submit comments on draft European regulations and directives. However, this instrument proved to rely on the central government's good will, and – as the regions often received documents too late, and the government was not obliged to take their concerns into account – the regions have shown little interest and trust in it (see also chapter two). Until 2001, regions had to rely on establishing good relations with the ministries dealing with particular EU policies (Desideri, 1995: 75).

The 2001 constitutional reform: expanding the rights of the regions

The reform of the Italian Constitution in 2001 formalised the right of the Italian regions to participate in decisions about the formulation of EU law for matters that lie within their field of competence. At the same time, the reform makes regions responsible for the implementation of European legislation, but within the limits of the procedures set by national law. The state may still intervene in case the regions fail to fulfil their obligations in this respect (Italian Constitution Article 117(5)).

The 2001 implementing law (Constitutional Law 3/2001) allows regional delegates to be present in the Italian Council delegation for competencies shared between the state and the regions. For policies within the residual competencies of the regions, the law foresees a possible government appointment of a president of a regional council or autonomous province as head of the delegation (Garofalo, 2006: 31). However, the interview in the Piemonte regional office revealed that this law has not been fully implemented so far. Participation of Italian regions in the Council until today remains patchy and much less structured than that of the German *Länder* (Interview Piemonte, 10.06.2009).

The law of 2001 further expanded the regions' power in European affairs by giving them the right to request the national government to appeal to the European Court

of Justice against European rules that are considered illegitimate. Lastly, the law saw the establishment of an EU session of the Permanent Conference of State and Regions. Despite these efforts to enhance intergovernmental dialogue and inter-institutional consultation, the risk of a lack of coordination or conflicts among regions and between the state and the regions remains large (Garofalo, 2006: 31).

Piemonte: learning from other regions in European networks

The interview in the Piemonte regional office in Brussels mainly focused on the activities of the region at European level, but also provides some important information on cooperation between the regions and the Italian state at domestic level. In fact, according to the interviewee, the two levels are to a large extent interlinked, in the sense that Italian regions – that do not enjoy the same extent of autonomy as German, Austrian or Spanish regions – can draw lessons from practices in other countries through European regional networks.

For example, the interview mentioned REGLEG (the conference of regions with legislative competencies) as an important network for regional learning regarding Council participation: *“... and REGLEG is also helping us in this regard, because we have workshops with other regions, so we know what happened to them – the regions that are maybe a little more advanced in this field. So we can use this in our relationship with the national government, to say: we know Austrian regions do that, or Spanish regions have a different approach, so it is important for us to also do it this way.”* (Interview Piemonte, 10.06.2009)

Concerning the relationship with the national government, the interviewee claimed that it is impossible to circumvent it, because if the region would play off the government on one occasion, it would be impossible to work with it again on future issues: *“It’s not a zero-sum game that we are playing here. It’s difficult to say: well, we don’t play with the government this time, but next time we will play with them. Because at the same time we are here to stay, to play with the government in another moment.”* (Interview Piemonte, 10.06.2009)

The fact that Piemonte envisages friendly relations with the Italian government does, however, not mean that such a relationship currently exists. Even though there have not been important disputes between the region and the central

government on European issues, the interviewee regretted that cooperation and coordination with the national government in Italy do not work properly. A strong integration of state and regions, he claimed, is crucial for regions and nations to be successful at European level (Interview Piemonte, 10.06.2009).

In contrast to what was said in the Mecklenburg-Vorpommern office, the Piemonte regional office finds it important to be involved both in the preparatory and the negotiation stage of the European legislative process. Presumably because in Italy the mechanisms for regional representation in the Council do not function properly, the office follows dossiers up until they are agreed in the Council: *“Our experience is that you have to be present in any stage of the process. In the sense that, of course the early stage is very important, because you are already aware of the legislation. At the same time you also have to be present in the final stage, because I see that amendments can be accepted in the last phase, even if presented in an informal way.”* (Interview Piemonte, 10.06.2009)

Conclusion: moving from competition to cooperation?

Relations between the regions and the central government in Italy are much less formalised than in Germany. For a regional office such as that of Piemonte, it is thus important to observe the entire European legislative process and try to find ways to influence the central government’s position. The interview showed how Italian regions can learn from other European regions that have a more structured participation in the Council of Ministers. These learning processes are probably the most important aspect of EU influence on the Italian institutional system.

Institutional adaptation in Italy has been slow, and has been hindered by competitive regionalism and ineffective coordination between the regional and the national level of government. Recently, however, Italian regions have started looking for more cooperation with the national government. According to Börzel, a cooperative approach is a precondition for domestic institutional adaptation to European integration (Börzel, 2002). Yet, in contrast to Germany, where existing institutions for intergovernmental cooperation allowed a smooth adaptation to European integration, Italian institutions are less responsive to European

challenges. A change in strategy from competition to cooperation seems needed in order to allow for institutional adaptation.

4.2.3. The United Kingdom – Scotland

UK regions and the EU: lacking a clear strategy

The British devolved administrations (especially Scotland) possess sufficient resources to choose between a cooperative and a competitive adaptation strategy. However, in contrast to the German *Länder* and the (mostly northern) Italian regions and autonomous provinces, which in the course of European integration developed strategies to enhance their involvement in their country's coordination of EU matters, the political agenda of the British regions has been a lot less clear.

The pre-devolution review by the Scottish Office of its handling of European policy in 1991 aimed at improving practices within the territorial ministry without challenging the mechanisms of overall British EU coordination. Similarly, the guiding principle of the concordats drafted after devolution was to preserve prevailing interdepartmental practices, with new arrangements being devised only where necessary (Bulmer et al, 2002: 47).

The officials (senior officials in Whitehall and their counterparts in the territorial administrations) drafting the concordats made up the rules as they went along. As stated by Bulmer et al (2002: 47): "*There was no master plan; no pre-existing model; no political agenda.*" The main concern of the devolved administrations and the UK government was to preserve the pre-devolution administrative routines of consultation and cooperation.

Pre-devolution involvement of the regions in British EU politics

It was mentioned in chapter two that, prior to devolution, British regions relied on contacts of the respective territorial administrations with the relevant departments in Whitehall. There were no provisions for regional participation in the Council, and the regional offices did not have direct representation offices in Brussels, even though informal contacts between the territorial administrations

and the EU institutions existed – and also Scottish and Welsh business were actively lobbying in Brussels (Keating and Jones, 1995: 104).

Prior to devolution, the Scottish, Welsh and Northern Ireland Offices were involved in European policy-making as part of the UK government, but the lead was taken by the relevant Whitehall department. Since the ministers of the Offices were part of the UK government, there was no reason why they could not be represented in the Council, but in practice this rarely happened. A reason for this (apart from the fact that the Secretaries of State are only junior ministers in the UK Executive, as was mentioned in chapter two) is that ministers reflect the policies of the party they have been elected for on a UK-wide basis, rather than specific Scottish, Welsh or Northern Irish interests. However, in contrast to regional ministers, civil servants from the three Offices regularly participated in Council meetings at the working group level (Bulmer et al, 2002: 19).

Both at ministerial and official level, Scotland was the most involved of the three Offices. Reasons for this are its greater financial and administrative resources (see chapter three), and the fact that Scotland, because of its greater range of domestic competencies, is more affected by EU policies (Bulmer et al, 2002: 19). In 1991, the expansion of European policies and competencies resulted in a review of the Scottish Office of its handling of EU matters. It aimed at making more use of direct contacts with EU institutions, participating more fully in the UK Cabinet and Permanent Representation, and training of civil servants on European matters (Bulmer and Burch, 1998: 616). According to Bulmer and Burch, adaptation to the EU also took place in the Welsh and the Northern Ireland Office, but these adjustments were less purposeful in nature (Bulmer and Burch, 1998: 616).

Adaptation to European integration in the United Kingdom prior to devolution was smooth, and the europeanisation of Whitehall presented few serious challenges to British policy practice. *“European integration has been absorbed in to the logic of the Whitehall machinery.”* (Bulmer and Burch, 1998: 606) This machinery is characterised by administrative routines of consultation and cooperation among UK departments on the one hand and between these departments and their territorial counterparts on the other.

One of the features of this smooth adaptation was the centrality of the European Secretariat in the UK Cabinet, which ever since the UK's accession to the EU had functioned as the leading actor in British European policy-making. Although strongly affected by EU policies such as the Common Agricultural and Fisheries Policy, the territorial Offices held the lead on no single EU policy (Bulmer and Burch, 1998: 606).

Devolution: challenging the UK's flexible adjustment?

The establishment of the devolved assemblies and executives in 1999 was accompanied by the drafting of white papers and concordats on the coordination of EU policy issues between the UK government and the respective devolved administrations. Regarding the formulation of the UK line, these documents specify that the devolved administrations should be involved 'as closely as possible' in UK decision-making on Europe that concerns them, and that the respective Secretaries of State continue to represent the Welsh, Scottish and Northern Irish interests in the UK government on devolved matters (see overview of the relevant documents by Bulmer et al, 2002: 10-11).

The lead UK minister remains responsible for coordinating the overall UK position, but may invite the Secretary of State (in the case of Wales) or a territorial minister (in the case of Scotland) to participate in relevant meetings in the Council of Ministers. If approved by the UK lead minister, they can speak for the United Kingdom, but only 'to support and advance the single UK negotiating line which they have helped to develop' (Bulmer et al, 2002: 10-11).

Following devolution, the devolved administrations were given responsibility for implementing EU legislation that falls within the scope of their competencies, but the UK remains the right to intervene should the regions fail to implement the relevant regulations or directives. UK ministers can require by order that the Welsh Assembly fulfils its obligations, and can pass on the financial penalties imposed by the EU for failures of implementation to the Scottish government in case the latter is proven responsible for the failure (Bulmer et al, 2002: 11).

In addition to these new coordination mechanisms, the devolved authorities have made institutional adjustments to European integration (for example the creation

of the Secretariat General External to coordinate Scotland's EU policy and the strengthening of the European Affairs division in Wales, Kassim, 2001: 48). None of these adjustments, however, seem in conflict with the coordination of British EU policy before devolution.

Through preserving the centrality of the UK government and Whitehall, devolution has not threatened the UK coordination strategy. Also at the European level, the UK Permanent Representation has retained its primacy, even after the creation of the Scottish Executive Office in 1999 and the National Assembly for Wales EU Office in 2000. *"Just as the European Secretariat retained its centrality in Whitehall, so UKREP remains the principle actor in Brussels."* (Kassim, 2001: 66)

Scotland: cooperation despite the wish for more powers

The interviewee in the Scottish Government EU Office repeatedly stated that Scottish ministers would like to have their own representation and be able to speak for Scotland in the Council of Ministers. So far, ministers from the devolved administrations regularly attended Council meetings as part of the UK delegation, but rarely spoke or voted for the UK.

About Scottish ministers' participation in the Council, the interviewee said that *"... he will go along as part of the UK delegation. But what he wouldn't get to do – what is unlikely, unless the UK government is prepared to agree to it – is he won't take the microphone, he won't take the seat to the table."* (Interview Scotland, 05.06.2009)

Even if Scotland would like to see its participation in the Council enhanced, the Brussels office has a very good working relationship with the UK Permanent Representation, and according to the interviewee, all parties involved share the willingness to work closer together. It was not denied that there might be differences of opinion, and that (since devolution is still very young) intergovernmental cooperation is subject to learning processes, especially now the governing party in Scotland (the Scottish National Party) is different from the UK governing party (Labour). But this does not do away with the fact that the Scottish office sees it as its main task to support the UK Permanent Representation, not to work against it.

Direct relations with the Commission are seen as a different type of engagement, rather than an attempt to circumvent the central government: *“Whatever we do with the Commission isn’t so much I would say circumventing the UK’s position, it’s making the Commission aware of what’s important for Scotland and get them to reflect that in whatever policy decisions they take. There will be occasions where that differs from the view that the UK’s government is taking. But we’re contained to work with them, to try to influence them and to get them to see the Scottish position as well.”* (Interview Scotland, 05.06.2009) Contacts between the Scottish office and Commission officials take place mainly in the first stage of the legislative process, engagement with the UK Permanent Representation in the negotiating stage.

Conclusion: have the British devolved administrations lost their direct route to EU policy-making?

The strategy of British regions to enhance their participation in European policy-making has been strongly influenced by considerations of compatibility with the pre-existing coordination of EU affairs in the United Kingdom (Kassim, 2001: 50). The existing administrative routines that emphasise consultation and cooperation have induced them to opt for a cooperative strategy towards the UK government.

This strategy has prevented conflicts and preserved the strength of the UK’s bargaining position and the good implementation of EU legislation. The Scottish example showed that, also at the European level, relations between the regional offices and the UK Permanent Representation are characterised by a spirit of cooperation and sharing of information.

UK European policy after devolution thus seems to be nothing but ‘business as usual’. Whitehall officials continue working in bilateral relations with their counterparts in the devolved administrations, and the Secretaries of State mediate between the devolved administrations and the UK Executive (Bulmer et al, 2002: 43). Yet, the downgrading of the Secretary of State position and the fact that the devolved administrations are no longer an integral part of the UK government resulted in a loss of their ‘insider’ status, since they are no longer routinely involved in the UK European policy process (Bulmer et al, 2002: 49).

The British devolved administrations will thus have to look for new coordination mechanisms to continue to obtain the necessary policy information. Bulmer et al (2002: 50) assert that: "... *notwithstanding the formal provisions of the EU concordat – designed to buttress the status quo ante – there was a risk that the devolved administrations would find, as a matter of practice, that their post-devolution ‘voice’ in the UK European policy was becoming less compelling.*"

The question is how long it will take before the British regions – especially Scotland that sees itself as a country in its own right, with ministers that are keen to see Scotland's profile raised (Interview Scotland, 05.06.2009) – will start to use their resources to push for new arrangements allowing them to enhance their involvement in British EU coordination.

4.3. Comparing the strategies of the three regions

This chapter discussed the adaptation strategies adopted by regions and the domestic change that results from these strategies (for an overview of findings, see table 10). It was demonstrated that German regions (and *Mecklenburg-Vorpommern* is a good example in this sense) have generally adopted a strategy of cooperation with the federal government, in line with the existing institutional culture of cooperative federalism. This allowed the German system to flexibly adjust to challenges posed by European integration. Existing mechanisms for intergovernmental cooperation were merely extended to European matters.

In Italy, by contrast, domestic institutions have been more resistant, and competition among regions and between the regions and the central state has prevented the adjustment of state-regional relations to European policies. Whereas in Germany the mechanisms for intergovernmental cooperation already existed and simply needed to be adjusted to deal with European policies, regional participation mechanisms still need to be created in Italy. It remains to be seen whether a change from a competitive to a cooperative strategy (that is for example advocated by the region of *Piemonte*) will facilitate the required institutional adaptation in the near future.

In the United Kingdom, adaptation to European integration coincided with the process of devolution. Whereas, before devolution, the territorial administrations were an integral part of the UK government, and as such automatically part of British EU coordination, devolution made British regions – that now operate through their own devolved assemblies and executives – lose their insider status in the UK Executive. Adaptation after devolution has thus caused adjustment to European policy-making in the reverse direction: instead of compensating the region’s losses of power, devolution has made the devolved administrations lose out even more. In particular *Scotland*, that domestically enjoys a wide range of competencies, has seen its interests prejudiced in this manner.

Table 10: Institutional cultures, adaptation strategies and domestic change

	Mecklenburg-Vorpommern	Piemonte	Scotland
<i>Institutional culture</i>	Cooperative	Competitive	Cooperative
<i>Adaptation strategy</i>	Cooperative	Competitive (Recently more cooperative)	Cooperative
<i>Domestic change</i>	Flexible adjustment	No adjustment	Reverse adjustment

CONCLUSIONS

European integration triggers the domestic centralisation of power

The creation of European institutions and policy-making processes resulted in the uneven distribution of 'say and pay' in each of the three studied countries: Germany, Italy and the United Kingdom. The domestic distribution of resources shifted in favour of the central state, while regions saw some of their exclusive competencies transferred to the European Union, and (especially in the case of Germany) lost their co-determination power over policies formerly shared with the central government.

This double loss of competencies forced German, Italian and British regions to adopt strategies to adjust to the new European institutional framework. As domestic institutions no longer 'fitted' with the newly created European ones, European integration induced regions to create new mechanisms allowing them to defend their interests in EU matters, both at European and at national level.

Coping with EU pressure: institutions matter

This paper found that the *pressure for adaptation* is not the same for all countries, and differs according to the degree of centralisation. In a federal state such as Germany, the misfit between European and domestic institutions and hence adaptation pressure on regions is much higher than in Italy, whose regions and autonomous provinces enjoy less autonomy than the German *Länder*. Scotland is a particular case, because, although the UK remains a rather centralised state, the Scottish region has many important exclusive competencies, resulting in a considerable pressure to maintain a say in these policy areas as they become europeanised.

The *adaptation capacity* of regions is determined by their resources, of which legal resources demonstrated to be the most important. Strongly institutionalised regions such as the German *Länder* – that, moreover, enjoy a constitutionally protected voice in German EU coordination – were better able to adjust to European integration than Italian and British regions, even if the latter (Scotland and Piemonte) dispose of more financial (and in the case of Scotland also more organisational) resources than the former (Mecklenburg-Vorpommern).

Table 11: Summary of findings

	Mecklenburg-Vorpommern	Piemonte	Scotland
<i>Adaptation pressure - Misfit</i>	High	Low	Moderate
<i>Adaptation capacity (resources)</i>	Modest	Limited	Substantial
<i>Adaptation strategy</i>	Cooperative	Competitive	Cooperative
<i>Domestic change</i>	Flexible adjustment	No adjustment	Reverse adjustment
<i>Outcome</i>	Misfit reduced	Misfit unchanged	Misfit increased

Concerning the *adaptation strategies* chosen by regions, cooperative strategies seem to provide most incentives to domestic institutional adaptation. Yet, adaptation strategies need to be seen in the light of a region's resources: legal resources in combination with a cooperative institutional culture (the German example) were confirmed as the most viable framework for flexible domestic adjustment. By contrast, the British culture of consensus-seeking in combination with the weak institutionalisation of intergovernmental relations appears to hinder adjustment to European integration. In both cases, cooperative strategies have triggered domestic institutional change; yet only in Germany, cooperation has resulted in redressing the territorial balance of power. Adaptation in the United

Kingdom favoured the central state: British regions saw their voice in the UK's EU coordination reduced after devolution.

In Italy, the existing culture of competitive regionalism stimulated regions to circumvent the state at the European level and to compete with it on European policy-making at the domestic level. Competition between the central state and the Italian regions and autonomous provinces hindered domestic adaptation, and until today intergovernmental cooperation on European issues remains inconsistent. Recently, however, after realising that a non-cooperative strategy increases instead of reduces their costs of adaptation, Italian regions (for example Piemonte) have started rethinking their strategy in favour of increased cooperation. However, the fact that adaptation pressure (especially on the ordinary regions) is rather low does not provide much incentive to Italian regions to devise strategies to adjust to European integration.

Intergovernmental cooperation as the key to success

The evidence from the literature and from the interviews conducted for this research have shown that a cooperative strategy is crucial for member states to be successful in European policy-making, both at the EU-level (the formulation of European policies) and at the domestic level (the implementation of EU regulations and directives). European integration is not a zero-sum game, as there is no fixed amount of resources that could be distributed between central states and regions. Rather, as stated by Börzel (2002: 212): "*Central state and regions share their resources in European policy-making, as a result of which both win, or both lose.*"

If resources are not properly shared, like in Italy or in the United Kingdom, regions will lose out from European integration. Whereas in Germany the misfit between European and domestic institutions has been reduced, the misfit in Italy remained the same, and in Scotland it even increased (see table 11 above). The UK apparently is still successful in coordinating its position on European legislation: even after devolution it remains a powerful actor in EU negotiations and has a good record of implementing EU legislation. Nonetheless, this successful adaptation hides the fact that adjustment has been mainly in favour of the central

government, leaving the regions unsatisfied with their role in EU affairs. This in contrast to the German *Länder* that were a lot more successful in reversing the trend of centralisation.

Hence, resources may help regions to represent their interests in the European Union, but, in the end, they cannot act without the central government. Even though member states do not longer monopolise access to the European policy area, they remain the central gate-keepers (Börzel, 2002: 212). Resources might help regions to get involved at the European level, but they are still bound to work with the national government at the domestic level.

Towards convergence in the long run?

The fact that the European Union seems to favour domestic intergovernmental cooperation over competitive regionalism leads back to the initial question if European integration leads to convergence or divergence of member state institutions. In the short term, it was argued in this paper, European integration affects all member states differently, because of the different nature of their respective domestic institutions. However, the fact that Italian regions, entrenched in a competitive culture, have started to rethink their strategy towards a more cooperative one may be a sign of increasing convergence.

Börzel asserts that, as soon as regions realise that a confrontational strategy does not allow the balance of power to be redressed, but rather increases centralisation and implementation costs (2002: 219), they will start to reconsider their initial strategy and adopt a more cooperative approach. This new strategy will, in turn, trigger domestic institutional change.

Changes in regional strategies take place through a process of experimental learning that is influenced by developments at the European level. The example of Piemonte showed how important it is for institutionally weaker regions to engage in networks with regions that are more experienced in intergovernmental cooperation within their home countries.

Consequently, more than exerting direct influence at the European level, for which most regions continue to use the national channel, European networks allow

regions to compare best practices and use experiences from other regions as an example for organising relations with the central state in their own country. The European and domestic channel of regional interest representation are thus inextricably linked, and, through learning at the European level, regions will adopt similar strategies, making it increasingly likely that domestic institutions will converge in the long run.

BIBLIOGRAPHY

Benz, A. (1998), "German Regions in the European Union? From Joint Policy-Making to Multi-Level Governance" in: Le Galès, P.; Lequesne, C. (eds.), *Regions in Europe*. London: Routledge, pp. 111-129.

Börzel, T. (2002), *States and Regions in the European Union. Institutional Adaptation in Germany and Spain*. Cambridge: Cambridge University Press.

Börzel, T. (2005), "Europeanization: How the European Union Interacts with its Member States" in: Bulmer, S.J.; Lequesne, C. (eds.), *The Member States of the European Union*. Oxford: Oxford University Press, pp. 45-69.

Bulmer, S.J. (2007), "Theorizing Europeanization" in: Graziano, P.; Vink, M. (eds.), *Europeanization: New Research Agendas*. Basingstoke: Palgrave MacMillan, pp. 46-58.

Bulmer, S.; Burch, M. (1998), "Organizing for Europe: Whitehall, the British State and European Union" in: *Public Administration*, 76 (Winter 1998), pp. 601-628.

Bulmer, S.; Burch, M.; Carter, C.; Hogwood, P.; Scott, A. (2002), *British Devolution and European Policy-Making. Transforming Britain into Multi-Level Governance*. Basingstoke: Palgrave MacMillan.

Caravita, B. (2004), *Italy: Towards a Federal State? Recent Constitutional Developments in Italy*. Camden: Rutgers School of Law: <http://www-camlaw.rutgers.edu/statecon/subpapers/caravita.pdf>

Carter, C.; McLeod, A. (2005), "The Scottish Parliament and the European Union: Analysing Regional Parliamentary Engagement" in Weatherill, S.; Bernitz, U. (eds.), *The Role of Regions and Sub-National Actors in Europe*. Oxford: Hart Publishing, pp. 67-88.

Committee of the Regions (2008), *Regional Offices Contact Directory*. Brussels: EU Publications Office:

http://ec.europa.eu/regional_policy/conferences/od2008/doc/pdf/catalogue_en.pdf

Desideri, C. (1995), "Italian Regions in the European Community" in: Jones, B.; Keating, M. (eds.), *The European Union and the Regions*. Oxford: Clarendon Press, pp. 65-87.

Featherstone, K.; Kazamias, G. (2003), "Introduction: Southern Europe and the Process of Europeanization" in: Featherstone, K.; Radaelli, C. (eds.), *The Politics of Europeanization*. Oxford: Oxford University Press, pp. 1-22.

Garofalo, D. (2006), "Regional Competencies, Community and International Regulation in Italy" in: *Transition Studies Review*, 13(1), pp. 28-33.

Gerstenlauer, H.-G. (1995), "German *Länder* and the European Community" in: Jones, B.; Keating, M. (eds.), *The European Union and the Regions*. Oxford: Clarendon Press, pp. 191-213.

Gourevitch, P. (1978), "The Second Image Reversed: The International Sources of Domestic Politics" in: *International Organization*, 32(4), pp. 881-912.

Groppi, T.; Scattone, N. (2006), "Italy: The Subsidiarity Principle" in: *International Journal of Constitutional Law*, 4(1), pp. 131-137.

Haas, E.B. (1957), *The Uniting of Europe: Political, Social and Economic Forces, 1950-1957*. Princeton, NJ: Princeton University Press.

Hooghe, L.; Marks, G. (1996), "Europe with the Regions: Channels of Regional Representation in the European Union" in: *The Journal of Federalism*, 26(1), pp. 73-91.

Hooghe, L.; Marks, G. (2003), "Unraveling the Central State, but How? Types of Multi-Level Governance" in: *American Political Science Review*, 97(2), pp. 233-245.

Hopkins, J. (2002), *Devolution in Context: Regional, Federal and Devolved Government in the European Union*. London: Cavendish Publishing.

ISTAT (2009a), *I bilanci consuntivi delle regioni e province autonome*. L'Istituto nazionale di statistica: http://www.istat.it/dati/dataset/20071220_00/

ISTAT (2009b), *Statistiche delle amministrazioni pubbliche - Anno 2003*. L'Istituto nazionale di statistica: http://www.istat.it/dati/catalogo/20070227_01/

Kassim, H. (2001), "Representing the United Kingdom in Brussels: The Fine Art of Positive Co-ordination" in: Kassim, H.; Menon, A., Peters, G.; Wright, V. (eds.), *The National Co-ordination of EU Policy. The European Level*. Oxford: Oxford University Press, pp. 47-74.

Keating, M.; Hooghe, L. (2006), "Bypassing the Nation-State? Regions and the EU Policy Process" in: Richardson, J. (ed.), *European Union. Power and Policy-Making*. Abingdon: Routledge, pp. 269-286.

Keating, M.; Jones, B. (1995), "Nations, Regions, and Europe: The UK Experience" in: Jones, B.; Keating, M. (eds.), *The European Union and the Regions*. Oxford: Clarendon Press, pp. 89-113.

Lindberg, L.N.; Scheingold, S.A. (1970), *Europe's Would-Be Polity. Patterns of Change in the European Community*. New Jersey: Prentice Hall.

Loughlin, J. (1996), "Europe of the Regions and the Federalization of Europe" in: *The Journal of Federalism*, 26(2), pp. 141-162.

Marks, G.; Nielsen, F.; Ray, L.; Salk, J.E. (1996), "Competences, Cracks, and Conflicts. Regional Mobilization in the European Union" in: *Comparative Political Studies*, 29(2), pp. 164-192.

Mathias, J. (2004), *Regional Interests in Europe. Wales and Saxony as Modern Regions*. London: Frank Cass.

Milward, A.S. (1992), *The European Rescue of the Nation-State*. Berkeley, CA: University of California Press.

Moravcik, A. (1993), "Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach" in: *Journal of Common Market Studies*, 31(4), pp. 473-524.

Müller-Graff, P.-C. (2005), "The German *Länder*: Involvement in EC/EU Law and Policy Making" in: Weatherill, S.; Bernitz, U. (eds.), *The Role of Regions and Sub-National Actors in Europe*. Oxford: Hart Publishing, pp. 103-117.

Neunreither, E.B. (2000), *Die Interessenvertretung der Regionen bei der Europäischen Union. Deutsche Länder, spanische Autonome Gemeinschaften und französische Regionen*. Frankfurt am Main: Peter Lang.

Regionaldatenbank Deutschland (2009), *Personalstand der Länder, Gemeinden und -verbände: Beschäftigte des Landes*. Statistische Ämter des Bundes und der Länder: <https://www.regionalstatistik.de/genesis/online/online;jsessionid=0EB0FC2D8BB23247F1B9C98EAF7B949C.worker1?operation=abruftabelleBearbeiten&levelindex=2&levelid=1250667623806&auswahloperation=abruftabelleAuspraegungAuswaehlen&auswahlverzeichnis=ordnungsstruktur&auswahlziel=werteabruf&werteabruf=Werteabruf>

Rhodes, R.A.W. (1997), *Understanding Governance: Policy Networks, Governance, Reflexivity and Accountability*. Philadelphia: Open University Press.

Risse, T.; Cowles, M.G.; Caporaso, J. (2001), "Europeanization and Domestic Change: Introduction" in: Cowles, M.G.; Caporaso, J.; Risse, T. (eds.), *Transforming Europe. Europeanization and Domestic Change*. Ithaca, New York: Cornell University Press, pp. 1-20.

Sharpe, J.L. (1996), "United Kingdom. Regionalism in the UK: The Role of Social Federalism" in: Färber, G.; Forsyth, M. (eds.), *The Regions – Factors of Integration or Disintegration in Europe?* Baden-Baden: Nomos Verlagsgesellschaft, pp. 59-77.

Tatham, M. (2008), "Going Solo: Direct Regional Representation in the European Union" in: *Regional and Federal Studies*, 18(5), pp. 493-515.

Weatherill, S. (2005), "The Challenge of the Regional Dimension in the European Union" in: Weatherill, S.; Bernitz, U. (eds.), *The Role of Regions and Sub-National Actors in Europe*. Oxford: Hart Publishing, pp. 1-31.