Aalborg University

European Studies Master Programme

**EU’s Regional Policy**

**as a Cure for Separatism:**

**the Flemish Case**



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**Abstract**

History tells us that the world has always been experiencing separatist movements from different people, desiring partial or full independence from the national state. From North America to Indonesia, and from Europe to Africa, these processes have caused much bloodshed, states collapses and rises.

Europe currently is living in its most peaceful period thanks to the common European project – the European Union. Nevertheless, several regions in EU have been advocating for greater autonomy or even independence from their national state. These separatist movements are a hidden mine on which the EU could meet issues in the future.

The EU thus has developed measures which are indirectly aiding regions, including ones with separatist intentions, towards economic, social and, possibly in the future, political integration in the EU. The decentralised model of one of these instruments – the Regional Policy, could be seen as a direct measure that boosts the pro-EU orientation of the regions and thus softens their intention for separation from the member state.

In this thesis, the Regional Policy’s effects are examined in the case of the federal state of Belgium and one of its regions – Flanders. The various political structures in Europe do not enable the possibility to have a generalised approach in analysing the continental picture but a model could be extracted and evaluated with its advantages and disadvantages, using a mixed theoretical method.

In addition, the division in the objectives of the Regional Policy for the different regions are also a cause for the wide span of results, occurring from the involvement of the instrument. Nevertheless, its overall objectives are followed through in all the programmes and the requirements for regional cooperation and development have left positive marks on both above-average and below-average developed regions.

This method, derived from the EU, is, therefore, a subtle, indirect form of “cure” for separatist regions in Europe when its effects on the region in questions are undoubtedly positive and regarded with an optimistic stance from the regional political powers.

**1. Introduction**

Historically, Europe is the most divided continent in the world, including countries, which are smaller than a town in the USA. On a regional level, things are even more numerous and many countries have high amount of regions composing them. Bulgaria, for instance, has264 municipalities, combined into 18 regions, according to the national system.

It is evident that regional and local identification has deep roots set in Europe. Through many centuries, people have identified themselves more with the region rather than with the state. This long-lasting process has created many regions with strong ethical or other type of identity which have opposed the state authorities, until our present times.

Examples of such regions in Europe are Catalonia and the Basque Country in Spain, Scotland in the UK, Bretagne and Corsica in France, Transylvania in Romania, Flanders in Belgium and others. Many of them never had a recognised state; therefore the demand for independence could be channelled through such ideals. Although the EU’s goal is to allow borders to perish, the role of the state has not disappeared on a more local level and many of the so-called “separatist” regions continue to express their willingness of independence or greater autonomy from their country.

Many believe separatism is only referred to political separatism. Although in this thesis, we will analyse a political issue, separatism itself can be related to gender, religious or even sexual segregation. The motif behind each of these movements is the same – receive greater power from the dominant, often times, larger body for their own respective group or entity. The same applies for political separation. Many separatist, however, argue that separatism by choice should not be equal to separation enforced by the government. This possible research question regarding the two variants of separation could be part of a new research topic.

The separatist regions are generally defined as a historical location where the inhabitants have been identified as an ethnic group different from the rest of the population. In order this region to be fully labelled as separatist, however, the population has to clearly voice its determination for self-regulation and autonomy from the central state. Therefore, although there are many regions in the EU with different ethnic groups, not all have called for self-governance. The ones listed above are cases of regions which have raised their opinion against the central state and their inclusion and status in it.

In the agenda of the EU lies the objective to bring the benefits of the free trade and cross-border cooperation closest to the individual. A big percentage of its current resources are relocated towards projects on a regional level. With no clear political representation on top of the Union, the regions, identified as separatist, have been, in general, with a positive outlook towards the development of the European project.

Nevertheless, separatism still creates tensions in many member states and causes internal problems, reflected also in the external policy capabilities. Many of the regions in question have significant autonomy, gained through the years of democracy, but they still continue to strive for further augmentation of their possibilities to exercise many of the power privileges within the region. In order to soften these actions, the governments can opt to delegate additional rights to such regions.

However, E. Cornell (2002) describes this as a hasty enthusiasm for the autonomy solutions, preached among academics and practitioners alike. He states that “there is reason to argue that the provision of autonomy for a minority may under certain circumstances increase rather than decrease the likelihood of conflict.” The armed conflicts in the EU related to separatism are currently not present but not long ago they were on the agenda with ETA, as an example, in the Basque Country repeatedly posing threats to its peaceful stability.

Outside the EU, in a region also inherited with many ethnical differences, Caucasus, the situation is direr. Again, E. Cornell, when approaching the issues facing this particular region concludes that “in certain political conditions, autonomy strengthens the separate identity of a minority; it thereby increases its incentives to collective action against the state; and most of all its capacity to seek separation from the central state”.

The direction chosen from the EU has opposed this view. With the European Union (then European Economic Community) introducing its Regional Policy in 1957, it became clear that at a certain period, the model’s direction is for more even decentralisation and focus on the region’s needs rather than solely on the national state. The Directorate-General for Regional and Urban Policy was created in 1968 and its purpose currently is formulated as follows: “[...] to strengthen economic, social and territorial cohesion by reducing disparities between the levels of development of regions and countries of the European Union” (Mission Statement, DG Regional and Urban Policy Website, 2013). This obligation is believed to help regions also release political tensions off as they are many projects that are also undergoing in separatist regions and which could be governed on a regional level with minimal state involvement.

It has to be noted from the beginning that the Regional Policy through its funds (European Regional Development Fund, the Cohesion Fund being the most important ones while the Instrument for Pre-Accession Assistance is targeted on the EU candidate countries) as a whole is mainly directed to regions which are economically disadvantaged. Nevertheless, there are many programmes circled around the need for innovation projects which could be supported through the Regional policy funds. As we will see in this thesis, the overall objective to support mainly underdeveloped regions does not prohibit richer ones to apply and receive financial support for their regional activities.

Currently, the Regional Policy is in its final year of the 2007-2013 period. A new framework is being developed where the funds will focused even more on lesser economically developed regions. We will see possible perspectives of the new framework period during the conclusion plan, after examining the current plan in relation to the case of Flanders and Belgium.

The EU does not have any special preferences for regions which have tendencies towards separation from the national state as this is viewed as a national state priority. As mentioned, the European Union, in its current stage, focuses primarily on diminishing economic imbalances between the different regions.

It is important to introduce in a clearer way the connection between EU-state-region from which the Regional Policy is going through. Our objective set in the title is bold and ambitious yet regions which benefit from a more direct connection with the EU do exist. One of them is the region of Flanders which will be the main case examined in this thesis.

The Flemish region is situated in the northern part of Belgium and is inhabited by 60% of the Belgian total population. The main language in the region is Dutch (contrary to Wallonia, the southern region where the language is French). The Area of the whole region spans across 13,522 km² while its population is 6,117,440. The region provides 60% of the GDP of Belgium and is considered above-average developed in the EU.

Belgium as a country is also a well-known example of a strongly decentralised country, especially considering its size. The state is divided into three regions – Flanders and Wallonia (which we mentioned) and the capital region of Brussels. All of them have their own governments, elected each five years.

“The Regions have legislative and executive organs: these are known as the Regional Parliament and the Regional Government. However in Flanders, the Community and Regional institutions were merged” (Division of Powers – Belgium, Committee of Regions Website).

Below the level of the regions, there are the communes. The supervision over the communes is exercised by the regions (and, to where applied, by the Federal state) which are under the jurisdiction of the higher unit. The communes have relative autonomy as well but are still object for monitoring of their activities in most of the domains, specifically interfering larger projects.

The Federal state has severely limited power in comparison with the ordinary national states across the globe. The political system is based on a federal parliamentary democracy under a constitutional monarchy, with King Albert II as head of state. The Federal state’s heads hold the main executive powers such as foreign policy and representation to the EU summits. The federal power within Belgium does not cover all aspects as in other centralised countries such as France, Bulgaria or Greece for example.

An interesting example, which can better introduce us into the significant decentralisation of Belgium, is the fact that the country holds the world’s record of 541 days without a government. It is safe to say that many other countries with strictly centralised systems would have a bigger political issue than from what Belgium has gone during this period. The high autonomy of the regions provides with sufficient self-governance, enabling to sustain the economy even without a prime minister. Although the strategic foreign policy or macro-economic frame could not be redesigned if needed during such circumstances, Belgium has not been irreversibly damaged by this political crisis. Flanders, inevitably, played a significant, if not the major role in this crisis.

It is reasonable to hypothetically assume in these first pages that the cooperation between EU and Flanders has aided positively the EU-orientation of Flanders. What was its relation to the political tension within Belgium however? EU’s Regional Policy has several branches from where the separatist intentions can be softened but their efficiency is hard to be measured.

Nevertheless, even though this measurability is difficult to be conducted, the political code of the Regional Policy allows, through its mild actions, not related to the various political causes, to suppress the separatist intentions in favour of (mostly) economic cooperation. This advantage will be another cornerstone of our thesis and will be continuously stressed in the following chapters.

To sum up in our first pages, the concept of our thesis would be to identify the link between EU’s Regional Policy instruments and their influence on separatist regions, in this case, Flanders. By identifying the link, we will be able to determine the root causes that are affecting positively, neutrally or negatively the separatist movement in Flanders. In our Problem Formulation, we will go into the further details regarding the direction of this thesis.

**2. Problem formulation**

As our introduction pointed out, the EU has many regions with strong identity and willingness to self-regulation. The region of Flanders, however, is a particularly interesting case as it has higher involvement with the EU on direct terms. Its prosperity, above the average of the Union, is also a specific criterion which we must not overlook when we analyse how the Regional Policy affects the development in Flanders.

With Belgium as a whole being one of the most decentralised countries in the EU, it could also be a case to be highlighted as an example of successful regional approach. Even with a world-record political crisis, the state has still continued to exist, considering also the aforementioned regional tensions from the Flemish population, a sizeable part of which demands independence or greater autonomy. This fact must be stressed in this chapter again while forming the problem formulation. Even though Belgium is a small country in both size and population, with evident regional separation and just recently with no prime minister and government for almost 2 years, it is remarkable that the state has not undergone significant changes in its political structure or even experience a collapse.

This element is crucial when we have to identify our problem formulation as the case of Belgium is certainly among the rarer in the EU in terms of degree of decentralisation. The factors leading to that decentralisation also have to be taken into account before forming our main research questions – the political parties, organised around the regional principle, the linguistic differences and the economic imbalances. The mere size of the country is also important – Belgium is a small country in territory and the administrative regions are few. Nevertheless, as it is one of the mainstream cases of separatist tensions in Europe, combined with the mentioned structure of the state, provides for a good case.

The Regional Policy of the EU has a vast scope on the entire territory of the Union. Yet, as we briefly saw, its primary objectives (with most resources available) are not matching with the characteristics of the Flemish region as it is a prosperous one and certainly not economically disadvantaged as many of the regions on the East of Europe for instance. Indeed, this precondition limits the eventual bigger impact of the policy in the region.

We, however, will emphasise not the size in figures of the impact but its influence on Flanders as a region, *integral* part of the EU and Belgium. Therefore, what we aim for is to discover is the separation from Belgium plausible in the circumstances of being part of the EU and are the benefits of staying in Belgium (and in the EU as otherwise it would be counted as a new country and a process of accession would begin) outweigh the call for complete independence.

Additionally, the topic of our project could be interpreted in a number of ways. In order to narrow down our problem formulation, the basis of this thesis, we will focus primarily on how the connection separatist region (Flanders) – EU affects interregional relations (both national and international) and in what sense. As we already mentioned, the sole fact that after such a long political crisis in a country strongly regionally divided on many principles, it is astounding how the state continues to exist.

Moreover, even currently with the new Prime Minister Elio Di Rupo, born in Wallonia, there are still tensions coming from the leading political party in Flanders (New Flemish Alliance) disagreeing with the choice. However, from our research perspective, this phenomenon is interesting to analyse as a country, one of the founding members of the EU, deals and experiences these difficulties and. In other words, the regional division but not the full separation from the common nation, creates a possibility for the EU to fill the possible gap of higher political authority, which is not represented by the neighbouring region causing lack of support.

From the other hand, the EU’s Regional Policy has never shown particular affection to any of the separatist regions. Nevertheless, EU is involved through the Regional Policy’s structural funds in Flanders as well and their operation is delivering good results (examples and further examination will be provided in the analysis chapter). The fact that these collaborations are dealt directly with the Flemish regional government rather than solely through the central power (as it is in almost every EU country), is an important asset in our research since this could lead to an outcome, indeed defined as a cure for separatist movements in Europe from their national state.

Simply put, the national state could be put in a position where the funds from the EU are not passing through its administration but are directly moved towards regional initiatives through the regional administrative units.

Following this line of thought, combining most of the essential elements in this topic, we pose the following questions:

- Why Flanders, as a region defined as a separatist, has not become independent after being part of the EU and how and why the Regional Policy is affecting this political state of affairs?

If the answer to the previous question is overall positive, then the following question would be could this example be a possible solution for other separatist regions in Europe (a cure for this kind of movements) or is this a unique case, which is inapplicable in other circumstances?

For the second question, we will deeply analyse why Flanders is able to manage the sources of support coming from the Regional Policy on its own. This is an important precondition which will be stressed, as it is a key issue in our problem formulation. What makes certain regions (NUTS 1 or 2) able to govern their own expenses and others, situated in the EU, are not. This hypothetical conclusion includes also separatist regions which do not exercise high autonomy in their area although they identify themselves as culturally different from the rest of their country (Transylvania being a good example).

In order to conclude that the Regional Policy’s funds and support could become a cure for separatist movements, we must take into account these preconditions of the regions themselves, as they do not share fully similar elements in their political structure, both in their region and in their country. Therefore, a key to the resolution of our problem formulation lies in what makes the possible relation EU – Flanders fruitful and why it helps preserving the political stability of Belgium (and possibly saves additional problems for the European Union) by this direct communication.

It is safe to mention even here that there are obvious differences which will prevent EU to be able to communicate on a direct basis with every single region, be it with separatist intentions or not. Most of these differences refer to lack of administrative capacity (to manage the projects), lack of local funds for initial support, corruption and lack of submitted projects. More precisely, these differences are mostly faced in the newly accessed countries where the regional authorities do not possess enough capacity to support multiple or grand projects, co-financed and supported by the EU. In certain cases, it is also evident that the regional division is not according to the historical and national system (e.g. Bulgaria’s NUTS 1 regions were artificially created and do not have regional government or authority, able to direct the EU’s support or communicate directly with the officials.

These are obstacles in front of our second research question which, however, are not nullifying its essence. The countries, in which the administrative capacity or the lack of transparency (corruption) are wide-spread problems does not reflect to a hypothetical conclusion where we could prove the benefits of NUTS 1 regional development, directly supported by the EU.

Following this pattern, we must comprehend why the EU has chosen to use its Regional Policy in these concrete terms with Flanders. If it is mainly because of the high autonomy of the region, then is this a good future indicator of how the EU could communicate with the regions of Europe, including such with long historical desires for independence and, consequently, achieve a territorial cohesion, with many different cultures, but with sufficient self-governance on a regional level that the national state would not be involved into micro-economical policies and projects concerning regional development as it is now in many countries of the Union.

Our problem formulation also naturally derives from both neofunctionalist and federalist notions (which will be expanded during the theory chapter). Since we will analyse this issue with the hypothesis that the Regional Policy could be a cure for separatist regions, then we have to stress the importance of the Regional Policy’s overall structure, in particular, that it is not attached to any political end from EU side.

For our problem formulation, phrased like this, it is crucial to stress that the Regional Policy is not aiding Flanders (or any other region) based on political will or because of political intentions. Further theoretical concerns will be emphasised in the following chapter elaborating the methodology of this thesis.

**3. Methodology**

**3.1. Theory**

As briefly stated in the previous chapter, for achieving our goals in this thesis, we will opt to use two theories, which are among the most fundamental ones in the courses of European Integration – neofunctionalism and federalism, combined with the liberal intergovernmental one.

In the beginning, we will introduce the theories, their core values and perceptions. For this matter, we will utilise the essential academic works laying down the foundations of these theories. The emphasis will be on the elements which are the most necessary in order to frame our theoretical framework in the thesis. Therefore, not all of the amendments, critics or side remarks will be included in the chapter but only the ones crucial for our thesis.

As a counter-point of neofunctionalism and federalism, both perceived as pro-European integration theories, the liberal intergovernmentalist theory will be introduced. The purpose of this endeavour is to provide a comparative theory, naturally opposing the aforementioned theories and serve as an additional pillar in the structure of the chapter. The pillar’s objectives are to enhance our framework with a different point of view, which, in turn, could reflect the weaknesses of the other two theories when embracing the analysis. In other words, in case our hypothesis is not confirmed using the neofunctionalism and federalism, we would state in the conclusion that other theories such as liberal intergovernmentalism could prove to be of better use.

Upon introducing an opposing point of view to the European Integration theories, we will finalise our framework by combining elements from both the federalist and the neofunctionalist theories. Although this approach is bold, it could reward us with a fuller image of the relations EU (Regional Policy) – (separatist) regions (Flanders).

It is essential to underline here that implying that federalism, neofunctionalism and liberal intergovernmentalism will be mixed could not end in an equal representation in the framework. Only important assets of the theories, which do not contradict to each other, will be combined and used during the analysis.

**3.2. Data**

The primary sources which will be used for our research will be political statements, articles related to our research, academic literature, official EU documents, mission statements of various organisations and numerical data.

The variety of the types of sources will enable us to have different angles on the problem – from one side; the data coming from regional political sources will give us a clear picture of the tendencies in the region, e.g. its current intentions for independence, its opinion about the EU etc. The EU official documents will help us to structure our chapter on the Regional Policy and will also provide us with official stances on the matter of the Union’s policy, to Flanders.

The academic literature, as explained earlier, will be primarily used for the purpose of our theory. Additional sources will be researched for the needs to define Separatism and its implications on our problem formulation. Authors who had worked on this issue will aid us in this endeavour, supplying us with justified opinions on what separatism is, how it reflects on a state’s behaviour and how it could reflect on a wider scale (e.g. EU).

Different articles from various information sites (journals, magazines, news of different organisations) would also be part of the data sources used in this thesis. Their perspective will reflect the more general view on regional separatism and/or Flanders – EU relations. This angle will enforce the ability of our project to stand with arguments coming from a wider range of professionals, working not only in the sphere of politics, EU or academia in general. The journalistic approach could represent another angle of the public opinion about the issue. Briefly highlighting this will be overall beneficial in the supplementary parts of the thesis.

**3.3. Regional Policy**

A chapter dedicated to the objectives of the EU’s regional policy will be integrated in the thesis as well. Its purpose is to introduce in more details the Regional Policy and to outline the objectives *related* to all regions. Although the chapter will be brief, its importance lie on the fact that, as mentioned earlier, Flanders is a region which is developed on an above-average EU level. Therefore, not all aspects of the policy will be part of its involvement in the region.

Secondly, the chapter will allow us to gain more knowledge about the Regional Policy’s objectives, necessary to obtain more knowledge prior to embracing the concrete topic. Thus, the information provided in the chapter can be used as a reference during the case analysis how the Regional Policy is aiding regions such as Flanders.

**3.4. Flemish Region**

The Flemish region’s characteristics will also be introduced in depth. Additionally, a stress will be put on what the region has highlighted as necessary in its development and eligible for EU’s regional objectives support. Consequently, we could distinguish the key points of the Flemish region, including its political orientation, European orientation and other related fields to our topic. The chapter, same as the previous one, will also be an outstanding point for our analysis, and it will be referred to for a fuller picture.

A brief history of the Flemish population will also be noted during the chapter. Its cultural identity and self-recognition will be historically followed in order to see, from this point of view, how and why the region desires independence.

**3.5. Case Study**

The primary method which will be utilised during the analysis of the thesis will be the case study. It will enable us to go in depth of the chosen case and unfold the needed causes helping us in revealing a possible solution path.

“The method has several approaches with the common feature that each involves the holistic inquiry into a contemporary phenomenon within its natural setting. Theory plays an important role in case study, being used to guide the collection and analysis of data and it can be created using the information produced in the case study”(K. Harling, 2002).

Therefore, special attention must be drawn towards our theoretical framework when we embrace the analytical part and go into the case study in full details.

As Searle (1999) points out, one of the main disadvantages of the case study method is that it can lead towards misinterpretation:

“Researcher’s own subjective feelings may influence the case study (researcher bias) with both the collection of data and the interpretation of them” (Searle 1999, as quoted by Hayes, 2000).

Although this bias cannot be fully erased since we choose the case in the first place, the criteria on which its based are such as to showcase as best as potentially possible, our hypothesis. As an example of such criteria would be the fact that the region self-governs its own finances and it is not relying heavily on national aid as other regions in other countries.

The researcher bias could have a positive impact as well. Often times, there is a need for a new angle towards an issue which was researched by social science multiple times. A well-chosen case study, even with a bias towards it, could stimulate new research in that area and, possibly, elaborate or even contradict established theories. Furthermore, going into the details of a given case could at least provide necessary data for future research, even if the theory used here proves to be inapplicable.

Another main disadvantage of the case study is the limitation in terms of possible generalisation of the outcome. While going in depth on a certain case gives extent knowledge on the topic and many possibilities for analysis, the result cannot be fully generalised and replicated:

“While this is strength in some forms of research, it is a weakness for others, because it means that findings cannot be replicated and so some types of reliability measures are very low” (Searle, 1999, as quoted by Hayes, 2000).

It can serve as a starting point for additional research and, if combined with other methods, could paint a wider picture. This is why, in this thesis, the case study method will be supplemented by a comparative research between the region examined (Flanders) and another region, part of the EU with different national state – region relations.

**3.6. Comparative Method**

The comparative method’s functions will be beneficial for our practical understanding of the characteristics of this case. As a simple case study lacks the possibility for generalisation, a comparison between the case under research and another case (in our thesis – region) bearing similar but not exact characteristics could aid us in our conclusion and resolving the problem formulation.

In our thesis, the two regions that will be compared are Flanders (above-average developed in the EU) and Transylvania (under-developed). As we are attempting to see the possibility of the EU’s Regional Policy curing the separatist tensions (and, naturally, the ethnic tensions) this comparison could highlight us the current differences in two regions where the state structure is different and the national political perception towards the aforementioned regions does not follow a similar pattern.

“The comparative method itself has been recognised as a study method during an influential article on comparative politics from Lijphart (1971:682) where he situates the comparative method as a basic method in its own right, alongside the experimental, statistical and case study methods” (P. Lor, 2011).

Although the comparative method often implies numerical values being used (with e.g. number matrix including such data), for our goal, we would also need data which cannot be measured by numbers. As the Regional Policy measures different regions by its development in terms of EU-average GDP, the comparison may indeed include numbers but its utmost importance lies in the political comparison where the differences are difficult to be measured in such a way.

Therefore, while comparing the two regions after the initial case study of Flanders, we will focus on its differences rather than the similarities and, by using the perspective of the Regional Policy objectives, we will attempt to analyse its aid towards lowering a separatist tension, opposing the national (member) state within the EU. Another aspect which the comparative method will be used to identify is if there is a way that the case of Flanders with its regional autonomy and local governance of the EU funds is able to be replicated in another region, known for identical reasons.

Key in our thesis would be its implementation as a supplementary tool for the case study and, from there on, the problem formulation (in particular, our second question) in order to cover as many aspects as possible in the limited research. The advantages of the current method is that it will enable us to generalise more on the given topic as relying solely on the case study (as explained above) limits this capability. A good comparison additionally will showcase different characteristics, possibly missing in the case study, some of which might turn out important for our end conclusion.

The disadvantages that we must bear in mind are that the diversity of characteristics can lead us to a result which does not represent the actual situation. As pointed out in Peter Lor’s *Methodology in Comparative Studies:*

“[...] there is disagreement in comparative education on whether sub-units of national systems can be utilized as units of comparison in addition to the national systems themselves, and whether these can be compared at different points in time. There are advantages and disadvantages to selecting countries (especially regions from different countries) as „comparators‟ (the units being compared)” (Hantrais 2009, p.54, as quoted by P. Lor, 2011).

One disadvantage is that sometimes “within-country differences are obscured, since in some national units, e.g. post-unification Germany, internal diversity may be greater than the diversity observed when comparing countries with one another, e.g. Germany with other EU countries” (ibid.).

This disadvantage could be multiplied when speaking about different regions from different countries. Therefore, the criteria which will be used (as explained earlier in this sub-chapter) have to be strictly for the purpose on resolving our problem formulation and should not cover aspects which can lead to a misread result.

**4. Regional Policy**

In this chapter we will point out the principle objectives and mechanisms of the Regional Policy as related or possibly related to our thesis. It is necessary to comprehend more in depth the policy before undergoing the analytical part.

**4.1. Background**

EU regional policy, as per definition, is an investment policy. As formulated in its purpose, published by the European Commission:

“It supports job creation, competitiveness, economic growth, improved quality of life and sustainable development. These investments support additionally the delivery of the Europe 2020 strategy. Regional policy is also the expression of the EU’s solidarity with less developed countries and regions, concentrating funds on the areas and sectors where they can make the most difference. Regional policy aims to reduce the significant economic, social and territorial disparities that still exist between Europe's regions. Leaving these disparities in place would undermine some of the cornerstones of the EU, including its large single market and its currency, the euro” (Purpose of the Regional Policy, European Commission Website, 2012).

The Regional Policy is agreed on an EU level for a period of 7 years. The current term (2007-2013, with a budget of 347 billion euro) has as primary areas the following fields, according to the European Commission, followed closely from the Lisbon strategy:

* knowledge-based economy,
* research, development and innovation,
* human capital,
* business development

The EC (European Commission) adds that European Regional Policy can make “a substantial contribution to the objectives of the Europe 2020 strategy, particularly regarding the flagship initiative Innovation Union. Regional Policy and its funding can be used to promote research and development, education, entrepreneurship or information and communication technologies” (COM(2010) 553 final - Not published in the Official Journal).

Similar pattern is followed at the moment for the next seven-year period as the focus continues to be on innovation, research, environmental issues, SME and human capital. Additionally, the Committee of Regions, as an institution granted with additional power from the Lisbon treaty, is also influentially involved into the process of developing and constructing the Regional Policy and its sub-items, as well as its future goals and targets. Referring to the issue with separatism across several regions, a quote taken from the website of the European Commission must be noted:

“Achieving the Europe 2020 goals will require active involvement across *all* (italic added) regions of the EU.”(Cohesion Policy and the Europe 2020 strategy, European Commission Website)

The italic which was added stresses that there is no political division between the different regions of the EU, although they are far not on the same level of development in all possible sectors. Indeed, as the objectives are vague, in all of the EU regions there is a component which would be eligible for application in a certain area. Their involvement also differs as not all regions have the necessary capacity to allocate quickly and efficiently the resources.

There is no mention *anywhere* about territorial preservation of national or regional borders.

The closest programme that is related to a political issue is PEACE III (for the period 2007-2013), undergoing in Northern Ireland and the Border region of Ireland in order to preserve the peace in the conflict area.

“The main aims of the PEACE III Programme are to reinforce progress towards a peaceful and stable society and to promote reconciliation by assisting operations and projects which help to reconcile communities and contribute towards a shared society for everyone” (SEUPB Website, What is PEACE III).

PEACE III is a good example of the existing diversity of the possible programmes within the EU Regional Policy, financed by the funds. However, the programme is one of the rare occasions in which there is an openly admitted political and social issue within a region already inside the EU (excluding the Western Balkans). One of the main reasons is the sole recent history of it – the violent nature of the border regions between Northern Ireland and Ireland has caused an unstable society and lack of trust and cooperation.

This case, however, cannot be fully channelled in the same topic of our thesis. The causes are because of its violent and armed historical events, the regions require special care for their peaceful stability. Therefore, we will solely focus on how the ordinary programmes in the areas mentioned further above, are beneficial for the regions with separatist movements (and which are not relying on armed force to achieve their goal).

**4.2. Areas of eligibility**

How are the regions measured in order to determine for which programme and area they would be eligible? The development of the regions in the EU and determine their competiveness and areas, eligible for the Regional Policies funds, the Commission uses the data provided by Eurostat for each region and its GDP according to EU-27 average. There are four objective categories: Convergence, Phasing-in, Phasing-Out and Competitiveness and Employment regions. The fact that currently there are 27 member states with almost all of the new members being with weak economies, resulted in the average GDP eligible for the bigger part of the funds of the Regional Policy to drop thus regions which were benefitting before are now considered above-average.

Under the Convergence fall all the regions which are below the average 75%. This includes primarily the regions of the 12 new member states (with exceptions, mostly around the capital regions of these countries) and the economically weaker regions of Spain, Italy, UK, Germany and Portugal.

“The Convergence objective aims to allow the regions affected to catch up with the EU's more prosperous regions, thereby reducing economic disparity within the European Union. Examples of types of projects funded under this objective include improving basic infrastructure, helping businesses, building or modernising waste and water treatment facilities, and improving access to high-speed Internet connections. Regional policy projects in Convergence regions are supported by three European funds: the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund” (Regional policy of the European Union, Wikipedia).

As explained, the fundamental target of the Convergence objective is to help the weaker regions primarily through economic means to reach the most developed regions in the EU. It is important to note that by far the largest amount of regional policy funding (81.5%) is dedicated to the regions falling under the Convergence objective. This is significant information for our project as the case which we will examine under the main spotlight does not fall under this category.

The Phasing-in and Phasing-out objectives are the two areas serving as a bridge between the structural (more new member states decreasing the EU-average GDP) and period framework changes and transitions. The Phasing-in assistance is available until 2013 for the regions, whose GDP was below 75% of the average for the EU of 15 countries in the previous period (2000-06) but above it after 2007. The Phasing-out area is targeted to regions eligible for funding during EU-15 but not after EU-25 thus closely reaching the potential to be included in the final Competitiveness and Employment sphere.

The Competitiveness and Employment subject covers all the regions not covered by the Convergence area of the EU. The aim is to create jobs by promoting competitiveness and making the regions concerned more attractive to businesses and investors. In other words, it is intended to help the richer regions perform even better with a view to creating a sort of spill-over effect for the whole of the EU to encourage more balanced development in these regions. Total amount of the budget for 2007-2013 is €55bn (16% of total budget). Various types of projects are supported through this area - development of clean transport, support for research centres, universities, small businesses and start-ups, training, job creation, etc.

Part of the Regional Policy is also the European Territorial Cooperation area. Its objectives are to help regions cooperate between each other, both within national and cross-national borders. Although, as per definition, the ETC has a difficult and very responsible task, the financial parameters of the objective account for only 2.6% of the budget of the whole Policy. This, of course, reflects on its capacity to build-up consistent cooperation links between different regions. Hence why, the ETC mostly aids already established or in process of establishing regional links originating from the regions themselves rather than considering any implications from an EU perspective (as it is with the four objectives eligibility).

**5. Overview of Flanders**

**5.1. History**

“The historical county of Flanders is now split into different countries. The historical county of Flanders is now split into different countries. It roughly encompassed Zeelandic Flanders in the Netherlands, French Flanders in France, and the Belgian provinces of West Flanders, East Flanders as well as part of Hainaut. The city of Ghent was the capital.

The contemporary territory of Flanders (i.e., the Flemish Region as part of the Kingdom of Belgium) contains within it the core of the old county, West Flanders and East Flanders, plus several more provinces to the east which were not originally part of Flanders. These are the provinces of Antwerp and Flemish Brabant which were historically part of the Duchy of Brabant, and the province of Belgian Limburg, which was part of the Prince-bishopric of Liège. (The city of Brussels, historically part of Brabant, is now politically part of the Flemish Community but not of the Flemish Region.)”(History of Flanders, Wikipedia).

The history of Flanders dates back to year 862 when the county with the same name was created “as a feudal fief in West Francia, the predecessor of the Kingdom of France” (ibid.). In the following centuries, it was divided after, with its western districts going under French rule.

Flanders is considered among the oldest and wealthy areas in both modern and pre-modern times. Since many centuries the areas were inhabited by merchants who were able to gain large profits from the location of the region, especially with the proximity of two colonial powers nearby – Netherlands and France.

Flanders’ population was involved in several wars in which, however, the consequences were not as good as desired. The Eighty Years War and the Napoleon Wars (who was using Antwerp as his naval outpost and later annexed the whole region) were among the most devastating. During the Napoleon rule, the region became part of French departments and the population was obliged to serve in the French army. This was not met well as a severe uprising quickly initiated, however, with no gains and severe loses.

After Napoleon’s defeat Flanders was included in the emerging United Kingdom of Netherlands. However, soon it became clear that the division between Catholic south and Protestant north was causing troubles in the political stability of the country.

In 1830, the Belgian Revolution led to the splitting up of the two countries.

“Belgium was confirmed as an independent state by the Treaty of London of 1839, but deprived of the eastern half of Limburg (now Dutch Limburg), and the Eastern half of Luxembourg (now the Grand-Duchy of Luxembourg). Sovereignty over Zeeuws Vlaanderen, south of the Westerscheldt river delta, was left with the Kingdom of the Netherlands” (Flanders, Wikipedia).

This Revolution, however, was not well backed-upby the Flemish population and the region refused to be governed by the French, even during the official recognition of Belgium. Nevertheless, the French military forced Flanders to accept being part of Belgium one month later with severe oppression. The situation with the province of Limburg remained unclear until 1839, when it was finally split between the Netherlands and Belgium.

The French-speaking elite did not respect the Flemish people as they insisted that French must be the only official language in the country. This was later implemented in the education throughout the tiers and stirred hatred between the different regions. Flanders, until then a very prosperous European region, was not considered worthwhile for investment and scholarship.

“A study in 1918 demonstrated that in the first 88 years of its existence, 80% of the Belgian GNP was invested in Wallonia. This led to a widespread poverty in Flanders, forcing roughly 300.000 Flemish to emigrate to Wallonia to start working there in the heavy industry. All of these events led to a silent uprising in Flanders against the French-speaking domination. But it was not until 1878 that Dutch was allowed to be used for official purposes in Flanders […], although French remained the only official language in Belgium” (Flemish Movement, Wikipedia).

Dutch was recognised as an official language in Belgium just after the First World War. It took though nearly 50 years more to have a Dutch version of the Belgian constitution. After World War II, Belgium reformed its political and administrative structure, after realising that the differences between the regions were evident. This led to a decentralisation and eventual Flemish autonomy with a Parliament and Government. In the following years, many acts increased further the regional competences of Flanders (and Wallonia respectively) thus making Belgium a state where the regions have one of the greatest autonomies.

**5.2. Economic statistics**

Flanders as mentioned is above-averagely developed EU region with a strong economy. Nevertheless, “the regional advantage in comparison to the EU27 average is however declining since 2004, down to 124%” (European Commission Economic Data).

Flanders, as a typical developed economy, is mostly service-based one, with the sector increasing to 71.6% between 1999 and 2007. The manufacturing industry is also strongly developed in the region.

The main industries involve textile, medium high-tech, petrochemical, logistics and others. Exports of Flemish goods and services amount to some 175 billion euro annually.

“Flemish exports account for about 80% of Belgium’s GDP. 1-in-3 jobs are in export-related businesses. Moreover, Flanders’ highly educated, hard-working, multi-lingual work force has created and sustains the powerful, innovative economic engine behind these figures”. (Flanders Investment and Trade Portal)

In addition,

“Flanders is an important logistic hub, due to its central location and its dense and integrated multimodal transport infrastructure. Major multinational automotive companies are also active in Flanders, although their position is under pressure. The Flemish network economy mainly derives its power from SMEs often acting as supplier companies” (Regional Profile - Flanders, European Commission Website).

The GDP of Flanders through the years 2005-2010 accounted for 188 Billion Euros on average which rates among the better half of the EU. Per capita, the numbers are also favourable – 30 700 Euros on average.

The following data was extracted from Ties Vanthillo and Ann Verhetsel’s “*Paradigm change in regional policy: towards smart specialisation? Lessons from Flanders (Belgium)” (ed. Belgio, 2012)*, which would be our source to introduce the regional economic development in Belgium and how it affected Flanders.

As of beginning of this introduction, we must state that what we will emphasise on is the economic development following the Second World War and the establishment of the European Coal and Steel Community. The so called “expansion laws” are one of the primary targets of description during this period.

“The old paradigm of regional policy can be applied to Belgium from the 1950s. In 1959, the “expansion laws” were implemented, the Belgian variant of regional policy (Buyst, 2011 ; Cabus, 1995, as quoted by Ties Vanthillo and Ann Verhetsel, 2012). The aim was to promote industrial development and to equally distribute economic prosperity over Belgium through investment policies and an active policy for the development of industrial estates (Cabus, 2002, as quoted by Ties Vanthillo and Ann Verhetsel, 2012).

The main focus was on the private companies, mostly by subsidies and/ or tax incentives.

Following this initial financial support, the scheme developed sectors and sites intended to attract foreign investment to regions facing structural unemployment. The “expansion laws” targeted specific set of so called “national sectors” (mostly coal, steel and textile). The main engine driving the Belgian regional policy was the noticeable differences in the patterns of economic development between Flanders and Wallonia.

“From the 1960 on, Flanders developed a considerable economic lead and surpassed Walloniain per capita GDP” (Albrechts & Swyngedouw, 1989 ; Buyst, 2011, as quoted by Ties Vanthillo and Ann Verhetsel, 2012).

After the Treaty of Rome and the on-going European integration process, Flanders has seen to progress greatly in export-orientated economy, specifically for other European markets. The economic regional equilibrium has benefitted Flanders in progressing as a region in the new European setting. Thus, the economy of Flanders has seen a steady and consistent increase during the years of deepening of European integration and has established itself as an above-averagely developed region.

**5.3. Political structure**

Flanders, in general, is a politically conservative region with many parties situated on the centre and centre-right. Contrary to Wallonia where the socialist parties are gaining the most votes, in Flanders the socialists are not among the best represented. In this sub-chapter we will list the most influential parties in this region and describe their orientation. We will use data from the European Election Database in order to value the internal strength of the parties involved in Flanders.

First, we will look at the biggest winner from the last elections – New Flemish Alliance. N-VA is a Flemish political party, founded in the autumn of 2001 from the split of Volksunie (a party that was advocating for separation from Belgium). Naturally, it is continuing the separatist movement started from its predecessor.

“The party is generally considered centre-right and as a democratic alternative to the far right VlaamsBelang (VB). It ran as part of an alliance with CD&V (Christian Democratic and Flemish Party) in the 2007 federal elections.”(Belgium – Political Parties, European Election Database)

In the 2010 parliamentary elections, it received 17.40%(1,135,617) of votes earning 27 seats in the Chambers of Representatives and 9 seats in the Senate, becoming the most voted and represented party

The Christian Democratic and Flemish Party is the 2nd most represented party in the Chambers and 2nd strongest in Flanders. As the name presumes, the party defends the Christian-democratic values and, thus, it is similar in structure with the other parties alike in the EU member states. It earned 17 seats in the Parliament and, in general, is a milder defender of Flemish identity compared to NVA (or VB).

Open Flemish Liberals (VLD) is another main party from the Flemish region, with affiliation towards the liberal policies. Its support, however, declined compared to the previous elections in favour of the more conservative parties. It is strictly pro-European as all the previously mentioned. Nevertheless, it has 13 seats in the Chamber of Representatives.

VlaamsBelang (Flemish Interest) is currently the hardliner party of the Flemish nationalism, necessary in all means as perceived by them.

“The party originates from Vlaams Blok (Flemish Block) which was founded in 1954. The Block was dissolved in 2004 after it was condemned by a High Court for "permanent incitation to discrimination and racism”. Later in the same year, the party re-emerged as VlaamsBelang. The party advocates independence for Flanders and strict limitations on immigration. It is part of the militant wing of the Flemish movement. An agreement known as the "cordon sanitaire" restricts the other parties from entering coalitions with the party and so far, its power is limited” (Belgium – Political Parties, European Election Database).

Nevertheless, the radical calls of the party have earned 12 seats in the Chamber for VB.

The last of the mainstream parties of Flanders which we will present briefly here is GROEN (Green) and, as the name suggests, it is the Green party of the region. Its popularity slowly grows and they managed to earn 5 seats in the last elections.

This chapter will be used for reference when the ideologies of the parties have to be backed-up during the analysis. Our main focus will be on the biggest parties and their approach towards the EU (with particular emphasis of the influence of the Regional Policy towards this approach) and the separation from Belgium in this context. Most precisely, the main focus will be shifted towards N-VA as the most represented party currently in Flanders (and Belgium).

**6. Theory**

**6.1. Overview**

For the purposes of our analytical content, we need to have a theoretical framework, portraying the approach onto it. As we are drilling into a matter with significant complexity, we will rely on three theories, often depicted as integrationist and defining from different angles the process of EU integration. By touching upon in one thesis a regional entity, a national state and the Regional Policy of the European Union, we have to solidify our conclusions with a well-positioned view.

In order to achieve this goal, the three theories – neofunctionalism, federalism and liberal intergovernmentalism, will be, at first, examined separately and only after, joint in and combined in relation to our thesis. We have to note from the very beginning of the chapter that completely relying on one single theory when embracing a complex topic would not provide us with a more generalised and structured analysis. Therefore, although the theories have significant differences between each other, they could still be mixed in a way where no contradictions but supplements to the concept are made.

Another remark that has to be made here is that the theories chosen do not embark the topic of separatism. Based on their characteristics, however, we could draw a factual conclusion on how they would view the region of Flanders in the context of their core assumptions. Some of these assumptions do not cover the political independence aspect as vital for the existence of the practical implementation of its values. In line with this thought, we can expect that the theory can and should hold up in the case of Flanders as a region with separatist tensions.

The whole framework, nevertheless, will be tweaked in accordance to the case in detail. Both historically and presently, Flanders possesses characteristics which distinguish the region from the ones in unitary states. This will be stressed specifically when introducing the theories and emphasising their most important elements for our thesis.

**6.2. Federalism and the desire for United States of Europe**

**6.2.1. Background**

We will begin with the introduction of the theories, starting from the federalism. This theory is the oldest of the three when speaking about European integration. Its modern roots can be traced back to the Europe following First World War when ideas, calling for a stronger political unity among the European nations after the devastating world war, have spread through many people from the elites. However, ever since the Enlightenment different philosophers and thinkers believed that united Europe would one day be a possibility. After the First World War, the European nations realised that their powers are no longer uncontested. This was mostly driven from the fact that America has come up as a victor following the war events and many European leaders feared that the hegemony of the continent might be in danger if a stronger political entity is not forged.

The most prominent thinker from this period is Coudenhove-Kalergi who, in his “Pan Europe” (1923), coined the term “United States of Europe” and described how it will be constituted. In his view, there would be five regional unions, led by a republican constitution under the League of Nations (the predecessor of the United Nations). This way Europe, in his opinion, Europe would stand in a comfortable position against other regional unions which will be formed (as an example the author gives the Pan-American one).

At the moment, Kalergi’s predictions are mostly being proven with many regional powers emerging (ASEAN, Mercosur, NAFTA, and African Union). These unions are currently mostly economically based but, nevertheless, it could be considered a step towards a possible future regional unity. According to Kalergi’s pattern of thought, Europe would need to unite as well in order to face the challenges posed from the other regional powers.

Kalergi’s book, however, did not help to prevent the destruction of the Second World War in Europe. The continent was facing even more challenging obstacles after the war with two superpowers dividing the countries in their orbit of power. In this scenario, the European leaders and thinkers began calling for combining their strength and rebuild Europe.

Federalism was one of the theories which again emerged on the spotlight. Following the formation of the European Coal and Steel Community (1951) with the Treaty of Paris, many scholars foresaw the possibility for a federal union eventually forming in Europe. The founder of the community himself, Robert Schuman, remarked in his plan that this would be the first step towards the unification of Europe, not only in the Western part, but also in the Eastern.

**6.2.2. Core elements**

Although there are many versions of federalism, three important aspects are always present. First and the most important is that federalism always relies on the division of powers, be it on two or more levels. The most frequent case is a federal core with different sub-federal units with greater autonomy than in the unitary states. These units have often the control of their federal policies in areas such as transport, education, public health, culture, additional local taxes etc. The political core of the federal state takes the control of representing the country in the foreign affairs sector, to define the macro economy and take care of the military development.

Secondly, the federal government always represents the citizens of the country and it is directly elected by them. As King (1982), and earlier Friedrich (1964) (both as quoted by Ejistrup-Sangiovanni, 2006) stress, this distinguishes the federal state from a confederation as in the latter; the government is accountable to the sub-states of the political entity.

Thirdly, the transfer of powers from the sub-units of the federation to the political core has to be done in a voluntary manner, without any use of force. This supplements the previous element as in order to have a peaceful federation with directly elected government without military involvement, it is obligatory to have a voluntary transfer of power and peaceful coinheritance.

An element firmly distinguishing federalism from neofunctionalism (which will be examined later) is how the integration process is perceived in an international setting. Federalists firmly believe that there could not be integration of the functions without a common democratic government that could manage this cooperation (Levi, 1991, as quoted by Ejistrup-Sangiovanni, 2006). As it will be stressed later though, this theoretical presumption would not be part of our analysis as we would need the federalist theory solely for analysing the case of Belgium and Flanders, without including the EU’s actions. The supplementary theoretical thoughts, taken from the other two branches, will aid us in gaining the needed perspective of all the actors under examination.

As visible, the political structure of Belgium accounts for all these three elements are present making the structure of the state typically federal. Henceforth, when we analyse Belgium’s case we will stress its structure and how it is constituted.

**6.2.3. Emphasis**

As federalism is a wide theory with many branches, it is important for us to emphasise on goal to create a mixture between the aforementioned three theories. Federalism will mostly serve as a tool for our case study while analysing solely Belgium and/or Flanders. Although many believe that EU is following the steps on becoming a federation, currently we could not state that this is an undisputable reality thus we will restrain from declaring such political relations between EU, Belgium and Flanders (and any other region in that matter).

For our framework we need to extract how federalism perceives a democratic state’s structure with autonomous regions contrary to unitary democracies. This would allow us to concentrate on the content regarding autonomous regions which possess separatist intentions. As we saw in the history chapter, Belgium initially was a unitary state with dominance of the French population. The federalisation of the country delivered significant power to Flanders and many of the instruments (economic, educational etc.) were now in the hands of the regional government.

From a federalist point of view the main objective of this decentralisation was to keep the state coherent and stable. This is also the most crucial element which we need for our framework. A federal structure in a country (and assumingly, in a whole continent) succeeds in preserving the state without constant territory confrontations and demands for the different ethnic groups.

Another important aspect which differentiates the unitary democracy from the federalist one is the possible frustration of the eligible voters when they face a corrupt leader governing the whole state.

“In a unitary state, voters *(from different ethnic groups*) do not replace corrupt leaders, because any new leader would probably also govern corruptly. However, federal democracy cannot be consistently frustrated at both national and provincial levels, because provincial leaders who govern responsibly could build reputations to become contenders for higher national office” (Myerson, 2006).

Therefore, when we face a multiple tier system where the regional leaders have significant power *and* responsibility in front of the community, the danger of a corrupt (or any mistrusted person in that matter) to become head of the federal government becomes lower. A significant advantage in decentralising a state is also the fact that authoritarian orientated governors also have lower possibilities to gain control of the country. This advantage is not to be overruled, even in today’s Europe, as we see with the example of Hungary for instance, where the leader of the ruling party has gained control in almost every pillar of power in the country.

When we talk about Europe as a whole, we are facing with different obstacles. Many thinkers believe Europe is on the road on becoming a federation. This, however, will not be part of objectives and we will not focus on it during the analysis. Nevertheless, we will point out why this federalist presumption will not be included.

First, although the EU has grown significantly in terms of supranational power and influence on the regional and global scene, the most important actors defining the strategic direction are the member states. This can be seen as federalist from the point of view that the leaders of the countries are elected and they set the supranational policies in accordance to the benefit of the EU. However, this is not often the case as many leaders attempt to use the EU for sole purpose of gaining national popularity and benefits (Moravcsik emphasises on this in his intergovernmental theory).

The most important aspect which backs up our argument is the fact that there is no federal head government, directly elected by the voters. Even though the European Parliament is elected from the citizens of the EU, its functions do not match completely with the ordinary national parliaments and the institution does not possess the sole legislative power to accept proposed acts.

Although it can be argued that this could be a stage before the desired United States of Europe, we believe that for the aims of the thesis, these thoughts would not aid in determining if the Regional Policy of the EU, determined as such from its institutions and member-states, would prevent separatism.

**6.3. Neofunctionalism and the Spill-over effect**

**6.3.1. Background and core elements**

To supplement our framework, we will also use the neofunctionalist theory, developed by Ernst Haas after seeing the success of Jean Monnet’s ideas turned into practice with the European Coal and Steel Community and, later, with the European Economic Community and basing his thoughts on the foundation laid by David Mitrany in the 30s. David Mitrany has coined the term shift of power to newly established international organisations, which step by step will take more and more of the responsibilities of the states.

Hereby lays the key element of the theory - unintended integration. This unintended process is driven by interests of the social actors themselves, rather than any specific policy followed through from the elite. Only after, this cooperation and integration pushes the political actors to involve integration in other sectors, tightly connected with the already established ones. New institutions are born to control these processes and observe the technical aspects of the cooperation. The newly emerged supranational authorities are not political and not related to the national states. They are rather consisting of experts and fulfilling technical functions. The on-going process interdependence of the sectors inevitably leads to more pressure for integration. This is a brief description of the “spill-over effect” made by Haas (1958).

The spill-over effect is defined as irreversible tool which eventually leads to political integration in its final phase. This assumption had met opposition, especially during the European crisis in the 60s and the 70s (the so called “chair crisis”, started by the French president DeGaulle). It was argued that its theoretical premises were insufficient and could not be applied in the context of Europe. The events following the “chair crisis” (the qualified majority being bypassed) led the thinkers to believe that the pattern of the spill-over effect could not be only leading forward.

**6.3.2. Criticism**

The bold prediction that the final phase of neofunctionalist integration could be a united Europe was fuelled from the initial success of the European project. In particular, the supranational institutions, such as the High Authority (now European Commission), were seen as the main symbols of this success. Neofunctialists believed that the citizens and the elite of the member states would notice the ameliorated performance of the functions, transferred to the established institutions, scraped from political monitoring and influence. The efficiency would eventually prevail in favour of continuation of the integration process and the power would gradually be transferred to the supranational level.

Another criticism of neofunctionalism even declares it obsolescent. Ernst Haas himself, the creator of the theory, declared in The Obsolescence of Regional Integration Theory (1980) that its theory cannot explain the processes of European integration. Since then, many other authors have also criticised and openly stated that neofunctionalism does not comprise the integration in the EU.

Its inapplicability in other than European setting has also been stressed as a disadvantage. Many thinkers, such as P. Schmitter, argue that a theory must hold in any environment, not only on one soil. Neofunctionalism was strongly based upon the European institutions and did not apply for other regional integration processes where the expert and non-political side was not the major factor pushing integration forward.

Others declare that this was also never the case in Europe as well. Liberal intergovernmentalists, with Moravcsik as one of the most well-knows representatives of the theory, concludes that the member states always make the key decisions that define the strategic development of the Union.

To sum up, the disadvantages of the theory mainly approach its applicability both in the European and the global scene. We must state here that we do agree with many of these thoughts. However, the core elements of the theory are not overshadowed by these critics. From our point of view, these thoughts could supplement a framework describing the different tiers of development of the European Union as it is now.

Returning to P. Schmitter’s words when he speaks about the supposed decline of neofunctionalism:

“[...] neo-functionalist thinking turned out to be very much alive, even if it was usually being re-branded as a different animal.” (P. Schmitter, 2002)

In other words, many of the key proposal and thoughts of the theory are now present in modern branches, often times without acknowledging it. We must agree on that as this is one of the key advantages of neofunctionalism, frequently disregarded – it is a flexible theory, which is able to blend in with other theoretical patterns and constitute comprehensive and coherent lines of thought. Henceforth, we will extract the necessary elements from the theory in order to endeavour the issue of separatism and the EU’s second biggest (in terms of budget) policy to it.

**6.3.3. Emphasis**

The most relevant element to our thesis concept of neofunctionalism is its presumption that integration is not politically driven. This is very important in the context of separatist regions where the issues are predominantly political. The spill-over effect in its entity and hypothetical applicability in the functions of several EU institutions, could well define the benefits regions such as the Flemish one are experiencing being part of the common project.

What we would need to identify is, first, is the spill-over effect the cause of EU’s Regional Policy evolving to its size in the current time, or, on the opposite, it is politically driven decision and initiated through them. This is an important question which has to be stressed here and which has to be examined during the analysis.

If we solely look from neofunctionalist side, we could even alter our main research question to: are the technical and expert institutions of the EU capable of resolving the separatist tensions across the continent? Narrowing the question however would not result in ameliorating the final answer as there are many other aspects that would need to be taken into account.

By being a non-political process, the transfer of loyalties succeeds in preserving national identities better than other means of integration. An advantage of neofunctionalism allows the “Europeanization” to exist within the borders of the state or the region. Here we have to highlight one main difference which is important for our thesis. The countries in the EU do not share common political structures – there are both federal and unitary states. This causes differences in how they perceive the transfer of loyalties and also how they see supranational, expert institutions and the intergovernmental institutions, constituting the EU in the present moment.

“Federal states with long constitutional traditions change their collective understandings more easily to include Europe and orientations toward supranationalism than unitary and centralised states” (T. Risse, 2004).

In that sense, we can assume that federal states can allow easier transfer of power requiring technical and expert abilities. Vice-versa, they are supposedly better in communicating and dealing with such institutions based on the experience from being a federal state with multi-tier system. This would be an aspect on which we will rely on during the analysis.

In addition, Lee McGowan states that the only genuine way of testing NF’s theoretical assertions is “to explore a sectoral area and then to see how this policy area developed and came to impact on other policy areas” (McGowan, 2007). While this is true in its entity, we must not forget that a number of policy areas are now sole competence of the EU and others are co-shared between EU and member states. This enables us to utilise the theory for several policy areas but with the remark that they are not unique responsibility of the member states. The EU’s Regional Policy is a prime example of a mixture between the competences with all levels of governance being involved.

**6.4. Liberal Intergovernmentalism**

**6.4.1. Background and core elements**

The main counter-theory of neofunctionalism is liberal intergovernmentalism. The successor of the Intergovernmentalist theory, developed by Stanley Hoffmann in the 60s, was forged as a reaction of the development and domination of the neofunctionalist theory on the European Integration scholar scene. Since its creation, LI has become one of the most influential theories explaining the processes in the EU. Its base is constructed upon neofunctionalism and its critics are directed in its limited applicability. Liberal Intergovernmentalismis often considered the most advanced in that theoretical currant in explaining the European integration (Lequesne and Smith, 1997, p. 3). It is also believed that it is an advanced and well-structured theory than neofunctionalism as it covers more probabilities and explains various processes in detail. The author that built the LI theory is Andrew Moravcsik in 1993.

In LI the states are believed to be the main actors in a context of anarchy. Contrary to federalism and neofunctionalism, the central and supranational institutions are not the ones enforcing the decisions. Rather, the states reach their goals through intergovernmental negotiation and bargaining. There is a major difference from the realist theory, however, where a similar assumption is made.

The issue of national security is not the main engine driving this intergovernmental negotiation. For instance, Moravcsik believes that gaining popularity in the domestic scene and respectively, for the elections, is where member states try to benefit from the negotiations. Additionally, as opposed to the realism, states do not have uniform preferences and identities, as they are constantly changing in the course of these processes. The interstate (supranational) institutions are also not insignificant and play, at least, a mediator role during the bargaining between the states.

Core assumption in LI is that the member states continue to dominate the EU integration by being the “masters of the treaties”, and also by controlling the decision-making processes, and owning the political legitimacy (Moravcsik and Schimmelfennig, 2009, p. 68). Secondly, states are rational and the joint decisions are, then, the sum of all the rational choices of the actors, with the limits of the available information at hand and the uncertainty of the future as important factors. Cooperation is then explained as “a collective outcome of interdependent (strategic) rational state choices and intergovernmental negotiations.” (.ibid).

The role of the supranational institutions is seen as a security measure when a certain deal is made between the states. Moravcsik argues that “states first define preferences, then bargain to substantive agreements and finally create (or adjust) institutions to secure those outcomes in the face of future uncertainty” (ibid. p. 69). Thus, according to Moravcsik, such interstate institutions constitute instrument used by the member states to deal with the “unintended, unforeseen, and often unwanted consequences” of cooperation (ibid. p. 72).

It is obvious that in this sense LI shares similarities with neofunctionalism in this sense. International institutions are seen once again as an instrument for technical and expert assistance in the policies of integration. They are also a precondition to reach a greater collective value and reduce the cost of the continuous international integration. Additionally, as the institutions are provided with information regarding the negotiations and the various processes, they reduce the uncertainty in the member states. (ibid. p.72) This hand over of competences and sovereignty also guarantees an independence from domestic politics and decentralised intergovernmental control.

Ernst Haas, the founder of neofunctionalism, also emphasised that “liberal” thinkers, like Moravscik borrowed key features from NF. In particular, he states that Moravscik’s theory “core assumptions are identical with those of NF and seem quite compatible with certain kinds of constructivism as well. It is difficult to understand why he makes such extraordinary efforts to distinguish his work from these sources.” (Haas, 2001, p.30)

Critics to Moravcsik mainly presume his ignorance towards external processes also pushing for integration, apart from the national states. The so called “low politics” , as put by Schmitter (2002), have to be taken into account and not solely taking into account the power game played by rational-unitary states. The dynamics of the low politics generate the interests of all actors involved in the integration process, which is strictly not limited only to the head of the governments. Nevertheless, according to Moravcsik, the low politics which neofunctionalists account as important, “could not draw the line on where precisely integration to stop” (Moravcsik, 2005). In other words, this means its inability to predict the final result of an initiated spill-over.

The low-politics dynamics aid in addition to the shape of EU policies as they are constructed in a way to accommodate different social actors who are their beneficiaries, initiators or recipients. For instance, many business organisations or NGOs are consulting with the European Parliament or the European Commission when a new EU legislative act is about to be proposed. The EU bodies themselves also influence these processes as they are capable of developing their own interests and strategies (Lequesne and Smith, 1997, p.5.)

**6.4.2. Emphasis**

Although the critics of LI that we mentioned limit its applicability for our thesis, we must not forget that the EU possesses institutions in its structure that are strictly on an intergovernmental principal with significant powers. The Council of the European Union and the European Council are two of the institutions which are determining the overall directions and strategies ahead of the EU and, also, are the place where “the bargains” as described by Moravcsik, usually take place.

For out thesis it is important to note that in these intergovernmental institutions, regions such as Flanders are *not* represented or not fully represented. In the European Council, it is the head of governments who are agreeing on how to continue certain EU policies or strategies and Flanders as a region has no *direct* power to influence as the interest of the whole Belgium has to be protected in this scene.

In the Council of the European Union, however, the situation is different.

“Since the Maastricht Treaty (1992), it has also become possible – partly because Belgium and Flanders insisted – that Ministers from federated states represent their Member State in the Council of Ministers. All agreements regarding the representation of Belgium to the Council have been laid down in an internal Belgian cooperation agreement between the diverse authorities. This cooperation agreement also contains agreements regarding the development of the position that will take the representative in the name of Belgium. In this manner, a democratic embedding is provided, as well as a connection between the European and the Flemish policy levels” (Flemish Framework for the EU Policy, Flemish Department of Foreign Affairs Website).

Therefore, the aspect which we extract from LI is the fact who bargains with who in the European Union’s intergovernmental institutions. The representation of Flanders in intergovernmental institutions is limited but existing, which could be considered as a small break-through for the greater autonomy of the region. However, although low politics from where Flanders and other regions can influence the politics are indeed available as we emphasised in the previous sub-chapter, the fact that they are not fully represented in the intergovernmental institutions could be a subject of mistrust in these particular EU bodies (or possibly even towards the whole structure) for regions with desires for independence.

Hence why, this angle is crucial particle for our thesis as we must not overlook the desires for high representation in such institutions. Equal representation in international institutions is often times one of the main engines of separation from the national state. In conclusion, the existence of such bodies where the heads of governments are allowed to negotiate could be a precondition for additional separatist intentions. This has to be taken into account when conceptualising the relation between EU, Belgium and Flanders.

**6.5. Fusion and approach**

Finally, we will conclude how the three theories will be mixed and fused in order to approach our thesis analysis. To stress once again, our main belief is that a better framework can be forged by adjusting different angles from different scholars who examined the processes of EU integration or integration in general. The EU cannot be fully explained using only one single abstract method as historically, politically and socially, it has evolved into a Union unlike any previously existing alliance.

The analytical field becomes even more complex when we have to include the case of Belgium and the region of Flanders which also bear many specific elements that have to be taken into account. Precisely for that purpose, the combination of the three theories will enable us to dissect in more detail these complex relations. Although we are not looking at the EU as a whole but only at the EU’s Regional Policy effects, we must bear in mind that the policy is a major tool agreed and backed-up by all institutions, supranational or intergovernmental. Its functions, technical in practice, are, therefore, not a sole cause of the intentions of supranational institutions or, in other words, a cause of “spill-over”.

In conclusion, we will sum up the main elements from all the theories again on which we will rely during the analytical part. The federalist notion of the framework is necessary to explain the structure of Belgium as a country and what privileges and powers Flanders have in this federal setting.

Neofunctionalism will aid us in explaining how certain functions, before preserved for the national authorities are now part of EU’s supranational powers. This gradual transfer has created important and influential institutions, particularly in the field of the Union’s Regional Policy. Therefore, we must not forget how these bodies are operating with the policy and how is the relation between the region and the EU representative organisation established. In other words, we would need to identify is this collaboration technical, political or mixed as this can be defined as a root cause for an existing or newly-born collaboration.

Following the same pattern, if the more influential institutions in this collaboration are intergovernmental, then we would approach in a slightly different manner our thesis. It will serve us as a counter-point of events or causes initiated from political sources, both EU and national. This piece of our thesis must not be overlooked as our objective is to see is the Regional Policy with its expert-based foundation is equipped to equilibrate the separatist tensions in Flanders and other places. Indeed, if we discover that any political measures have made an impact, good or bad, they have to be stressed and examined in this context and this is where LI will be utilised.

**7. Analysis**

**7.1. Pattern overview**

Our analysis will begin with a small overview of what we will include in it. First, we will analyse Flanders as part of the Competitiveness objective of the EU Regional Policy framework in order to identify the advantages and disadvantages of being in such position. In addition, it will help us in structuring how and why Flanders utilises the resources provided from the EU for its regional needs in the domains they have chosen.

We will go through all components of the Regional Policy present in Flanders starting from the Competitiveness objective, as stated, and then continuing through the Transregional cooperation and interregional. Finally, an analysis will be conducted for the main influences both economically, socially and politically on Flanders from the EU’s Regional Policy utilisation of resources. As a guiding point, our theoretical framework will allow to evaluate by which field does the EU RP performs best in Flanders and aids in preserving political stability and economic growth.

These evaluations will be compared with the region of Transylvania, part of the centralised state of Romania, where we will be able to see in more detail is the Regional Policy serving as a cure in different situations or only to states which have a long-established practice of decentralisation and the regional autonomy is no new matter.

Before we embrace, let us repeat our PF:

“- Why Flanders, as a region defined as a separatist, has not become independent after being part of the EU and how and why the Regional Policy is affecting this political state of affairs?

If the answer to the previous question is overall positive, then the following question would be could this example be a possible solution for other separatist regions in Europe (a cure for this kind of movements) or is this a unique case, which is inapplicable in other circumstances? “

As seen from our theoretical framework, in order to advance in answering these research questions, we must evaluate the political situations and relations in the countries and the regions respectively, not forgetting the EU’s involvement. Therefore, the political relations of EU – Flanders will be helpful in determining whether the EU’s influential instrument in the face of the Regional Policy, has strengthen the political relations and the political conjuncture. We must not forget to always bear in mind, as stated numerous times, the difference of the state structure in Belgium in aiding (or possibly weakening) these actions.

**7.2. Flanders as part of Competitiveness objective**

**7.2.1. Projects**

We will begin the analysis of the current framework with general information regarding the operative programme in Flanders.

“On 7 December 2007, the European Commission approved an Operational Programme for the Flemish Region of Belgium for the period 2007-2013. This Operational Programme comes under the ‘Regional competitiveness and employment’ objective and has a total budget of around €498 million. The aid provided by the European Union from the European Regional Development Fund (ERDF) amounts to some €201 million, which represents about 8.9% of the EU's total investment in Belgium under the cohesion policy 2007-2013” (MEMO/08/526Brussels, 23 July 2008).

Five priorities are established in order to integrate the resources. They are:

Priority 1: The knowledge economy and innovation [approx. 24% of total investment]

Priority 2: Entrepreneurship [approx. 24% of the total investment]

Priority 3: Improving the basis for economic structuring and spatial planning [approx. 24% of total investment]

Priority 4: Urban development [approx. 24% of total investment]

Priority 5: Technical assistance [approx. 4% of total investment]

(ibid.)

Projects deriving from the operational programme are thus initiated in these related priorities. Many think-tanks, institutes, associations and other types of public and private organisations are involved in the process to apply for EU funds in regards to these areas. Examples of such organisations include:

* Enterprise Flanders Agency, partner in Enterprise Europe Network Flanders
* Governmentagency for Innovation by Science and Technology (IWT)
* The Research Foundation – Flanders (FWO)

We will briefly introduce these particularorganisations and their areas of involvement in projects in Flanders. The reason why they were chosen is because of their lasting traditions in dealing with EU funded projects and also their role as a bridge between the recipients (often SMEs) and the EU’s resources.

The bridge-function is very important in the aspect of the implementation. Here, it must be noted that all the three agencies provided are strictly regionally based. Although they do, of course, have connections and collaboration with the federal government and Wallonia, their main purpose is to aid the region to utilise the resources in the most sustainable ways.

In the next chapter, we will focus on the examples given. First, however, we will also introduce other agencies and organisations, involved in and with the EU programmes and projects. Information for these examples was taken from the Flanders webpage of the Regional Research & Innovation Service, European Commission. Some of them are:

* FIT, agency supporting international entrepreneurship and companies abroad investing in Flanders
* HERCULES foundation, agency for financing middle large to large research infrastructure in all scientific disciplines
* PMV, Flanders’ Participation Company, providing access to investments, risk capital, loan guarantees, start-up and seed capital through Innovation Funds
* BAN Vlaanderen, Business Angel Networks

Advisory bodies:

* VRWI, Flemish Council for Science and Innovation Policy, advisory body for science, technology and innovation policy in the Region
* SERV, Socio-Economic Council of Flanders, the consultation and socio-economic advisory organisation of the social partners in Flanders

Other innovation policy supporting bodies:

* Innovatiecentrum, innovation support and audit SME organisations
* Flanders Bio, biotech cluster organisation
* Centre for Research & Development Monitoring, interuniversity consortium doing research on RD&I (Research, Development and Innovation) indicators for the Flemish government

(Flanders, Regional Research & Innovation Service, European Commission Website)

In addition, there are many academic institutes, other think-tanks and NGOs part of the network responsible for the better allocation of EU (and not only) resources.

The reason why we have listed many of the organisations is to underline the regional level of development of bodies, involved in one way or another with EU’s Regional Policy and its Competitiveness objective. This network allows for better administrative capacity when dealing with EU projects and programmes and permits for more allocation of these resources (something which many countries in Eastern Europe for instance, have troubles with currently).

What this tells us is that Flanders as an autonomous region has prepared a significant structure dedicated to ameliorating the overall environment in practically every field, from economics to culture. This is also done with the small (in numbers) but consistent aid of the European Union which is greatly valued in Flanders.

“A considerable flow of resources runs indeed from the EU budget to a wide range of Flemish beneficiaries: agricultural companies, research institutions, students and teaching staff, cities and municipalities, entities within the Flemish authorities, civil society organisations, cultural organisations, non-governmental organisations (NGOs), Flemish interest organisations, and so on. Consequently, the Government of Flanders keeps close track of this dossier and it is closely involved in the Belgian position taking” (Flanders and the EU Policy, Flemish Department of Foreign Affairs Website).

The wide area of indirect influence of the EU with the projects and their beneficiaries attracts many actors from all sectors of the society in interacting with the EU in several of ways.

We will focus now on the three organisations which we choose as examples to evaluate how Flanders handles the funds of the EU regarding the Competitiveness objective.

**7.2.2. Focus**

European cooperation is very important asset for every region as the benefits for the, mostly, economy (and the respective reflection upon other fields as well) have created an environment of interactive relations with many other countries and regions, previously not as active.

As mentioned, Flanders has developed a considerable network of different type of organisations which are responsible for ameliorating this environment and support the Flemish entrepreneurs (in all senses of that word) with the resources, provided both from the Flemish government, federal government and the EU. Is this collaboration in the face of the various programmes and projects helpful in preserving the integrity in Belgium and sustain the political conjuncture in Flanders without escalation and further independence strives?

Since we have limited resources in this thesis, we would not be able to examine the projects and even the programmes one by one. Therefore, our approach will lay down on the support provided from the main organisations to the Flemish people and why this is beneficial for both EU and Flanders.

We will commence with Enterprise Flanders Agency, as it is responsible for the objectives of the ERDF (European Regional Development Fund). Enterprise Flanders operates under the responsibility of the Flemish minister for economy, foreign policy, agriculture and rural policy.

“Enterprise Flanders provides Flemish companies with information and advice on doing business in Europe, and on EU regulations, procedures and grant schemes. In addition, it assists SMEs in finding business partners throughout Europe and in establishing international projects. For transnational activities, it can call on the support of Flanders Investment & Trade, the Flemish government agency that promotes and supports international business. Enterprise Flanders is headquartered in Brussels and has provincial antennas in five major cities: Antwerp, Bruges, Ghent, Hasselt and Leuven” (Enterprise European Network Flanders Website, 2009).

The Enterprise plays a vital role in involving the business with the EU’s Regional Policy resources and can be viewed as a facilitator in this endeavour. It is also the regional representative of the European Enterprise Network and as such also helps in connecting Flemish entrepreneurs with other European counterparts.

Being led by a political official testifies for the commitment from the public representatives in supporting and connecting internationally the Flemish businessmen. Although this would seem partially important, it proves for enforcing these connections in a political manner. As with the IWT (analysed slightly below), the Enterprise Flanders brings both regional and EU benefits for creating new possibilities in the economic environment.

Here, we will introduce the IWT as well, since it is also a government agency, as described above. The IWT provides many services to the innovative project ideas, not strictly economic. Many of these services are regional funded from the government but, in addition, IWT provides support to all Flemish companies and research centres. This help reflects during their applications and technological advice during their innovative projects.

“The IWT acts as the national contact point for European funding programmes and we assist them in transferring their technologies throughout Europe via the Enterprise Europe Network” (IWT Website, About Us).

Evidently, IWT can also be seen as an intermediary bridge between the innovators in Flanders and innovators from other EU countries through its connections with the Enterprise Europe Network and support for EU-funded projects. As innovation is key, it is essential to emphasise here that two public organisations view the innovation process as part of cooperation both in regional and interregional terms.

This does not fully cover the principles set in our theoretical abstract. First, the federal structure of Belgium does allow having all the associations and public organisations set on a regional level, alike in many other countries. The advantage is clearly seen – the regional economic entities are able to establish new connections and develop new ideas on a regional and interregional level without the consent of national authorities which could slow them down.

Clearly, this aids in softening the separatist intentions as the benefits from this cooperation and development, arriving also from the EU, strengthens the Flemish economy and prosperity. The political aspect in this first examples is also both present and not significant enough to be classified as vital for its operation. The agencies, although public, are more attached to the private sector and to the projects, both EU and regionally financed and supported, than to political action.

This can also be a factor for its sustainability and the high involvement of EU’s Regional Policy instruments (although limited since the region is developed). Clearly, although the spill-over effect is hard to track, we can conclude that the approach to have less regional political involvement aids Flanders in interacting successfully with the EU.

Nevertheless, since the agencies were established from public authorities we cannot draw any generalised conclusion that the private sector is favourable of being part of the EU and profiting from the EU’s beneficial areas.

Therefore, we will introduce as an example the FWO – Flanders (The Research Foundation), established in 1928. The year is important as it precedes the foundation of the EU and sets the priority of technological advancement in Flanders from an early stage. It is crucial to note that what frequently distinguishes technologically advances regions from poorer ones is exactly the priority given to research and further development in many of the high-tech industries with high value. Western Europe, in most of its part, has stood for these priorities.

Thus, a foundation with such priorities established on a regional level but with international outlook plays a significant role in enforcing the network of actors involved regionally and trans-borders.

“The structure of the Foundation is composed of the big Flemish universities. Every year on 1 October a new FWO-president is appointed. The president is by turns one of the rectors of the four big Flemish universities. The current president is prof. Alain Verschoren of the University of Antwerp (October 2012 – September 2013)” (Management, About us, FWO Website).

The FWO is responsible for multiple programmes concerning the EU such as Marie Curie, ERA-NET, EURAXESS and others. They are all predominately directed towards researchers and innovators in the fields of high-valued industries. Combined with the support coming from Flemish funds, the FWO is capable of finance many projects in technological areas thus complying with the objectives set by the current EU framework – innovation is key.

The academic background of the foundation is crucial here as it testifies for a well-developed network between the universities and institutes with a view on research and innovation. It is therefore, not a surprise that the responsibilities for allocation of EU funds for programmes related to this field are given to FWO. This is again a proof the apolitical nature of the region in utilising EU funds and the trend to use the expert mind in creating a fruitful collaboration for the region.

Many projects funded from the EU Regional Policy are also directed towards development of green technologies and energy efficiency. This is in lieu with the EU’s commitment of lowering the greenhouse effects and becoming more and more energy efficient and independent. An example of such project is the A North Sea Way to Energy-Efficient Regions project (ANSWER). Its purpose is again with a bigger European outlook as the main purpose of the project will demonstrate and evaluate good practice and innovative measures, in order to develop models, tools and techniques, which can be transferred to other regions within the North Sea.

“Projects such as this are helping the EU to become a smart, sustainable and inclusive economy by 2020, as set out in the EU 2020 growth strategy” (ANSWER Abstract, European Commission Website).

It is worth to mention that some of the projects have also received special awards from the EC called RegioStars.

In 2010, a project in C-Mine Centre, Genk, Belgium (€3.2 million in EU funding from the ERDF) with the idea to turn the “building upon the legacy of Genk's mining foundations and former industrial site, into a multi-purpose hub for entrepreneurs and visitors alike. Its two concert halls, exhibition space and design centre [were opened] in September 2010” (RegioStars 2010, European Commission).

All in all, from this chapter, it is important to note as a conclusion that Flanders relies heavily on its own expert capacity when embracing the EU-funded projects. This capacity derives both from the public and the private but its core is situated within the field of experts, capable of utilising the most from the projects proposed. The focus is strongly on technological and business development and amelioration, which is ordinary for the region’s position in the Regional Policy’s objectives.

Academically, the influence of EU policies is agreed to have “played a key role in developing more strategic methods of facilitating regional economic development” (Manzella & Mendez, 2009 ; Raines, 2001, as quoted by Vanthillo and Verhetsel, 2012). The main importance is the asset of regional development initiated from the regions themselves. Indeed, it “enhanced bottom-up development by fostering local partnerships of organizations to design their own programs” (Cabus, 2002, as quoted by Vanthillo and Verhetsel, 2012).

The little involvement of any political factors in developing most of these programs not only strengthens pro-innovative factor as a cause from projects, not politics, but also softens tensions regarding the political situation in the country of Belgium as a grand conflict can have undesirable consequences on the already established ties on all levels.

To generalise this, we would examine other angles of the EU’s Regional Policy effects on Flanders and also the perception of Flanders and Belgium with the EU and its particular instrument. The analyse conducted so far is an important part of answering our research questions as, although it does not hold clear political motives, the intentions of the different actors involved are important in assessing the political situation since the society, and mostly, the middle class, sets the agenda of the political parties and their programmes and outlook towards Belgium and EU.

**7.3 Transnational cooperation**

Although transnational cooperation accounts for small figures in Euros (as we described in the related chapter), its importance in the sense of strengthening the regional cooperation across European borders is not insignificant.

Belgium has 4 countries that are sharing its borders – Luxembourg, France, the Netherlands and Germany. It has also a close sea border with the United Kingdom. As such, the most partnerships of Belgium are with these respective countries.

There are a number of long-lasting territorial cooperation programmes which are needed to be analysed here because of their evident polarisation. These two projects are Belgium – Netherlands and Belgium – France. At the end of the chapter we will also briefly mention other programmes and projects with the participation of the Flemish region (as a whole or significant part of it).

The “INTERREG Grensregio Vlaanderen-Nederland 2007-2013” Programme is the fourth one in a consecutive series of cross-border co-operation programmes between the two countries within the framework of the INTERREG Community Initiatives for the periods 1990-93, 1994-99 and 2000-06” (Operational Programme 'Belgium – Netherlands, European Commission).

The determined main themes of this cooperation for the 2007-2013 period, are people, environment and growth.

“The participating Member States are particularly keen to build on past cooperation and to increase synergies between the two sides of the border in the fields of innovation, research and education. As the employment rate is high in the area, efforts will be concentrated on removing remaining institutional and administrative obstacles to further cooperation” (ibid.).

According to the European Commission, the following priorities represent the structure of the "INTERREG IV GrensregioVlaanderen-Nederland 2007-2013” Programme:

“Priority 1: Economic development [approximately 50.0% of total amount of funding

Specific objectives of this priority include: providing tools for private and public institutions that support entrepreneurship and innovation to collaborate across the border; stimulating links between the academic world and the business sector in the field of research and development (R&D); supporting cross-border business activities.

Priority 2: Environment [approximately 24.0% of total amount of funding]

The area is densely populated, but it also holds precious natural resources that need to be preserved and protected. Heavy traffic and intense industrial activity make it necessary for civil rescue services on both sides of the border to cooperate for the purpose of risk prevention. Ecological disasters induce serious consequences in urban areas. Cooperation in order to reduce risks and to manage consequences is therefore highly important.

Priority 3: People [approximately 20.0% of total amount of funding]

People play a crucial role in cross-border cooperation if they can exchange experiences and make joint decisions that affect their everyday lives. The goal of this priority is to pave the way for such opportunities in a number of fields, such as culture, social integration and social care.” (ibid.)

The last priority is the technical assistance, covering the rest of the funding.

Here, it is important to note that only the Flemish sub-regions (NUTS 3) are part of this collaboration and Wallonia does not participate. This comes at first as no surprise since the Netherlands and Flanders share a common language and thus the cultural differences are smaller. Nevertheless, such polarisation is a testimony of the reluctance to cooperate extensively with Wallonia and France compared to the Netherlands (and other North Sea countries).

In addition, the other major programme – “Belgium – France” is mostly along Wallonia and the French border regions, mirroring the example of Flanders and the Dutch. Although there is no clear political will expressed in favour of this division, we can safely conclude that the polarisation is politically driven.

The fact that the EC, as the body approving the programmes, has allowed the separate programmes without consent does not suppose unwillingness to maintain separatist intentions inside its borders but more its choice not to interfere in the politics in the region. As this interregional cooperation has been fruitful for many years, there is no justification behind a hypothetical rejection of the programmes currently.

Yet, it testifies for in a different way to one of the disadvantages but also one advantage of the federal structure of Belgium. The reason behind such argument is the fact that such cooperation between various countries and regions is possible, thanks to the Regional Policy’s assets, yet it does not decompose the political integrity as of yet. Of course, we must take into account that the proximity of Flanders and the Netherlands makes the cooperation easier than including other regions as well.

Here, we cannot fully state that only the expert environment is sustaining the cooperation. Albeit, the close ties between Flanders and the Netherlands has even been declared to be a future unification between them. We wouldn’t go as far. The cooperation is aligned with the overall objectives of the programmes in Flanders as well and covers areas which are not under strict political scrutiny. Yet, as we observe, the 3rd priority – the people – has included the culture, social integration and care into the picture. What this could tell us is that Flanders and the Netherlands believe the cultural initiatives could be shared in an easy and smooth manner as the people believe their identities are close.

The same applies for “Belgium – France” programme. And exactly here, this diversification could cause increased rapture between the two main regions in Belgium. Is this initiated from the EU’s territorial cooperation area? We would clearly state, no, as the priorities are well set and are perfectly in terms of the overall objectives of such cooperation. Even more, such cooperation allows international cooperation without a certain region being independent or even autonomous (as it is the case with the regions from the Netherlands and France which are part of these programmes). Such cooperation is beneficial in allowing people to collaborate between borders without the need to have an independent country. In plus, although the majority of the communities are French in this programme, there are still several Flemish border communities with France who are also taking part thus this cannot be classified purely French – Wallonia cooperation.

If we have to make a parallel with history, this is an important asset of the EU’s Regional Policy. Interregional cooperation, economical collaboration and joint projects enable the regions to preserve peaceful and fruitful partnerships without counselling with higher national authorities. This is clearly a functionalist element as the national authority has transferred the powers to promote such activities to a higher, supranational expert organisation (in this case the European Commission), facilitating this endeavours.

To conclude, the facilitation to cooperate inter-regionally is another tool aiding in softening nationalist intentions as such cooperation is fully allowed and agreed without the control of a national authority. Subsequently, programmes such as these, as well as many others including a number of countries (in particular the North Sea cooperation between the countries sharing the sea or the SUN - Sustainable Urban Neighbourhoods initiative, which has an objective to increase the buildings energy efficiency, environmental quality, green infrastructures in the regions of Germany, the Netherlands and Belgium) are a testimony for fruitful activities, not requiring higher national consensus.

**7.4. Regional political cooperation**

Continuing from the previous chapter, here, we will mention examples of regional cooperation without EU’s involvement. This would serve us to determine better how Flanders solely on itself regards the cooperation with certain countries (close or not) and why.

The Government of Flanders has a network of approximately 120 representatives abroad.

For 2010, it involves:

* “11 Representatives of the Flemish Government (RFG);
* diplomatic representatives for general-political interests;
* 88 foreign posts of Flanders Investment and Trade (FIT), 67 of which are FIT offices and 21 are cooperation with AWEX and/or BXL Export;
* 57 Flemish Economic Representatives (FER) and 5 technological attachés, among many others, work in these foreign posts;

[...]

* 3 offices of the Flanders International Cooperation Agency (FICA);

Furthermore, the Government of Flanders has the Flemish cultural centre ‘De BrakkeGrond’ in Amsterdam, and the ‘Flanders Centre’ in Osaka”.

(International network of Representatives of the Flemish Government, Flemish Government Official Website)

It is noticeable that Flanders has opted to involve culturally with the Netherlands and Japan, without any other centre in the neighbouring countries. This could signify two reasons – politically, Flanders has chosen to deepen the cooperation with the Netherlands on all levels (not only in regards to EU programmes). The second point is that the Flemish government is pointing out to tourists and investors from the Far East willing to come in Flanders. Although there are diplomatic representatives and attachés, the importance of setting a cultural centre testifies for intentions scoping beyond the purely economical.

Another note that has to be stressed here is the overall political consensus in Flanders regarding with which countries the region should cooperate the most. Both the moderate nationalists and the centre-right parties agree on this platform that collaboration with the Netherlands is the most beneficial for Flanders, followed by joint projects with other countries from the North Sea basin.

This is another advantage of a decentralised structure with autonomous status of the regions. The regions of Belgium have the possibility to determine, on domestic competences, their policy abroad. This reflects well on both the political cooperation, as well as with cooperation based on joint programmes, funded by the EU or other sources.

Even the fact that there are diplomatic representatives, capable of bargaining for trade agreements (which Flanders has done with a number of other countries), is an intergovernmentalist element, usually applying only on recognised states. Furthermore, having such possibility increases the powers of the region to forge its own policies without practically decomposing Belgium or causing political instability.

**7.5 EU – Flanders political relations**

How is EU engaging with Flanders politically and why? From the previous chapter we saw the regional political cooperation inspired from Flanders itself. To supplement, in this chapter we will focus on the EU – Flemish political relations and their reflection upon both EU and the region.

Of course, the reflection of these relations will be noted in regards to the Regional Policy. The effects of the political bargaining (as defined by Moravcsik) needs to be emphasised and analysed since the region has to be defined politically as pro, anti or in between for its support towards the common European project. Although we analysed many programmes which are pointing us towards the direction that the benefits from the EU are well welcomed in Flanders, we need to conclude if the political agenda is also set around the Union.

At first, we will state a historical fact regarding the regional policy of the Flemish government in lieu with the Regional Policy. From 1980, a regional political consensus was agreed that the focus on the regional development will be innovation and support for SMEs. As we saw earlier, this reflected upon the priorities and the objectives set in both the programmes, co-funded by the EU’s Regional Policy and the ones initiated on only regional terms.

Moreover, the current framework plan and the “Innovation Union” initiative have many similarities. Though both programmes originate from different sources, their similar premises emphasise that there is an indirect mutual agreement between what Flanders have chosen as a development path and what the EU has set as its agenda in the current (and most likely for the next) framework.

Nevertheless, here is important to mention again the political power in Flanders which has risen to win the federal and regional elections – New Flemish Alliance (N-VA). As we stated in one of the previous chapters, the party is pro-separatism, yet is a moderate expression of the ultra-right party, isolated from the others.

N-VA is represented in the European Parliament and is always active on various topics related to EU and the global world. In many aspects, N-VA has followed a moderate tone regarding the EU and, if confronting, has always done it in an argumentative manner. Contrary to other parties which are situated in the radical right wing from other countries (such as UK), the rhetoric is not anti-EU and is positive for the benefits coming from the EU’s tools of aid.

For instance, the party has acknowledged the importance of the agricultural policy and the regional policy on its communiqués, referring only to details which can be improved. As an example, such article from 16 February 2012 states that EU aid for the families working in the agricultural sector must be de-blocked and supports the decision of the Council of the European Union in advancing this process after blocking it for two years.

In this example also, the biggest party in Flanders has advised that there is need for structural reforms in order to avoid such actions affecting many people. Another, even more evident example of how N-VA looks at European integration is the fact that the party declared its desires in front of the federal government and the EU that the continuous reluctance to accept the workforce coming from the new member states (Bulgaria and Romania) is not beneficial for Belgium (15 December 2011, Actualities, N-VA) *(translated from French).*

This statement of the party is in accordance with what the European Commission has been stating for many years and pleaded for open market for all. What this statement further tells us is that the N-VA is clearly having a European outlook, something which radical right-wing parties do not usually possess. Such declarations are looked well in the EU, especially considering the region’s situation and how it is viewed as a separatist. An open approach towards the labour force from the new member states is more liberalist than many of old, centralised countries such as France.

As a counter-point, we can stress that the European institutions are not seeing the language situation in Belgium as compliant to EU standards. “The European Court of Justice has handed down a judgement against the Belgian Flemish community for infringing EU freedom of movement by only drafting workers’ contracts in Dutch. Under the Flemish law on the use of languages, workers must complete their employment contract in Dutch. Non-compliance results in a cancellation of the contract, even if the worker comes from abroad. The Belgian court asked the ECJ to determine if the Flemish law infringed the freedom of movement of workers within the European Union” (EurActiv, April 2013).

Nevertheless, such actions are not as serious as many other breeches done from other countries. Flanders as a whole respects greatly the EU law and there are no severe occasions of breeches through the years.

This respect towards EU is also testified from the leader of N-VA in his speech following the won elections. His statement is particularly interesting in how he views EU and the process of EU integration. In an article of EurActiv (10 November 2011) he is quoted to say:

“The stronger Europe becomes, the less important nation states become, Flemish separatist leader Bart de Wever said at the European Parliament yesterday (9 November). He said his own country, Belgium, is doomed. De Wever, leader of the New Flemish Alliance (N-VA) party that became the biggest political force after the June 2010 elections, pleaded for further transfer of power to "nations" such as Flanders from the "old states" like Belgium. However, he indicated that the declining power of traditional states was "a gradual process, not a revolution". (EurActiv, November 2011)

“The statements were made at a conference of independence movements from across the EU. It was organised in the European Parliament by the Green/European Free Alliance group.”

“No to the 'old states', yes to EU”

“Like the other speakers, De Wever spoke positively about the EU. He said that thanks to the Union, the traditional states had lost the monopoly of sovereignty, were headed for a common foreign policy, and in many cases ditched their national currency for the euro."N-VA is a pro-European Party, we believe in subsidiarity" De Wever said“ (ibid.)

What De Wever states with this speech is that he views EU in a similar way with Haas that the states transfer (lose) their sovereignty in favour of expert supranational lead which is beneficial for the regions (the “nations”, new compared to the “old states”) as the subsidiarity principle reflects positively on the smaller states (regions).

Further, we would add that this also supplements the statement in our theory that decentralised states are more prepared to gain from EU integration than centralised states. Although the N-VA state that Belgium “is doomed”, it is the federal structure of the state that allows Flanders to fully benefit from the EU’s instruments and establish connections with other regional and international partners.

To sum up, the pro-European attitude and orientation of the leading party N-VA (the other significant parties as well) has paved the way for good communication between the EU and the Flemish politicians, resulting in good cooperation as we examined in the previous chapters. The radical elements in the so-called “separatist” party are not affecting the EU agenda and are not opposing different races or ethnicities as many other radical and separatist parties around the world tend to do.

Therefore, although the rhetoric against Belgium as a state is often times strong, the oversight towards the EU is predominantly positive and the long-term strategy is to deepen the cooperation and integration without causing raptures. This is evidenced by the aforementioned statement of the leader of N-VA that the declining power of the states is “a gradual process, not a revolution" and this gradual process, in fact, is towards more common European policies, such as the foreign one.

**7.8 Flanders vis-a-vis Transylvania**

**7.8.1 Overview of the Regional Policy’s effects**

As pointed out earlier in the thesis, we will compare Flanders with another region with historical identity different from its current country – Transylvania. This region has been part of Hungary since the 11th century but after the disintegration of the Austro-Hungarian Empire, after the First World War Romania united with the region. Transylvania is composed of a Hungarian minority, demanding additional rights. Numerous confrontations followed between Hungary and Romania because of the region since the latter has not given any autonomous rights to the region inhabited with many Hungarians.

Now, Romania and Hungary are both members in the European Union and in NATO, making it harder to believe that they would confront each other (through declarations or otherwise) again on the subject of Transylvania’s territory and status. Nonetheless, on 7 February 2013, the Undersecretary of State in the Hungarian Ministry of Foreign Affairs, Zsolt Nemeth declared at the Kossuth Radio Station that “Hungary would take ‘diplomatic measures’ against Romania because the state banned a flag raised in the border region” (as quoted by Elena Dragomir, Balkanalysis.com, 2013).

Transylvania, as it is the whole country of Romania, is under the Convergence objective of the EU’s Regional Policy and, as such, it is benefitting from the approved operational programmes for the entire country such as Environment, Increase of Economic Competitiveness and others. The authority which communicates with the European Commission is the central one. More precisely, the ministries related to the operational programmes are in charge of guiding the programmes in achieving their goals.

Because that the whole country is part of one single objective makes it hard to determine what would be the EU’s Regional Policy approach if the region was under a different objective. Nevertheless, since Romania is a heavily centralised state, the region itself has no significant rights to raise their voice in favour of certain projects or programmes.

In the following sub-chapters we will go through the advantages and the disadvantages of the Flemish model of governance in relation to the usage of the EU’s regional funds and the cooperation inspired from them.

**7.8.2. Advantages**

Giving autonomy to Transylvania may result in better governance of EU’s Regional Policy funds benefitting the region. As we saw with Flanders, the advantage of having the right to govern your own funds and determine your own programmes has been greatly valued in the region.

The overall approach of the EU’s instruments, even for a country which is fully under the Convergence objective, is to ameliorate the regional development by providing the necessary tools as direct as possible. This is where the federal structures are mostly profiting when speaking about such cooperation. Centralised states have more difficulties in meeting the regional needs as they do watch from a higher tower, more distant from the regional topics.

This is particularly true for regions with tensions for autonomy such as Transylvania with its Hungarian minority. Having independent power to determine your own programmes has benefitted Flanders and allowed it to have a different focus, prioritising its innovation and entrepreneurship sectors.

In a centralised state, this action is not possible and, therefore, we consider a definite advantage for Flanders that this autonomy is granted. Transylvania, on the other hand, has to follow the operational programmes for the whole country fully and as intended.

What this can tell us is that the EU’s Regional Policy impact has no strong impact on such regions as Transylvania because of the lack of direct communication between them. Therefore, although EU is viewed in a positive manner in Romania (and Transylvania), when the country reaches the Competitiveness objective, it will be harder for the region to create its own programmes and follow them through with its own capacity.

**7.8.3. Disadvantages**

The main issue coming from the decentralised model in dealing with EU’s funds is the fact that there is a need for high-qualified administrative capacity which can aid in allocating the resources. Flanders, as a developed region and with many organisations from all sectors (as we saw earlier) has the needed capacity. However, not the same can be applied for all regions in Europe, especially for the ones in the new member states.

Transylvania suffers from the same issue as the member states – there is a significant lack of administration and other organisations, capable of handling and channelling the possibilities for EU support. Hence why, a lot of times, there are many resources left unallocated and not used on projects.

That is a significant disadvantage for this model, even if the region desires certain autonomy. The EU’s regional instruments require significant involvement from the administration and from the people alike. As Eastern Europe faces both demographic downtrend and a lack of qualified workforce, this issue can augment in time and be a cause for many missed opportunities to take advantage of EU’s aid.

All in all, this small comparative analysis stressed the details that we need to take into account when we examine such regions. The national environment in which they are situated is not alike across the continent. Therefore, although we found out that Flanders has managed to mostly benefit from its cooperation with the EU, the various other elements that need to be taken into account could make the situation different for other regions such as Transylvania. In particular, the political structure, the administrative capacity and the objective area are the most important elements.

**7.7 Evaluation of the Regional Policy’s impact in Flanders**

In this chapter, we will do a final evaluation of the impact of the Regional Policy in Flanders. For this purpose, we will rely on the European Commission’s data, monitoring the region and its activities in the sphere. The documents we will use are Belgium’s “*Expert Evaluation Network Delivering Policy Analysis on the Performance of Cohesion Policy 2007-2013*” and the respective “*Task 1: Policy Paper on Innovation*” and “*Task 2: Country Report on Achievements on Cohesion Policy*”. Both papers were drafted by Lydia Greunz (2010).

The EC concludes that overall, in Belgium the role of the EU’s instruments is positive. Nevertheless, it is stated that “a major weakness of the innovation system in Belgium is its fragmentation and the lack of interregional cooperation which limits spill-over effects and economies of scale. Although politicians insist on the need to increase cooperation, each region has its own poles of competitiveness policy focusing broadly on the same sectors.” (“*Expert Evaluation Network Delivering Policy Analysis on the Performance of Cohesion Policy 2007-2013*”, “*Task 1: Policy Paper on Innovation*”, European Commission)

This is another evidence, coming this time from the EC, of what we have also analysed in the thesis. The defragmentation of Belgium has a positive side in Flanders in the fact that it allows to cooperate inter-regionally and develop its own policies and programmes. Yet, this cooperation is strongly in favour of Flanders – Netherlands rather than in Belgium itself. This is not caused by the EU’s Regional Policy but it is a reflection of the cultural differences facing the regions in the country.

The EC also evaluates that The Flemish Innovation Cooperation Network programme (VIS) run by the Institute for the Promotion of Innovation by Science and Technology in Flanders (IWT, which we analysed earlier) is well designed to answer the specific technological support needs of intermediaries and their company-clients.

“Around 63 % of the companies in the sample reported that the services provided strongly fit their needs” (ibid., p.12).

Thus the innovation field, set as priority in Flanders, has been evaluated with positive outlook and beneficial status.

“The allocation of ERDF resources to innovation policy represents over a third of the total funding received though the share varies between types of region (including Flanders). In Competitiveness and Employment regions, the share allocated to innovation policy is around 40%” (ibid.)

Further attestation of the useful support for the region is provided from the numerical data in the same report. According to it:

* “Around 40 % of the projects would not have taken place if they had not received support and only10% of projects would have taken place with the same budget.
* A large majority (70 %) of companies carried out R&D and innovation projects more regularly after they received support for the first time, indicating that government funding led to increased private funding10.
* Some 70% of the product innovation oriented projects and 60% of the process innovation oriented projects led to the introduction of new or improved products or processes, the success rate being higher in supported than in non-supported companies.
* Although support enabled companies to acquire new knowledge, the impact on management capabilities, networking skills and the skills of the work force more generally was low.”

(ibid. p.13)

The percentages of the supported companies are high enough to evaluate that, indeed, the programmes have been well received by the Flemish population and SMEs as we stated earlier. Henceforth, a continuous pro-EU active population would result in pro-EU political orientation as N-VA and other parties stand for. Such chain of effects could well evoke a long-lasting attitude towards EU integration and soften nationalist intentions as EU’s influence grows.

However, we must bear in mind that the numbers are not always representing actual impact.

“Many of the approved projects had been approved but not yet been implemented but there is no clear distinction between these and those implemented. Information on tangible outcomes of interventions is not provided” (“*Expert Evaluation Network Delivering Policy Analysis on the Performance of Cohesion Policy 2007-2013*”,“*Task 2: Country Report on Achievements on Cohesion Policy*”, p. 20, European Commission).

All in all, the European Commission has stressed the similar advantages and disadvantages of the impact of the Regional Policy in Flanders. It evaluated its positive influence and pro-activity in terms of projects and programmes initiated. The weaknesses that were pointed out, though they must be taken into account, are not strongly significant in the overall picture in the positive cooperation between the region and the EU. A testimony for that is not only the EC’s evaluation but the pro-EU stance of the biggest nationalist party in Flanders, advocating for even more Europe.

**8. Conclusion**

At the end of our thesis, we will emphasise on the results achieved and the perspectives for further research in the matter of the axis Regional Policy – separatism. The Flemish case and the subsequent comparison of its model with Transylvania has delivered important knowledge in how different the Regional Policy’s effects can be when there are different circumstances in two regions, both sharing separatist or autonomy intentions towards the national state.

First, Flanders, as part of the Competitiveness objective of the Regional Policy has the opportunity to benefit only from 1/5th of the total resources of the policy, determined by the EU. Nevertheless, the region has chosen as its action plan to focus on innovation and entrepreneurship and further develop its economy in increasing employment in innovative areas and industries.

Important to note is that the thesis has shown how important the decentralised model can be when operating with EU’s structural and regional funds. The fact that Flanders, although not a state, has the full power to control and allocate these resources is of great advantage and the high percentage of projects approved has confirmed so.

Additionally, the high involvement in EU funded programmes and projects has boosted interregional cooperation and created a sense of integration into a bigger European family for Flanders, again, without being a state.

This has reflected politically and almost all parties in Flanders are pro-EU. The biggest party for the present moment – N-VA, has made many positive statements towards the EU and even acknowledged that EU’s integration process is beneficial for the regions such as Flanders. As analysed, this is an important asset as nationalist parties tend to disregard higher authorities and desire full independence. Although N-VA regards Belgium as a state which will not continue to exist for long, the fact that even after a political crisis, lasting for the record 529 days, the state has survived and is still a full member of the EU.

This has to be stressed, since we posed it in our problem formulation as well. The rhetoric that “Belgium is doomed” has not turned into a reality even after this crisis proves that Flanders, as a region *situated* in the EU, benefits significantly and does not want to risk separation and a new process for accession.

Here, the autonomy to govern its own funds, both regional and EU, has surely played a role in preserving the state intact. This influence was *indirect* and not inspired from the fact that Flanders has any political tensions with Wallonia. Although the European Commission acknowledged the fact that the political situation in Belgium is tense because of many reasons (such as language bias or economic differences), the institution states this as a general weakness when speaking about regional cooperation in between the Belgian regions.

The comparison between Flanders and Transylvania, however, has shown that the model is not evenly applicable throughout Europe. The differences in the objectives and the political structure of the state play an important role in determining how the region in question can benefit from the Regional Policy. Therefore, although the policy’s effects are overall good in both cases, the different local environment and political settings can prevent the region from benefitting from the funds on its own.

The spill-over effect in Europe has indeed created opportunities for expert functions and aid towards the individual regions. The support is agreed both from the supranational institutions and the intergovernmental ones thus representing a broad European commitment. It can be viewed as a cycle – the national states which once were developing policies for the regions in the country, have now partially transferred these functions to supranational institutions which, in turn, are co-financing and aiding the regions to develop in various areas.

In the future, this process can increase. Separatist regions will therefore be able to benefit from the EU more and more, without the need to have a status of a member state. The regional development and principles of the EU are indeed providing the necessary conditions for less tension in such regions.

Nevertheless, we must not forget that this support is indirect and not politically driven. Although this has its advantages as we stressed during the analysis, we must not forget that the engine behind most of the separatist movements is political. Although the population is more and more involved in cooperating with the EU in one form or another, this desire might never be fully softened. The danger of having to go through the whole procedure to apply as a candidate country for the EU could be taken if the desire to be independent prevails.

In our case, politically speaking, this possibility is not highly feasible but there are other regions in Europe which might experience such desires (Scotland for example). The EU’s perspective is to keep and increase its regional development processes in order to continue strengthening the cooperation between the individuals and the companies of the whole Union. The new framework that is being developed is set to continue the trend to aid regions on direct terms but with slightly focus on the poorer regions. This may not reflect influentially on Flanders, for instance, as during its current plan, the resources are well-utilised and sufficient for its programmes. Many of the other developed regions also utilise the lesser share for them in a flexible manner.

Proof that cooperation can be fruitful for separatism and conflict in general is the history behind the EU itself. The economic cooperation between France and Germany brought peace on the continent for more than half a century and continues to flourish. If such cooperation between the two continental powers “cured” the conflicts of war and removed all territory appeals, then the Regional Policy as an instrument promoting such cooperation can be also viewed as a cure for these lesser regional conflicts and separatist movements. For the present being, we can conclude that the Regional Policy could be considered more as a correct way of “treatment” rather than the proven “cure” for separatism.

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