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From Regional Policy Communities  
to European Networks  
Inter-regional Divergence in the Implementation  
of EC Regional Policy in France

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## FROM REGIONAL POLICY COMMUNITIES TO EUROPEAN NETWORKS<sup>1</sup>

The regional policy of the European Community has been studied recently by political scientists from a number of methodological angles.<sup>2</sup> Intergovernmentalist scholars of European integration have pointed to it as the prime example of "side payments" and "package deals" in bargaining among EC member-states (George, 1991; Marks, 1992; Pollack, 1995). Students of public policy and "local government" have explored the interaction of the European programs with domestic policy processes within the various member-states (Anderson, 1990; Balme and Jouve, 1993). In each case, the unit of analysis and eventually of comparison has been either the Community as a whole or the member states that comprise it.

This methodological choice has had a significant impact on the way this policy has generally been perceived, as well as on conclusions regarding its effectiveness. The principal debate in the academic literature on this topic has centered on the impact of developments in EC regional policy on the member states. Are these being "bypassed," "eroded" ... or perhaps strengthened by the Community's efforts in the field of territorial development? This question is of obvious interest but it is not, we shall suggest, the only one that could be asked.

To frame the problem in these terms rules out from the start the possibility that the sub-national level might present a significant pattern of variation, making regions rather than states the appropriate unit of analysis and

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<sup>1</sup> This paper was written during my tenure as a visiting researcher at the Robert Schuman Centre of the European University Institute in the fall of 1994. The research on which it is based was made possible by the financial support of the French Government's Chateaubriand Fellowship and of Harvard University's Program for the Study of Germany and Europe. I wish to express my thanks to all these, as well as to the European Community, national, and sub-national officials who agreed to be interviewed anonymously for this project. For their invaluable assistance at the outset of this project, I also wish to thank the Observatoire Inter-Régional de Politique in Paris and the EC's Mission d'Appui aux Programmes Communautaires in Montpellier. A preliminary version of the paper was presented to the workshop on "Governing Europe" hosted by Harvard University's Minda de Gunzburg Center for European Studies in December 1994.

<sup>2</sup> Throughout this essay, the term "European Community" is preferred to "European Union" for two reasons. Since the bulk of the events described took place prior to the ratification of the Treaty on European Union, the more recent term would, in most cases, be anachronistic. Even in the case of developments subsequent to the Maastricht Treaty, we are concerned only with the EC "pillar" of the Union. The older term thus remains appropriate.



comparison. Nor is this choice an unconscious one. It reflects a broad consensus among academic observers of the European Community's regional policies that the national dimension is the only one that matters. In a recent paper by Keating and Hooghe, we find a particularly clear and forceful but not, I would argue, unrepresentative statement of this consensus. Referring to EC regional policy in general, they state:

A policy process that is so strongly organized around the member state is unlikely to be a strong vehicle for regional or inter-regional mobilization. ... it is not surprising that institutional responses to EC cohesion policy have differed from one member state to another (Keating and Hooghe, 1994: 16).

In the context of France, Balme and Jouve especially have shown that among the juridical "winners" of the EC regional policy process, in terms of control over both financial and regulatory aspects of its implementation, is to be found the field administration of the national state rather than local or regional elected officials.

It is not our purpose in the present essay to deny the validity of these observations. There is no doubt that institutional responses to EC cohesion policy have indeed differed from one member state to another, and that elements of national state administrations have played a key role in their implementation. The purpose of this article is to investigate more closely the implicit contention that this is the only significant and systematic pattern of variation as well as at the explicit assertion that EC regional policy initiatives have not been strong vehicles for regional mobilization.

Its immediate topic is narrowly defined: the experience of three French regions in implementing a limited number of EC programs over a period of a decade. Its method, however, is self-consciously comparative and its intent is to suggest broader conclusions or, at the very least, point toward establishing the basis for more general hypotheses.

The approach taken here differs from most work on EC regional policy in another way. This is not an "evaluation" of the impact of European programs on regional economies. Reversing the usual causal chain, we seek to assess the impact of pre-existing regional political and administrative conditions on the implementation of European programs. This choice holds several implications. In the first place, our observations concern the institutional outputs of the policy process rather than its concrete economic outcomes. Moreover, Community programs are considered not as a source of change but as an indicator of



underlying and pre-existing conditions.<sup>3</sup> In practical terms, our principal objective is discover not how regional policy-making or economic performance has changed as a result of participation in European programs, but rather whether, and if so how and why, a given program has generated a different pattern of outputs in different regions.

Our starting point is the hypothesis that conditions at the regional level do play a role in the implementation of regional policy. This hypothesis is investigated in France, *a priori* an unlikely case in light of that country's reputation for centralization. While variation in "institutional performance" among Italian regions, for example, is well established both with respect to EC programs and more generally, the French system of territorial government and (especially) administration, is generally considered to guarantee a high level of uniformity.<sup>4</sup> A finding of inter-regional variation even in France, thus, should be considered strong evidence for the significance of conditions at the sub-national level.

Following this introduction, this essay will proceed in three sections. The first sets the scene, providing a general description of the EC programs in question and of their application to France. This discussion leads to the conclusion that member states in general have been undeniably successful in maintaining control over the redistributive aspects of regional policy and that the French state in particular has sought explicitly to maintain (or re-assert) control over its regulatory aspects.

The second section explores whether or not the French national government has in fact succeeded in its attempt to maintain control, by examining program implementation in two regions, Provence-Alpes-Côte d'Azur and Bretagne. We find that significant variation in implementation conditions exists between these two regions and that this variation has an impact both on the extent of "regional mobilization" and on the distribution of decision-making power among the various national and sub-national participants in the policy-making process. A central finding of the case studies is that not only the behavior of local elected officials but also that of national field administration varies from one region to another. Through these findings considerable doubt is cast on the implicit "null hypothesis" of national uniformity.

The essay's final section explores the causes of this observed diversity of outcomes. A third regional case, that of Languedoc-Rousillon is introduced with a view to selecting among rival explanatory hypotheses. Taking the findings of

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<sup>3</sup> This by no means implies that no such change occurred, only that it is not the principal focus of this particular essay.

<sup>4</sup> For the Italian case in general, see Leonardi *et al.* (1985) : With particular respect to EC regional policy, see CEC (1992), Leonardi, (1993).



this third case into account, we conclude that the presence or absence of regional-level policy communities for territorial development prior to the inception of European Community regional policy is the principal factor determining variation in observed outcomes, and as such should be considered as the chief "independent variable" of this study.

## Section 1: French Regions and the Structural Funds

The implementation of EC regional policy in France was, of course, part of a larger Community-wide process. Before going on to the details of implementation, it is necessary to know something of this larger process and its expected results.

### The Evolution of Community Regional Policy

The regional policy of the European Community as it came to exist in the 1980s was the result of the interaction of several very different aspects of Community policy making, which can be traced individually to the earliest years of European integration. In the first place were repeated political commitments by the member states to combat disparities in levels of economic development within the Community at the national but also at the sub-national level.<sup>5</sup> These rhetorical positions were taken up by the various policy-making units within the Commission which turned out a constant stream of proposals for Community regional policies from the mid-1960s onward.<sup>6</sup> A final, and ultimately decisive,

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<sup>5</sup> Such commitments can be traced back to proposals made at the 1956 Messina Conference for an "investment fund" whose purpose, among others, would have been to contribute to the development of least favored regions. Echoes of this sentiment are found in the preamble and Article 2 of the Treaty of Rome. The need for a Community regional policy was recognized explicitly by the member states in the 1971 resolution on monetary union and reaffirmed at the 1972 Paris summit (Currall, 1988). Although they did not lead to immediate concrete results, the importance of such "rhetorical" pronouncements as justifications for later action should not be discounted. On this topic more generally, see Cram, (1994).

<sup>6</sup> The need for a common regional policy was evoked in the Commission's first report on its activities in 1958 and discussed at conferences organized by it in 1961 and 1965. Concrete proposals followed formation of Commission working groups in 1964 [SEC (65) 1170] and, in the form of a draft Council regulation, the creation by the Commission of Directorate-General 16 in 1968 [O.J. C-152 28-11, 1969]. The 1970s saw the publication of the 1970 "Werner Report," which pointed to the likely regional consequences of economic and monetary union and, most importantly, the so-called Thompson Report, *Regional Problems of the Enlarged Community* [COM (73) 550].



factor was the need to engage repeatedly in redistributive budgetary transfers among the member states as part of larger "package deals."<sup>7</sup>

Each of these was a necessary condition for the emergence of regional policy, and each bears within it a partial explanation for the nature of that policy as it exists in the 1990s. Issue-linking "side payments," in general, explain the existence and timing of budgetary decisions, while longstanding rhetorical commitment to the idea of "cohesion" or "balanced growth" gave redistributive measures in the form of regional development policies a legitimacy they would not have had they consisted purely of financial transfers. The Commission's internal process of policy generation, finally, provided the guiding principles and many of the practical details of the final policies.

The principal instruments of Community regional policy are the so-called structural funds: the European Social Fund (ESF), the Guidance section of the European Agricultural Guidance and Guarantee Fund (EAGGF) and the European Regional Development Fund (ERDF). Although regional policy in general is decided by the Council and coordinated by the Commission as a whole, management of the three funds is the province of separate directorates general -- respectively DGs 5, 6, and 16.<sup>8</sup>

In the 1970s and early 1980s, the redistributive component of this policy mix was predominant; the European Regional Development Fund was a thinly disguised intergovernmental budgetary transfer.<sup>9</sup> In the mid-1980s, however, the Commission succeeded in winning Council approval for a number of reforms which it had long sought. This turnaround was made possible by the coming together of a political program put forward by the Commission and its President and a new conjunction of interests among the member states that made its

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<sup>7</sup> "Package deals" of this sort were made notably in connection with decisions on enlargement or on closer economic and monetary coordination. See S. George (1991) pp. 192-198; Marks, (1992); Pollack, (1995).

<sup>8</sup> Each of the so-called structural funds was, in its own way, intended to aid the transformation of production structures directly, rather than acting as a price-support mechanism. Two of the funds have their juridical roots in the Treaty of Rome. The ESF, whose mission is to encourage employment through worker training and mobility, is a generalization of programs pioneered by the European Coal and Steel Community. The Guidance section of the EAGGF was created as a minor adjunct of the Common Agricultural Policy to encourage the modernization of agricultural production and marketing techniques. Both of these funds remained closely tied to their sectoral origins both within the Commission's bureaucracy and in their national implementation networks. The ERDF was created in 1975 and not formally included in the EC treaty until the 1985 Single Act.

<sup>9</sup>Wallace, (1977) ; Mény, (1982) ; Mawson *et al.*, (1985).



adoption possible.<sup>10</sup> The first large-scale example of the "new" regional policy was the Integrated Mediterranean Program, approved by the Council in July 1985. This was followed in 1988 by a general reform of the Community's regional policy.<sup>11</sup>

The redistributive element that had marked earlier regional policy was not absent from these initiatives. As before, their adoption was part of a larger budgetary "package deal" among the member states.<sup>12</sup> Also largely under the control of member states was the internal redistribution of funds. Within the technical guidelines set by the regulation, the share-out of money among recipient states and among eligible regions within those states was controlled by national governments -- or was at most the object of negotiation between these and the Commission. Sub-national actors had little if any role to play.

There was more at stake than redistribution of funds, however. Both the 1985 IMP regulation and the 1988 reform of the structural funds included significant regulatory provisions: they sought to indicate not only how much money would be spent where, but also how and on what it would be spent.

These regulatory innovations can be summarized in terms of four principles.<sup>13</sup> Two of these concerned essentially the relation between the Commission and the member states: EC policy was to be additional with respect to the territorial policy of the member-states, not a replacement for it. The effort was to be concentrated geographically in those areas where the need was greatest. Of more particular interest to the issue at hand: the policy was to consist of multi-year integrated programs, rather than a collection of unrelated projects, and it was to be designed and implemented in partnership with sub-national authorities. The implementation of these latter two principles is the

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<sup>10</sup>For the role of the member states, Pollack, (1995). For the evolution of the Commission's program, Smith and Smyrl, (1995); Smyrl (1995).

<sup>11</sup> The IMP was preceded by a number of smaller-scale pilot projects, several of which are mentioned in the narrative that follows. On the 1988 reform, see Lowe (1988).

<sup>12</sup> Adoption of the IMP was a direct result of the threat on the part of the Greek government to veto Spanish and Portuguese accession if its financial demands were not met. The budgetary aspects of the 1988 regulation can largely be explained by the necessity of "selling" various provisions of the Single Act to the peripheral member-states as a whole (Marks: 1992).

<sup>13</sup> For examples of the Commission view of these principles see : *Procedures and Content for the Implementation of an Integrated Approach -- information note to the Council* Com (86) 401 final/2 : *Making a Success of the Single Act: A New Frontier for Europe*, Com (87) 100 ; *Reform of the Structural Funds* Com (87) 376 ; *Community Structural Policies: Assessment and Outlook*, COM (92) 84.



focus of this essay. In the remainder of this section, we consider the contrasting expectations generated by this reform and the structure established by the French national government to implement it.

### Regional Empowerment or State Capture?

Taken together, the principles of programming and partnership have at times been interpreted as an attempt to by-pass the member states, but this is almost certainly an exaggeration. The Commission's actual purpose in asserting these principles was (at least) twofold (Smith and Smyrl, 1995).

In the first place, a number of the specialists in the Directorates General involved with the structural funds had, by the mid-1980s, become convinced that the ultimate goal of the Community's structural policy -- reducing regional imbalances or, as expressed in the Commission's own terminology, ensuring economic and social cohesion -- would be better assured by an approach that involved local decision makers more directly. These views had found limited expression as early as 1984 in Article 15 of that year's ERDF regulation, which was directed at the "internally-generated development of regions," as well, later in the decade, as in two pilot programs launched by DG-5, *Local Initiatives for Employment Creation* (ILE) and *Local Employment Development Actions* (LEDA). The general reform of the structural funds provided an opportunity to put these ideas into action on a much larger scale.

In addition, a consistent goal of the Commission -- explicit during the presidency of Jacques Delors but implicit previously -- was to carve out a more autonomous role for itself in the EC decision-making process. In a dialogue with only the member states, the Commission was bound to come out second best. Increasing the number of participants was one way to redress the balance. By employing both financial and juridical means to strengthen sub-national authorities in recipient states *vis-a-vis* their respective national governments, the Commission in the 1980s sought to improve its own bargaining position with the Council and member states more generally.

In principle, the "partnership" sought by the Commission was not restricted to regions, but was to include local officials as well as non-state actors such as labor unions or professional associations -- the so-called social partners. In practice, regions soon became the principal target.<sup>14</sup> The concrete

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<sup>14</sup> This limitation of partnership to the regional level was largely the result of the financial and geographic scope of programs after 1985. In the context of such a large program as the IMP, the Commission lacked the means to enter into close relationships with actors below the regional level. The normative value of this choice is still a topic of debate within the Commission. A number of the smaller "Community Initiative" programs have embraced a much more "localist" approach. For examples see A. Smith (1994) on the LEADER program



manifestation of "partnership" was to be the active and constructive participation of regional authorities in both planning and implementing integrated programs. Regions were to contribute to the identification and definition of development priorities as well as to the choice of the specific projects that would put these choices into effect -- tasks that, in France at least, had traditionally been carried out exclusively at the national level. In the words of one senior Commission official, the object of the exercise included "breaking monopolies such as that held by the DATAR."<sup>15</sup> EC regional policy, for its part, was to help provide the conditions for such regional participation where they did not already exist by transferring not only money but also juridical powers and technical assistance.

It is by no means certain, however, that any of these objectives were ever achieved. The continued role played by member-state governments in regulating the participation of sub-national units in the EC's regional development policy has led number of observers to characterize the states' role as "gate-keepers" standing between the regions and Brussels. According to this view, only those Commission proposals that happened to coincide with pre-established national-government priorities would be allowed to reach down to the regional level. Attempts by regional officials themselves to reach up to Brussels with a view to influencing Community policy-making in any way, meanwhile, would likewise be permitted passage only selectively.

Anderson (1992) goes farther suggesting that, far from "empowering" regions, the net effect of EC regional policy has been to increase the dependence of sub-national units *vis-a-vis* national states. This reasoning, which may seem counter-intuitive at first glance, is in accord with the more general conclusions concerning the impact of the EC on member states reached by scholars in the inter-governmentalist tradition.<sup>16</sup> For all of them, European policy -- even when it concerns regional development -- is first and foremost foreign policy and thus strengthens the role of the national executive. To the extent that control of a policy area is transferred from Paris to Brussels, the state benefits from the inter-governmental nature of the Community, in which only the national governments of member-states have legal standing. Even if this result does not take place immediately, moreover, states are ideally placed to adjust their tactics

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and P. McAleavey (1993) on the RECHAR program.

<sup>15</sup> The *Délégation à l'Aménagement du Territoire et à l'Action Régionale* (DATAR) is the agency of the French government responsible for ensuring the coordination of the government's various territorial development policies.

<sup>16</sup> The classic version of this thesis is Hoffmann, (1982). An updated version is found Moravcsik, (1993).



so as to come out ahead in the end. The great and insurmountable advantage of national governments is that they alone are present at every level and interact with every other "player."<sup>17</sup>

The more sophisticated versions of the inter-governmentalist model, such as that put forward by Moravcsik, include a role for national (and, by implication, sub-national) interests in influencing the preferences held and defended by national governments in their interactions with each other in Brussels. Even in this version, however, the shifting of a policy area from national to EC control results in a relative increase in the influence of the national executive at the expense of all other national actors or interests.

### Programming and Partnership in France

The institutional arrangements made by the French government for the negotiation and implementation of the new Community regional policy, and their evolution over time would seem to confirm the predictions of inter-governmentalist scholars. As the inter-governmentalist model would lead us to expect, France was represented in the process of crafting and bargaining over the successive regional policy reforms only by agents of the national executive. In the Committee of Permanent Representatives (COREPER) where the bulk of technical negotiations with the Commission were carried out, France was represented on this issue by an official of the *Délégation à l'Aménagement du Territoire et à l'Action Régionale* (DATAR).

From the outset, the French government sought to insure that the reformed regional policy of the EC would be implemented in the same way, and by the same actors, as the existing national system of territorial planning and development, centered on the *Contrats de Plan Etat-Région* (CPER). In principle at least, this meant that the process would be coordinated from Paris by the DATAR (which had already participated in crafting the policy in Brussels) and would be implemented locally by the agents of the state in the regions, the *préfecture de région*.<sup>18</sup> The role of local authorities would be first and foremost to provide partial financing for the exercise from their own budgets. Regional or local authorities might suggest priorities or projects, but the power of decision would remain firmly in the hands of the "representatives of the state" whose task would be to ensure the coherence of EC-funded efforts with pre-existing national policies and programs and, in general, to see to it that application of this, like

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<sup>17</sup> Marks (1992); Pollack (1995).

<sup>18</sup> In practice, primary administrative responsibility for EC regional programs was taken on within the prefectural organization by the *Secrétariat Général aux Affaires Régionales* (SGAR) under the authority of the regional *préfet*.



any other regulation, was uniform throughout France. The role of the French state as "gate-keeper" seemed secure.

Despite this, the first example of the EC's reformed regional policy, the Integrated Mediterranean Programs, did result in a significant juridical gain for French sub-national authorities. Elected regional councils participated in planning and implementation in partnership with the *préfecture de région*. The council president signed the official programming document along with the *préfet* and the Commission's representative. *Préfet* and president co-chaired the regional oversight committees.

With the generalization of the reform in 1988 to include all regional programs however, the ability of the national government to react was made manifest. The special role of the regional council disappeared and the *préfet* was left as the sole authority legally responsible for carrying out the programs. Sub-national governments were reduced formally to the role of subordinate co-finances -- and of these the regions were one among others. As analyzed by observers such as Balme and Jouve (1993) thus, one of the most significant impacts of the reformed structural funds in France, along with the resurgent role of the DATAR, was to increase the effective power of the regional *préfectures vis-a-vis* both sub-national elected authorities and the functional ministries.

*A priori*, the central role of the prefectural corps seemed to suggest that the implementation of regional development programs in France would take place under uniform conditions through the country. The traditional role of the *préfet*, after all, has usually been understood to be that of the representative of the central state in the provinces, where he was charged with maintaining coherence and seeing to it that national priorities were not submerged in a sea of local interests.

From interviews with two sources very close to events, however, came discordant observations that seemed to suggest a different story. Interviews with officials of the DATAR, in the first place, suggested that "power to the *préfectures*" might not be a recipe for cohesive territorial planning along nationally-determined guidelines.<sup>19</sup> Quite the reverse, the nature of the prefectural system, with its traditional emphasis on "keeping the peace" among competing local elites, seemed conducive to a politically-motivated dispersion rather than a rational concentration of financial effort. Only by determining -- and enforcing -- priorities and programs at a national level (an effort which these officials felt was largely being abandoned) would it be possible to keep

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<sup>19</sup> Interestingly, these same interviews suggested that the DATAR believed that such an empowerment of the regional *préfectures* had indeed taken place -- but was much more dubious about any enhancement of its own role.



enough distance from local political pressures to pursue the national interest -- as defined by the planners of the DATAR.

Meanwhile, European Commission officials directly responsible for program implementation consistently indicated that, even within France, significant variation existed in the implementation conditions they encountered. Beginning from these hints, this study set out to find whether regional variation did indeed exist in a systematic way, and whether it was of any significance for the institutional outputs that ultimately resulted.

## Section 2: Two Regions a World Apart

Within the French political tradition, the view of the centralizing state as guardian of the national interest co-exists closely with a view of France itself as a land of great internal variation. From Richelieu to De Gaulle, French statesmen have explicitly pointed to the "natural" cultural and political fragmentation of France as one of the principal reasons that unity and coherence must imposed from the center.

In this context, the two regions initially selected as case studies, Bretagne and Provence-Alpes-Côtes d'Azur (PACA) are generally considered to be about as different as it is possible for two French regions to be in terms of politics and society. They are respectively catholic and secular, corporatist and clientilistic, consensual and conflictual -- in the shorthand of French socio-political geography, one is "north" and the other "south."<sup>20</sup> This distinction is particularly striking in light of the fact that the two share significant objective characteristics: both are predominantly rural but contain a few long-established industrial centers as well as a highly developed tourism industry concentrated on the seacoast; both are "peripheral" with respect to Paris and maintain a strong sense of regional identity, or at the very least of distinctness with respect to the rest of France.<sup>21</sup>

With respect to the particular topic of this study, the two regions are frequently cited by knowledgeable observers as examples of implementation outcomes of EC regional policy -- the first as a model and the second as a

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<sup>20</sup> For a recent exploration of French socio-political geography, see Todd, (1988).

<sup>21</sup> The third region investigated in this essay, Languedoc-Rousillon, was selected based on preliminary findings in the first two cases because it combined interesting features of each. See Section 3, below.



problem.<sup>22</sup> In the evaluation reports prepared for the Commission, PACA is faulted for its failure to apply the principles of integrated territorial planning, persisting instead with a policy of multiplication of unrelated individual projects, often of ridiculously small size. This and other problems were attributed variously to the internal division of regional and sub-regional authorities, their weakness *vis-à-vis* sectoral interests, especially organized agriculture, and to the "lack of interest" in European issues on the part of regional leaders.

Bretagne, on the other hand, is almost universally praised for the effectiveness of its planning process and its tactical adroitness in dealing with both Paris and Brussels. Interestingly, the region was cited by a former official of the DATAR as one of the few that had picked up the slack in the planning process created by the decision (mistaken, in her view) of the national level to distance itself.

To see what, if anything, lay behind this contrast in reputation, it was necessary to look more closely at the concrete experience of the two regions.<sup>23</sup> Over the course of interviews with regional officials and the analysis of various reports and planning documents, two aspects of implementation emerged as being of particular interest. With respect to the organization of information flows and to the construction of financial decision and control structures, concrete and significant differences between the regions could be observed.

## Financial Mechanisms

Among the most telling indicators of regional differentiation were the structures and operational procedures established in PACA and Bretagne for financial decision-making and oversight. These functions are at the heart of the regional role in Community programs; to choose projects within the guidelines provided by the Operational Program, and to monitor the progress of projects once approved is both the legal responsibility of various regional actors and a central source of their influence -- at least potentially. These structures are thus

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<sup>22</sup> These generalizations are based largely on information gathered in interviews with officials of DG-16 in Brussels, of the DATAR in Brussels and Paris, and (for PACA) of the EC's "Mission d'Appui aux Programmes Communautaires" in Montpellier.

<sup>23</sup> This study concerns implementation of only a portion of the Community's programs. In PACA, we look at the experience of the Integrated Mediterranean Program which lasted from 1987 to 1993 and of Objective 5b (rural development) of the reformed structural funds since 1988. Objective 5b is the principal focus of study in Bretagne, along with an "integrated development operation" which preceded it and was roughly contemporaneous to the IMP. In France, operations under Objective 5b are universally known as *Programmes de Développement en Zones Rurales* (PDZR).



worth examining in some detail.

**Ex ante structures: coordination of financing** -- A direct result of the multiplication of sub-national political and administrative authorities in France has been the practice known as *financements croisés*, (literally, "cross-payments") the funding of a given project or activity from several (sometimes as many as four or five) different sources. It is not unusual for a relatively small project to receive subsidy, directly or indirectly, from the national government, the region, the *département*, the municipality, and one or more private sources. One obvious risk of Community programs was that they would add yet another layer of complication to an already overly-complex system.

In PACA, this is exactly what has occurred. Actors interviewed at both the regional and departmental level agreed that the general practice was for all funding agencies to keep full control of their money throughout the programming and implementation processes. The institutionalized coordination of the various contributors, moreover was weak. In the case of the IMP, no formal coordinating structure existed at all, beyond the *de facto* role of secretariat played by the SGAR. It was up to the applicants to apply for funding from whatever sources they were able to find. Funding decisions were made by the various regional and infra-regional actors on the basis of at best partial information concerning what other funding would be available for the project in question. After the fund reform of 1988, "programming committees" made up of the principal financiers of development projects were established for Objective 5b -- the so-called PDZR -- in each of the two *départements* concerned.<sup>24</sup> The role of these committees, however, was described by participants as largely informational; the power to select projects and commit funds was in no way delegated to them, but rather kept firmly in the hands of the various political and administrative authorities.

The result of this system was, in the first place, a multiplication of vetoes. Participants interviewed agreed that it was usually very difficult to replace funding from one source by another; the defection of even one of the funding sources solicited could spell the doom of a project. Perhaps more serious, however, was the impact of these practices on those projects retained for funding. The delays and associated administrative costs involved in waiting for four or five checks from as many different sources, spread out in time according to the vagaries of as many different budgeting and accounting cycles, have

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<sup>24</sup> Whereas the entire region with the exception of a few urban areas had been eligible for funding from the IMP, money for the PDZR was restricted to two of the region's six *départements*: Hautes Alpes and Alpes de Haute Provence. This situation was the result of the Commission's desire for a greater concentration of Community money in the neediest areas. The specific definition of eligible areas was a subject of negotiation between Community and national authorities in which sub-national authorities had little role.



become considerable.

In Bretagne, by contrast, a set of institutional mechanisms was established to avoid "cross-payments" whenever possible. Although -- necessarily -- established under the same juridical rules as in PACA, the programming committee for Objective 5b functioned quite differently in practice. In the first place, a single committee reviewed all proposals, rather than a separate committee existing in each *département*.<sup>25</sup> At the end of the selection process, the beneficiary, in a detail of considerable symbolic importance, received notification from the committee as a whole under the double letterhead of *préfecture* and regional council. At the end of the process, the various national, sub-national, and Community payments were combined into a single check, delivered according to the needs of the project in question.

This system was described by the prefectural official in charge as *la concrétisation de la bonne volonté* -- "good will in concrete form." A strict interpretation of the rules and an absolute defense of everyone's juridical prerogatives, he agreed, would have resulted in a multiplication of cross-payments, with the attending delays and inefficiencies, since no money could be disbursed until all of the co-financers were ready. What was done instead took advantage of the fact that the need for funds, as well as their availability, was staggered in time.

Some projects were ready sooner than others either because of their nature or because their organizers were better prepared. Regional decision-makers responded by drawing up their global budget for a given measure, making sure that the co-financing percentages were maintained as required, and then paying for given projects as they came on line with whatever money is at hand. Within a measure co-financed by state region and EC, thus, a given project may be paid for entirely by the region, by the EC or the state. In order for this system to function, cash flow problems along the way must of course be avoided and, most importantly, the sums must come out right in the end. So far as is known publicly, at least, no problems were encountered in either area.

**Ex post structures: financial oversight --** In all EC-funded programs, one principal task of regional authorities is to "monitor" projects in order to ensure that money is being spent according to the agreed program, and that the physical results promised are, in fact, being achieved. The formal mechanisms

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<sup>25</sup> In Bretagne, the area eligible for the PDZR included portions of all four of the Region's *départements*.



set up to monitor spending are, once again, the same in all regions.<sup>26</sup> Inter-regional variation can be found, however, at the level of actual functioning. The scope for variation, in this case, is provided by a widely recognized conflict between the financial rules and practices of the French national administration on the one hand and the EC on the other concerning what is considered "proof" of a project's degree of completion. French practice is to depend largely on physical verification; certification delivered by the competent agent of the state based on actual inspection is considered both necessary and sufficient. Under EC rules, on the other hand, "physical" proof of a project's full or partial completion takes the form of a financial paper trail; certified proof of payment is required.

In PACA, the letter of the EC law was applied with a rigor that many observers, including direct participants, agreed was injurious to the program as a whole. By requiring a finalized financial dossier before a given portion of a project was certified as being completed, and the next installment of financing released, the SGAR ensured the irreproachable legality of its projects -- but imposed a significantly slower pace than would otherwise have been possible.<sup>27</sup>

At the regional level, delays piled up. Because it took so long to confirm payments, it was hard to find enough "finished" projects to satisfy the Commission -- because the region as a whole was slow to present proof of payment for a given year, the utilization rate needed to qualify for the next installment of money was difficult to attain.<sup>28</sup> This, in turn, led the French Ministry of Finance to delay the authorization of future spending. The overall result was that projects were sometimes physically started -- and even completed -- before the formal authorization could be secured from the French government, let alone actual money paid from the EC. The resulting delays required short-term "bridge" financing, incurring significant interest charges. The whole process also contributed to giving European programs a bad reputation locally.

As in the case of programming and "cross payments" the difference between PACA and Bretagne was striking. The principle of financial oversight in Bretagne, as described by the individual in the SGAR in charge of

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<sup>26</sup> These mechanisms consist of a computerized system of program accounting and regional oversight committees (OC) for each objective made up of representatives of the EC Commission, the regional council (both elected officials and technicians), the *préfecture* (largely members of the SGAR) and other directly interested parties (such as local elected officials, departmental *préfets*, representatives of the ministerial field services).

<sup>27</sup> As put by one participant at the departmental level, "*en recherchant la perfection, ils ont d'abord trouvé la lenteur*" -- In seeking perfection they have found, first of all, slowness.

<sup>28</sup> According to EC statistics, the utilization rate for structural fund money in PACA over the years 1986-1990 was 48%, lowest of any metropolitan French region. For purposes of comparison, the next lowest figure was 60%, and the highest 74%.



implementing it, was *La règle du service fait, et non pas du service payé*: in other words, French rather than EC rules were applied.

For any concrete project, progress or completion was certified by going to see what has been physically accomplished. The appropriate technical service of the state certified to the SGAR that the project was complete to X %, and the *préfecture* passed this on to the proper national or EC authorities. Only at the very end of the project, when the final payment was requested, was it necessary to present certified invoices. Only in the case of nontangible services (training programs, for example) where it was impossible to observe progress, was a paper trail necessary at every step.

The decision to adopt French rather than EC practices for the region's internal operating procedures, of course, did not exempt Bretagne from the possibility of audit by Community officials -- which would naturally be conducted under EC rules. To apply these "streamlined" methods, thus, required confidence on the part of regional authorities that the financial evidence required in such a case was indeed available and could be gathered on short notice if required. Officials in PACA, for reasons to be discussed below, have chosen not to run this risk.

### Information on European Programs

Another marked difference between the two regions was the amount and quality of information relating to European programs available to regional and infra-regional actors. In Bretagne it was abundant and good, in PACA almost nonexistent.

The lack of reliable information on EC programs for relevant decision-makers in PACA was underscored in the evaluation prepared for the Commission of the regional IMP:

[with regard to] the opacity and lack of information: ... the case seems to be one of transmission of complexity. This is largely the result of the absence of unity among centers of decision-making, each wanting to preserve its own identity and prerogatives.<sup>29</sup>

Our research in 1994 suggests that neither the results nor the causes have changed since these words were written.

The individual in charge of European programs for the regional council in Marseille, when interviewed, asserted that explaining to his colleagues in the regional council -- much less infra-regional decision-makers -- how the

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<sup>29</sup> SOLGEREC, (1992) p. 17 -- my translation.



Commission works, and more generally acting as a conduit for information between region and Commission was not part of his job.<sup>30</sup> Indeed, he considered it an impossible task for anyone. At the present time (1994), he claimed, it had become impossible to know how and by whom decisions on European programs are made -- or even whether a given decision was made at the EC or the national level.

Notable by its absence, in this context, was the lack of any reference to the *Association Grand Sud* which is the name given to the collective representation in Brussels of the five regions of southern France. In principle, the gathering and dissemination of pertinent information is one of the main functions of such offices. In this case, at least, this possibility did not seem to be exploited.<sup>31</sup>

At the infra-regional level, meanwhile, administrative as well as political officials cited the *Programme Opérationnel* (PO), the formal description of the program negotiated between the various parties at the outset of the programming period, as the source of all necessary information. By this, they seemed to mean that it enabled them to judge whether a given project would fall within the agreed guidelines, and therefore be eligible for funding. The limits of such methods are quickly reached. The information provided by the PO is retrospective; it does not allow one to prospect for new opportunities, or keep abreast of changes. To the extent that information of this kind was available, sources outside the region were cited, such as the *Association de Présidents de Conseils Généraux*. There was no indication that the *départements* actively shared information with each other or with anyone else.

In Bretagne, information on European programs and on the EC more generally was diffused to regional and infra-regional decision-makers through a well-established multi-tiered network. At the top was an office in Brussels, jointly sponsored by the regions of Bretagne and Pays de la Loire. The function of this representation, according to its director, were: 1) to gather information and provide it to the regions in a timely manner, which also includes dealing with specific requests for information; 2) to provide pertinent information

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<sup>30</sup> It is possible that this answer was somewhat disingenuous. What is described in one office as the impossibility of obtaining usable details may appear to others as a willful retention of information. Interviews in other parts of the regional council's technical services revealed a distinct undercurrent of tension between the *Cellule Europe* and other portions of the regional administration.

<sup>31</sup> This "non-answer," corroborated anecdotal information volunteered by a Commission official to the effect that the "*Association Grand Sud*," although officially a cooperative endeavor of five regions was in fact largely at the service of one of them, Languedoc-Rousillon. See below for further indirect evidence on this point.



concerning regional conditions and needs to Commission decision-makers ; and 3) to arrange contacts between regional officials and appropriate individuals in the Commission. Of its various functions, information-gathering made up the bulk of the office's duties, in the opinion of the director. She described her position as "an observation post on the Commission." More than a lobbyist, she suggested, her job was very much like that of a specialized journalist.

The importance of the Brussels office was spontaneously mentioned by Breton respondents in both the regional council and the *préfecture de région*. More importantly, a system was in place to disseminate the information gathered in Brussels to functional decision-makers in the various directorates of the regional council. This system was headed by an individual whose function has no equivalent in Marseille, since it consists in doing precisely the job that, there, was claimed to be impossible -- namely providing regional decision-makers with pertinent and up-to-date information on happenings in Brussels.

Beyond the confines of the regional council, information flow was encouraged by an informal organization -- again with no equivalent in PACA. This "club" as it was described by participants, brought together representatives of the regional council, the *préfecture de région*, and local and departmental authorities, as well as the regional Chamber of Commerce and Industry. Its function was purely informational; participants used it as a forum to keep each other informed -- unofficially -- of what they planned to do as well as to share any intelligence from Brussels. In practice, this second function was necessarily asymmetric, allowing infra-regional officials without "listening posts" of their own in Brussels to benefit from the information gathered by regional council and *préfecture de région*.<sup>32</sup>

## The Evolution of European Policy

In both regions, the structural funds as revised in 1988 were not the first experience of EC regional policy. In addition to the specific features outlined above, a significant difference between the two regions was the attitude of regional and infra-regional officials concerning the general evolution of European regional policy.

In PACA there was a stark difference in the attitudes expressed by the various actors. In the opinion of the administrative services of the regional council, the situation was bad and getting worse. For them, the high point of the "European experience" had been reached with the IMP, in which they felt that

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<sup>32</sup> Although asymmetric, information flow was not entirely one-way. *Départements* such as Finistère were described as knowledgeable players of the European game in their own right.



the region had played a central role. Programs under Objective 5b (the so-called PDZR), by contrast, were seen as having escaped the region's control altogether, to the advantage of the "state" (i.e., the *préfecture*) and the *départements*. The result was not only a loss of political and administrative influence for the regional council but, as seen from Marseille, a loss of coherence. For these regional administrators, the future held little promise; by and large, they expected the second version of the PDZR to continue and reinforce the hegemony of the "state" and the *départements*.<sup>33</sup>

The scenario put forward by the regional council was confirmed by the mirror-image point of view of infra-regional officials. For them, the system of program management for the PDZR was a vast improvement over the practice of the IMP. To the extent that these actors expressed concerns about the future, it was that the expansion of the zone eligible for funding under Objective 5b from two *départements* to include parts of three more would reinforce the power of the regional *préfecture* at their expense. A resurgence of the regional council was not considered a serious possibility.

Not surprisingly, the most positive assessment came from officials of the *préfecture*. For them, the situation was marked by learning and a gradual improvement in the region's ability to manage European money in accordance with national priorities.

In Bretagne, the "introduction" to EC regional policy came in two stages. In the first place, the region was an important beneficiary of European aid under the "old regime" of the ERDF before the 1988 reform. Although this money was administered entirely as part of the national territorial development budgets, leaving virtually no role for sub-national decision-making, it was cited by officials in both the regional council and the *préfecture* as important. Regional decision-makers learned early to look to Brussels as well as Paris for funding.

This awareness was put to good use in the years leading up to the 1988 reform. Although Bretagne was not originally included in the list of regions that would host a "pilot" project in integrated development, lobbying in Paris and Brussels on the part of regional politicians and administrators, aided by long-standing connections in the European Commission, resulted in the addition -- against the initial opposition of the DATAR -- of an "integrated development operation" in the rural areas of central Bretagne.

The experience of project evolution was described by regional as well as infra-regional actors interviewed as positive. Experience with the post-1988 funds followed on the path set out. The region was seen as increasingly well-organized in its dealings with Brussels as the various actors within it learned

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<sup>33</sup> All programs under objective 5b were re-negotiated in 1994, in preparation for a second five-year installment of the program, to go from 1995 through 1999.



from experience. General satisfaction was expressed about the prospects for the next generation of European programs, which was being negotiated as these interviews were carried out. In striking contrast with the situation in PACA, virtually no comments were volunteered about the "inevitable" conflict of interest between region and *départements*.

### Elements of a Regional "Policy Style?"

Considered individually, the details of daily policy-making described in this section are at best interesting anecdotes. Taken together, however, the pattern that they create provides significant evidence in favor of our initial hypothesis: variation in policy outputs at the regional level does exist. As sketched above, this variation suggests the outlines of what we might call two alternative regional "policy styles."<sup>34</sup>

Bretagne --	consensual ; pro-active ; steadfast unity <i>vis-à-vis</i> the outside ; a high degree of mutual trust among regional and infra-regional actors.
PACA --	fragmented ; reactive ; open divisions exposed in external relations ; seemingly total lack of trust among regional and infra-regional actors.

This impressionistic description of regional "policy style" can be brought into focus by the adoption of a concept taken from the study of public policy: the situation observed in the regions studied suggests the presence in Bretagne and the absence in PACA of a regional-level "policy community" for European affairs.

To make use of this concept in the present context requires a brief digression into its origins. Discussion of "policy networks" is found in both British and U.S. literature on the interaction between political officials, administrators and interests. Devised originally as a more flexible and realistic alternative to both pluralist and corporatist models of interest intermediation, the

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<sup>34</sup> This term was popularized by Richardson, (1982). It should be stressed that, we are employing the term here in the most general and descriptive sense given it by Richardson, without necessarily taking on the more speculative aspects of this model, and especially the hypotheses concerning the convergence of policy styles.



model has been applied chiefly to the understanding of issue areas.<sup>35</sup> In the work of R.A.W. Rhodes, the concept is applied, among other things, to territorial issues.<sup>36</sup> It is this version of the model that is most appropriate to the object of our study.

As our brief exposition of PACA and Bretagne has shown, decision-making and implementation with respect to ECRP must of necessity involve a number of participants -- the regional council, the *départements*, organized interests (especially agriculture) and the regional *préfecture* representing "the state" -- and forces these into more or less regular interaction with each other. The quality of these interactions, however, was found to differ substantially in the two regions studied. This difference is captured quite neatly in the distinction drawn by Marsh and Rhodes (1992) between a *policy community* and an *issue network*.<sup>37</sup>

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<sup>35</sup> The literature on "sectoral" policy networks has roots in both U.S. studies of "sub-government" and the triangular relations between organized interests, regulatory agencies and Congressional Committees and in the British literature which focused on "policy sub-systems" linking specific officials of central ministries with their private-sector counterparts. For a survey, see Marsh and Rhodes (1992), Chap. 1. Although the terminology employed is different, there is a clear kinship between this Anglo-american literature and the work of scholars such as Ezra Suleiman (1979) and J.C. Theonig (1973) on the role of the *Grand Corps* in policy-making in France.

<sup>36</sup> Rhodes (1986) identifies territorial policy communities of this sort in Wales and Scotland.

<sup>37</sup> The more general term "policy network" is used by Marsh and Rhodes to encompass both "policy communities" and "issue networks" as well as other possible variations, such as networks centered around a professional or producer group. We adopt this usage here. The figure below is an abridgement of the material found in Marsh and Rhodes (1992), Table 11.1, p. 251.



DIMENSION	POLICY COMMUNITY	ISSUE NETWORK
Frequency of interaction	frequent and high-quality; all participants ; all relevant issues	fluctuate in frequency and intensity
Consensus	all participants share basic values; accept legitimacy of outcome	measure of agreement exists but conflict ever-present
Resource distribution within network	all have resources; relations of exchange	only some may have resources: basic relation consultative
Resource distribution within participating organizations	leadership can "deliver" members	variable capacity to control and regulate members
Power	balance of power among members, although one may dominate : positive- sum game for all	unequal powers reflect unequal resources and access : zero-sum game

While an "issue network" for European policy can be seen in all of the regions studied here, created by the technical requirements of the policy itself, only in Bretagne does the intensity and nature of relations among participants approach that of a territorial "policy community". The final element listed in the table above, "power," is perhaps the most telling. The interactions among regional and sub-regional actors described in Bretagne can clearly be characterized as a positive-sum game, and are considered as such by participants. By actively sharing information, each member of the European policy "club" feels that it is improving its own position not *vis-à-vis* the other members but rather in an absolute sense. Descriptions offered by participants in the equivalent process in PACA, conversely, suggested a game in which a gain for one party was a loss for all the others. In this context, policy-making at the regional level was distinct from and largely unconnected to infra-regional processes. The regional council and the various infra-regional political authorities saw each other as competitors in a zero-sum game; each elaborated its own policy proposals and defended them as best it could *vis-à-vis* the outside world.

Similarly, the anecdotal information related above sketches out two



markedly different positions on the closely related dimensions of "consensus" and "resource distribution within organizations". The process revealed in Bretagne was one in which internal competition did not prevent participants from rallying behind the eventual decision taken by the regional policy community as a whole, and imposing this decision within the organizations or interests they represented. In PACA the pattern was for conflict to be carried among (and within) regional and infra-regional actors all the way to Paris or even Brussels. The insistence of all participants on maintaining total financial autonomy, even at the cost of over-all inefficiency, is symptomatic of the lack of legitimacy accorded to decisions made at the regional level; the restrictive financial oversight rules imposed by the SGAR are made necessary by the fact that regional level actors and interests cannot guarantee the behavior of local actors.<sup>38</sup>

### Consequences of Regional "Policy Styles"

What difference does it make that a territorial policy community for European affairs exists in Bretagne and not in PACA? The answer to this question follows directly from the role played by the regional *préfecture* in the two cases.

At stake in the game of European regional policy from the regional point of view, it will be recalled, is not money *per se* but rather control over how money is spent.<sup>39</sup> Juridical power in this area rests squarely with the "representative of the state". How that power is wielded, it turns out, depends critically on the presence or absence of a strong regional policy community.

The case of PACA suggests that where cooperation among regional and infra-regional political authorities and interest-groups is weak, the power of the *préfecture* takes the form of arbitrage among conflicting demands, and its discretionary authority is extensive. The process of choosing projects as

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<sup>38</sup> This observation is not limited to France. Although beyond the scope of the present essay, our research in selected regions of northern Italy has uncovered similar patterns of variation. Allowing for differences in national-level institutions, the difference in implementation conditions of European regional policy between the neighboring regions of Toscana and Liguria presents a striking parallel to the case of Bretagne and PACA, examined here. For discussion and analysis of this parallel, see: Smyrl, "Implementation of EC Regional Policy in France and Italy". Doctoral Dissertation, Harvard University. (Cambridge, Massachusetts: forthcoming, 1996).

<sup>39</sup> As will be discussed below, this may be changing; in the near future, inter-regional distribution of European funds may well be one of the explicit stakes in the game played out at the regional level. During the period covered by this article, however, distributive decisions of this sort were made in fora to which regional decision-makers had no access.



described in Marseille was one in which a multitude of individual project proposals were presented to the regional *préfecture* by regional and infra-regional actors, leaving the staff of the SGAR, and ultimately the *préfet* in person, to decide among them.

In this case the fears expressed by representatives of the DATAR seemed well founded. When faced with a fragmented and conflictual regional and infra-regional political structure, the *préfet* had little choice but to strive for "balance" by spreading both national and Community benefits over as broad and representative a sample of beneficiaries as possible. The regional *préfecture*, far from imposing national planning priorities (or acting for the common good, depending on one's point of view) was thus an active participant in the much-decried practice of "*saupoudrage*," literally "dusting," which resulted in the proliferation of largely unrelated small projects. Although he may, in principle, have the juridical authority to do so, it is politically inconceivable for a *préfet* to favor systematically one set of interests -- and its political sponsors -- over another.

The case of Bretagne, by contrast, suggests that where cooperation among regional and infra-regional political authorities and interests is structured into a strong policy community, the discretionary authority of the *préfecture* is significantly decreased.<sup>40</sup> In Bretagne, priorities set by a united front of regional political leaders and organized interests, even if they differed from the choices made at the national or European level, seemed to be effectively unopposable by the *préfecture* even though the *préfet* retained full *de jure* authority over spending decisions. In practice the *préfecture* made no attempt to oppose the wishes of the region. Quite to the contrary, the *préfet* and his technical staff were active participants in the regional policy community; they mobilized the services of the state in defense of regional interests and became the active allies of the region and its spokesmen *vis-à-vis* the outside world.<sup>41</sup>

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<sup>40</sup> While this essay concentrates of the relations among public-sector decision makers, it should be noted that the structure and actions of private interest groups in the two regions exhibited similar patterns and characteristics. The departmental *Chambres d'Agriculture* in Bretagne took the initiative of negotiating among themselves to come up with a common position to be voiced and defended at the regional level, and were described by officials of both the regional council and *préfecture* as "constructive" participants in the planning process. This is once again in contrast to the situation in Marseille, where various agricultural organizations were seen largely as interest groups lobbying for the largest possible "envelope" for their particular membership.

<sup>41</sup> In a particularly revealing statement, an official of the regional council in Bretagne interviewed for this study explained that European policy was a "game" in which four players engaged: the Commission; the *départements* and other infra-regional actors; "*l'état-Paris*" (chiefly the ministry of finance and the DATAR); and "*la région*" (which explicitly included



As agents of "the state" moreover, prefectural officials had the legal authority and the institutional legitimacy to enforce their preferences. Far from a "gatekeeper" barring the way, the state (or at least its representative in the region) had become a "bridge" linking the region to Brussels.

These findings fit well into the larger understanding of the nuances of French prefectural administration that came out of its re-examination in the 1960s by organizational sociologists. J.P. Worms (1966) described a system in which the *de jure* role of the *préfet* as an agent of central control was largely modified by his *de facto* relationships of "complicity" with local elites. As the role of the regional *préfecture* has grown, the ambiguous relationship long observed between the *préfet* (enlarged in our case to include senior prefectural administrators) and departmental "notables" is being replicated at the regional level. It is not surprising, in this context, that in those regions where the outcome of the policy-making process is a clear and coherent set of priorities and demands the *préfet* becomes the vehicle by which these reach national and Community authorities, and the region's *de facto* ambassador in Paris and Brussels. In both of our regional cases, the *préfecture* acted as an "accomplice" of regional elites; in PACA accommodating and arbitrating their internal differences and in Bretagne projecting and legitimizing their unity.

These observations suggest a re-examination of the rather less subtle assertion made chiefly by American scholars of international relations that participation in EC regional policy has strengthened "member-state executives" at the expense of sub-national authorities. If, as Balme and Jouve suggest and this study corroborates, one of the principal institutional impacts of EC regional policy in France has been to strengthen the hand of the regional *préfectures* relative to the central ministries, the distinction between one part of "the state" and another becomes critical. As noted above, one of the central observations of this paper is that the *préfectures*, far from being a single-minded force for harmonization and standardization can, under certain circumstances, not only allow but enhance regional distinctiveness. Indeed, one of the most striking constants in the cases presented here is the extent to which the *préfectures* in both regions not only conformed to but contributed to the perpetuation of distinctive regional policy styles. It follows that this particular type of "strengthening of the state", far from imposing a homogenous national model, has served to encourage a diversity of outcomes.

Through its active cooperation with regional political authorities, the national field administration provides elected regional leaders with influence far beyond the limits of their juridical authority. An unforeseen consequence of the

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both the regional council and the *préfecture*).



prefectoral system, thus, may be to increase the potential for diversity among regions. To the extent that the authority of central organs of the French state is being "eroded" by the effects of ECRP, this erosion is coming not so much from "above" or "below" as from within. It is the simultaneous participation of the regional *préfecture* in both the regional EC-policy network and in established channels of national policy-making that allows development priorities set in Bretagne to be adopted in Paris and Brussels.<sup>42</sup>

### Section 3 : Explaining Inter-Regional Differences

To what factor or factors should we attribute observed differences between these two regions? Why are Breton decision-makers organized into a coherent policy community while their opposite numbers in PACA constitute, at best, a weak and divided "issue network?" Is this symptomatic of a larger pattern? Beginning from the observations of participants and direct observers, this section seeks to generate two more specific explanatory hypotheses for the variation in regional "policy style" described above.

A few obvious possibilities can be eliminated from the outset. The presence of a functioning policy community is not simply a product of party-political homogeneity. The Socialist municipality of Rennes and the generally left-leaning *département* of Côtes d'Armor are active participants in a Breton policy community dominated by the center-right. Conversely, common party affiliation has not made relations among the regional council in PACA and the two *départements* eligible for the PDZR any more cordial. Nor is this simply a case of "the rich getting richer". By both absolute and per capita measures, PACA is much the wealthier of the two regions.<sup>43</sup> We cannot simply invoke

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<sup>42</sup> It should be emphasized that we in no way seek to draw a link between regional control and "good" policy -- however that may be defined. The only claim being made in this article is that the conditions such as those prevailing in Bretagne make it significantly more likely that priorities set at the regional level will be implemented, for better or worse. Indeed, one of the EC officials interviewed for this study expressed considerable frustration at the inability of the Commission to influence the content of Breton programs. In her words, "*Les dossiers sont bouclés*". In other regions, she suggested, persisting local differences give the Commission a greater margin for maneuver.

<sup>43</sup> As reported by the French national statistical institute (INSEE), per capita GDP in Bretagne was 81,600 Francs in 1988, compared to a level of 92,300 Francs for PACA. For France as a whole, per capita GDP was 101,900 Francs.



"regional identity," finally, to explain the performance of Bretagne.<sup>44</sup> If a self-perceived sense of "separateness" were the only requirement for institutional effectiveness, we would expect Corsica to be the best-organized region in France...

Closer to the topic at hand, two "anecdotal" explanations for inter-regional differences were offered by both actors and observers interviewed at the regional, as well as the national and the EC level. "Success" or "failure" was attributed almost invariably either to regional "culture" or to the presence of "dynamic" administrators. Both of these possibilities, as we shall see, must be recast and refined in order to be of any analytical use, but within each is the germ of a genuine explanatory model.

### From Personal Competence to Institution Building

The first answer given by Commission officials to a question on why programs in one region seemed more effective than those in another almost always had to do with personalities. Successful programs were regularly explained by the presence of a particularly "dynamic" individual, usually in the SGAR, while lack of interest or (less often) outright incompetence were cited to explain perceived failures. There is a sense in which this observation is almost certainly true, especially in the case of administrative neglect. The nature of the French system is such that the *préfecture* is an inescapable participant in almost any activity that involves either the regulatory or the financial powers of the state -- in other words, in almost everything. This negative power, moreover, the power by inaction to prevent things from moving forward, is subject to very little outside control, either administrative or political. Incompetence or indifference can hold up programs indefinitely.

There are at least two reasons, however, why this is an unsatisfying answer in general. First and most obvious, it leads directly into circular reasoning: successful programs are attributed to dynamic administrators, and dynamic administrators are identified by the success of their programs. In any case, this explanation seems inconsistent with the fact that, at least in the two regions studied, the reputation of the programs in Brussels and Paris has remained consistent through the tenure of several administrators over almost ten

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<sup>44</sup> Indeed, there is reason to believe that the political manifestations of "regional nationalism" in Bretagne, to the extent that they have had any lasting impact, were barriers to institutional effectiveness more than anything else. The identification of certain Breton "independence" movements with collaboration during World War Two and with a few well-publicized terrorist acts in the 1970s have cast considerable discredit on the whole idea of Breton "distinctiveness" -- a legacy that had to be overcome by the elite-led policy community described above (Le Lannou, 1983).



years. Barring an unlikely streak of good or bad fortune, depending on the case, one is led to consider other, more systematic, sources of variation.

It does not follow, however, that the role of individual action should be discounted altogether. Actions (voluntary or otherwise) that have lasting institutional consequences escape the circularity trap. Two examples from the regions studied serve to illustrate this proposition.

Although Bretagne was not geographically eligible for the IMP, it was the site of an "integrated development operation" (IDO) between 1985 and 1992 which, like the IMP, was operated under the principles of integrated programming and partnership with sub-national authorities. The experience of managing this operation was, according to sources both in Rennes and in Brussels, of considerable importance in giving the region a "head start" in dealing with the reformed structural funds after 1988. In particular, working methods and decision-making networks established to manage the IDO were carried over to the PDZR.

The arrival of the pilot program in Bretagne, however, was the result of a series of highly personal -- and highly political -- acts. These began with personal contacts between officials of DG-16 and local officials and ended with highly personalized lobbying of the national government by regional elected officials.<sup>45</sup> The political protagonists in this operation, both at the regional and the national level, played little part in the management of the operation once it was under way. Their actions at a propitious moment in time, however, allowed others to create a lasting institutional structure.

An example from PACA suggests that unforeseen events, as well as political opportunism, can have lasting institutional consequences. An audit by the European Commission in 1988 resulted in a finding that spending for projects reported by regional authorities as complete could not be documented to the satisfaction of EC financial inspectors. Funding for projects under the IMP was held up for the better part of a year as a result.

The heart of the problem seems to have been a difference in interpretation between the region and the Commission as to what project implementation meant. The SGAR's version of the story is that the official in charge at the time listed as "implemented" projects for which money was committed but which were not physically under way. This was done to ensure that EC and national funding, which was slow at best in arriving, would flow as quickly as possible. This process was described by one official of the

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<sup>45</sup> The story is told that Pierre Méhaignerie, president of the *Conseil Général* of the *département* of Ille et Vilaine, and a leading "centrist" national politician, extracted the promise of political support from President Mitterrand during the latter's visit to Rennes in 1984.



*préfecture* as a necessary "pump priming". From the perspective of financial auditors in DG-20, it looked perilously like fraud.<sup>46</sup> In Marseille, meanwhile, the prevailing sentiment seemed to be, in the words of an other official of the SGAR who was there at the time and remains in place today, "*On a été piégé.*"<sup>47</sup>

The determination of the regional *préfecture* not to be trapped again seems to lie squarely at the heart of its subsequent tendency, noted above, to apply EC accounting rules to the letter, even at the cost of limiting the type of project that can be attempted and accepting significant delays in spending.<sup>48</sup>

Generalizing from these two examples it may be possible, as suggested above, to see inter-regional differences in institutional outputs as the accumulated result of discrete decisions and events. In this context, the timing of such decisions or events may be critical; choices may be more likely to have lasting institutional consequences at some times than at others. One such possibility is that organizations are more "malleable" early in their history, before standard operating procedures have had a chance to crystalize. It seems plausible in this context that choices made at the beginning of a new type of policy (the IMP in PACA or the IDO in Bretagne) would have consequences that are still visible, long after the individuals that made them have left the scene.<sup>49</sup>

By themselves, however, examples such as these do not rule out other possibilities. Is there something about Bretagne that made the IDO initiative particularly likely to bear fruit, or something about PACA that predisposed it to

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<sup>46</sup> Only the broad outlines of this case can be pieced together from official records, although abundant mention is made of the problem in the minutes of the OC meetings of July and December 1990. Additional information, some of it contradictory, was gathered in interviews. The verifiable results of this affair included the cut-off of funds for one year (1989) and the early retirement of the senior official in the SGAR who had been chiefly responsible for the IMP until then.

<sup>47</sup> Literally, this could be translated as "we were trapped". The meaning intended, however, was probably closer to "we were framed". The feeling, at the very least, seems to be that the implicit guidelines under which they were operating in good faith were suddenly changed without warning.

<sup>48</sup> This situation seems to be widely recognized within the various regional administrative services. Officials at the level of *départements* interviewed in PACA were particularly frustrated with the situation. Even within the SGAR itself, there is a feeling that the system may have become too rigid, depriving it of the margin of maneuver needed to meet unanticipated events. No one seems to be prepared to do anything about this, however.

<sup>49</sup> I am grateful to Giuliano Bianchi for suggesting this idea (in the context of Italian regions).



financial difficulties and the resulting retrenchment? Consideration of more "structural" explanations is clearly indicated.

## From Political Culture to Policy Communities

If one overall impression stands out as distinguishing the situation of Bretagne from that of PACA, it is the pervasiveness in the former -- and rarity in the latter -- of cooperation among regional and infra-regional actors.<sup>50</sup> This is not to say that Bretagne lacks internal division, simply that these seem to fade when it is time to stand together *vis-à-vis* the outside world. The reverse seems to be true in PACA. A number of well-informed observers suggested that the problems of financial accounting in PACA, alluded to above, could in large part be attributed to a regional political climate in which information did not circulate freely -- indeed was systematically withheld.

On a descriptive level, this is almost certainly true. As explanations rather than descriptions, however, these assertions, like the "naive" personalistic explanations cited above, are circular: "effective" regions are recognizable by their institutional "success" (however defined) and "success" is attributable to "effectiveness."

In order to establish such a hypothesis on a firmer footing, the purported explanatory variable must be established independently and be contained within a broader context. One model which fulfills these criteria, and which has received considerable attention of late, is that put forward in the context of Italian regions by Robert Putnam, (1993). To explain the relative "institutional effectiveness" of certain Italian regional governments, Putnam invokes the concept of "social capital," the propensity of individuals to form cooperative horizontal links with others as opposed to authoritarian or clientilistic vertical links. The surest indicator of the presence of a high level of social capital, for Putnam, is the presence of a dense network of associations.

At first glance, the two regional cases described above seem to fit nicely into the "social capital" model. The close cooperation among regional and infra-regional actors described in Bretagne, and the streamlined financial management it makes possible, along with the region's reputation for presenting a united front to the outside world, are what one would expect to find in a "civic" region, that is one rich in social capital. The mirror image situation observed in PACA would seem to fit equally well the model's description of the results of scarce social capital. Associational density in the two regions is what the model would lead us to expect: well above the French norm in Bretagne and well below in

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<sup>50</sup> This point came up repeatedly and spontaneously in interviews conducted among observers and decision-makers in both regions.



PACA.<sup>51</sup>

One of the principal strengths of Putnam's model in its original context, however, is that it has a story to tell about how the "civic" regions of Italy got that way. The research on which the "social capital" model is based finds that levels of "civicness" are stable over long periods of time, and are strongly correlated to the historical presence of endogenous republican governments. The "civic" regions of Italy have been that way for centuries.<sup>52</sup> This finding, moreover, is not incidental but is central to the model. At the heart of Putnam's conclusions is the marginalization of any role for voluntarist political reform, at least in the short or medium term.<sup>53</sup>

It is precisely the strong role it gives to long-term continuity over time that makes it difficult if not impossible to apply the "social capital" model to the cases at hand. If one of our two regions had, on the basis of its history, to be selected as "civic" it would be PACA, where there is a rich heritage of both ancient and medieval urban republicanism, and not Bretagne, where such is entirely lacking. Indeed, if Bretagne is today a bastion of "civicness" this is a recent development indeed. Well into the early part of this century, the region was known rather for its high rates of illiteracy and alcoholism, for its reactionary politics and the intense Catholicism of its inhabitants. Its chief export was unskilled labor. Breton society was not only isolated from the rest

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<sup>51</sup> The number of associations per 1000 inhabitants has been estimated at 351 in Bretagne and 166 in PACA in 1982. On a scale in which the national average is set at 100, this gives Bretagne a score of 136 (4th highest among French regions), and PACA a score of 64 (next to lowest). It should be stressed, however, that these numbers are inexact and that their generation is fraught with methodological problems, of which one of the most important is the near-impossibility of determining when and if a given association has ceased operation (Association pour le Développement de la Documentation sur l'Economie Sociale, 1984). If the creation of new associations rather than their existing stock is considered, on the other hand the highest creation rate outside the Paris area is found in the four regions of the south - including PACA. While this measure is more accurate, since the creation of a new association requires an official declaration, it is difficult to know whether associational activity in these regions is now more active than elsewhere, or whether they are simply beginning to catch up with the rest of the country (Defrasne, 1995).

<sup>52</sup> Putnam presents evidence from two "moments" of history in defense of this claim: the medieval period of urban city-states, and the transition to mass democracy of the early 20th century. A finding of "civicness" in the 1980s is shown to be correlated to the presence and persistence of republican government in the former period, and strong support for "democratic" political parties in the latter.

<sup>53</sup> This point is stressed by several recent critiques of Putnam's work by Italian authors. In the words of Bianchi *et al.* (1994: 6), Putnam presents a model in which "politics is nothing and culture becomes everything". See also Bagnasco (1994).



of France, but internally fragmented. There was no tradition here of horizontal associations, no long-term build-up of social capital. If Bretagne seems "institutionally successful" today, we must look elsewhere for a cause.<sup>54</sup>

One possible alternate explanation is found in a different stream of research on Italy. Authors such as Bagnasco and Trigilia have explained the success of the so-called third Italy largely in terms of the existence of sector-specific socio-economic networks and particular links between sub-national government and productive enterprise.

These models differ from Putnam's in two important respects. In the first place, they leave an important, if limited, role to be played by contemporary local and regional political authorities. It is up to these to provide the "framework" within which the socio-economic potential of their region can thrive.<sup>55</sup> Without such a framework, positive "cultural" features will lead to no concrete results. While long-term historical factors are not missing from these models, they do not play the central causal role assigned them by Putnam.<sup>56</sup> A much larger place is held by more recent developments, and in particular by the evolution of regional politics and interest representation since 1945.

A second key difference is that the outcome of the process described is not a high level of "social capital" throughout a given regional society but rather a much more precise set of practical networks and linkages, often restricted to a given economic sector. Nothing in these models guarantees that "all good things will go together". Since the observation that we are seeking to explain is the presence or absence of sector-specific policy communities, not "good government" or "institutional effectiveness" in general, such a focus is entirely appropriate.

Returning to our French cases, model-building at this less general level seems more immediately helpful.<sup>57</sup> While there is no centuries-old civic tradition in Bretagne, the region is well-known for its more recent organizational

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<sup>54</sup> Suzanne Berger, (1972) suggests a possible explanation of how and why this social transition may have taken place, at least in so far as the agricultural sector is concerned. Her explanation rests heavily on self-conscious voluntarist action on the part of a small group of landowners and progressive clergymen.

<sup>55</sup> Bagnasco (1985: 29).

<sup>56</sup> Bagnasco points out that regions of central and north-eastern Italy have in common the fact that they were the scene of the "first capitalism" of the middle ages, but were largely bypassed by the industrial capitalism of the 19th and early 20th centuries.

<sup>57</sup> It should be stressed that, for purposes of the argument being made here, the relevance of the theorists of the "third Italy" is not the particular causal variables they uncover, but rather the level at which they undertake to create models.



successes. We alluded above to the strength and cohesion of the Breton agricultural sector, the fruit of organizational efforts dating back slightly over a century -- but no longer. Even more recent is the concerted effort on the part of regional elites to encourage industrial development, in large part by drawing maximum advantage from the various national schemes of capital transfer that flourished in France during the period of post-war prosperity. The protagonist in each of these cases was not "regional society" as a whole, but rather specific elite groups.<sup>58</sup>

Regional "political culture" in Bretagne, and presumably elsewhere, is not given for all time but is, at least in part, the product of successive actions and initiatives. Territorially based policy communities were created as a result of voluntarist action on the part of regional elites within living memory. This observation leads naturally to the conjecture that the differences noted in the institutionalization of EC regional policy might be attributable to recent voluntarist action; perhaps the real difference between our two regions is to be found in the way in which this particular policy area has developed over time, rather than to larger structural causes -- which brings us back to our conceptual point of departure.

To break out of this vicious circle requires a renewed effort to define and limit our question. What we seek to determine through the study of these cases is whether the nature of the institutional outputs of EC regional policy in a given region should be attributed principally to the institutional legacies of actions and events in this policy area or whether they are better explained by the pre-existence of appropriate institutions and organizations, without prejudice as to how those might have originated.

The nature of the policy area itself provides a partial answer to this question. There seems little doubt that a certain degree of voluntary action is required to bring about the institutional outputs observed in the two regions. Systematized agreements for sharing information or avoiding cross-payments do not just happen -- nor do exceptionally rigorous systems of financial control. Someone has to conceive them and convince others of their value, and then take responsibility for their operation. The institutional requirements of the European Commission, moreover, virtually require that organizational initiatives of this sort take place at the regional, rather than the infra-regional, level. The Commission simply does not have the means to carry out prolonged interactions with infra-regional interlocutors.

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<sup>58</sup> We noted above the role of elites in launching the agricultural cooperatives of the late 19th and early 20th centuries. The post-war drive for industrialization is similarly attributable to a group of economic and political figures, of whom Michel Philipponneau is the best known, working notably through the *Comité Economique de Liaison pour les Intérêts Bretons* (CELIB) (Le Lannou, 1983).



Voluntarist action at the regional level, thus, is clearly a necessary part of the explanation for any observed pattern of institutional outputs in this policy area. It does not necessarily follow, however, that it can be considered sufficient. Can voluntarist action lead to the creation of the regional policy community for European affairs that seemed to be the proximate cause of the distinctive pattern of institutional outputs for this policy area in Bretagne? The empirical cases examined so far are insufficient to resolve this question. This problem of over-determination can be overcome by bringing in a third case, one selected on the basis of its ability to differentiate between our candidate causal variables.

## **Evidence from Languedoc-Rousillon**

The region of Languedoc-Rousillon shares certain characteristics with both PACA and Bretagne. Like them, it is peripheral with respect to Paris, and internally divided into an economically dynamic coastal zone and an isolated and sparsely populated rural hinterland. In terms of the models sketched in the previous section, Languedoc-Rousillon presents a mixture of features found in the first two cases, a characteristic that makes it a promising "critical" case. This section begins by outlining these features and then looks how they have affected implementation of EC regional policy.

**Strong Leadership in a Fragmented Region --** Languedoc-Rousillon is characterized by strong and public commitment to "European" policy on the part of the regional political leadership. As in Bretagne, this interest is of long standing. As early as 1983, the regional council was in the forefront of lobbying, at both the national and European level, in favor of the Integrated Mediterranean Programs. To this end, it organized the first conference of EC Mediterranean regions in Montpellier in 1983.

After the regional elections of 1986, the first in which a regional council was directly elected, the region, now led by its president Jacques Blanc, was once more in the forefront of European activity. It took the lead in organizing French regions participating in the IMP. The establishment of a joint representation of these regions in Brussels was a direct result of this effort. Since that time, Jacques Blanc has continued to seek a high profile in what we might call "regional high politics". This has involved both direct links with other regions, such as the Franco-Spanish "Euroregion" made up of Languedoc-Rousillon, the neighboring French region of Midi-Pyrénées, and Catalonia. Most recently, Blanc succeeded in becoming the first president of the European Union's Committee of the Regions. In another parallel with Bretagne, Languedoc-Rousillon has a long experience with European programs. The *département* of Lozère was the sight of one of the Community's very first pilot



projects in integrated development in the early 1980s.

The socio-political context in which this activity has unfolded, however, is more reminiscent of PACA than of Bretagne. Like its southern neighbor, Languedoc-Rousillon is the site of fragmented and conflictual infra-regional politics. There is long-standing rivalry, in particular, between the region and its component *départements*. In this context, the voluntaristic "Europeanism" of succeeding regional councils should be seen, among other things, as one tactic in the struggle for dominance among regional and infra-regional political actors.

**The Structural Funds in Languedoc-Rousillon** -- At first glance, the implementation structures that have evolved to manage the structural funds in Languedoc-Rousillon seem to be a mixture of what was observed in Bretagne and in PACA. On closer observation, they reveal a great deal about the limits of voluntaristic institution-building.

In their attitude toward "cross-payments" and financial oversight, officials of both the regional council and *préfecture* occupied a middle ground between the extremes of Bretagne and PACA. As in Bretagne, cross-payments are avoided when possible by assigning smaller projects to one or the other of the regional co-financers. There is no evidence, however, of the systematic and institutionalized pooling of funds practiced in Bretagne. Likewise, financial oversight was characterized by a recognition of the conflict between French and European accounting rules, but sought to find an acceptable middle ground between them.

Like their colleagues in Bretagne -- and unlike their neighbors in Marseille -- the officials in the regional council involved with European programs generally considered themselves to be well informed. Both the Brussels office of the *Association Grand Sud* and the newly-created Committee of the Regions were cited as sources of plentiful and useful information.

The parallel with Bretagne, however, stopped when it came to the dissemination of information. Whereas the official in charge of European liaison for the regional council in Rennes was a key link in a region-wide network which involved representatives of several *départements*, cities, and the regional *préfecture*, as well as the council, the corresponding individual in Montpellier made it clear that information coming from Brussels was distributed only to interested parties within the regional administration. The "state" and the *départements*, presumably, were on their own.

This attitude towards the dissemination of information was characteristic of the larger condition of infra-regional relationships. As in PACA, region, "state" and *départements* seemed to see their interests as conflicting rather than cooperative. As seen from the regional council in Montpellier as in Marseille, *départementalisation* -- and even "localization" -- of programs was cited as a



significant threat to the "coherence" of programming. This fragmentation was emphasized by the nature of the PDZR in Languedoc-Rousillon, which divided the region's eligible zones into three distinct program areas, each with its own distinct "Operational Program."<sup>59</sup> Cooperation by the *départements* among themselves, on this evidence, was no better than their collective relations with the regional council.<sup>60</sup>

Unlike in Marseille, however, the region was competing actively with both "state" and *départements* for control of European policy. The implementation structure projected for the second PDZR in Languedoc-Rousillon (1995-99) provides a stark illustration of the regional balance of power. Between the "regionalist" model of the IMP and the "departmentalist" model of the first PDZR a balance has been reached, not by modifying the operational procedures, but by dividing the program in two. One "axis" of the new program, entitled "Economic Development," will be administered at the regional level on the model of the IMP while the second, entitled "Rural Development," will be administered at the departmental level on the model of the first PDZR.<sup>61</sup> The regional *préfecture*, needless to say, will continue to be the principal "state" partner for both parts of the program.

**The Limits of Political Voluntarism** -- This situation suggests the limits to voluntarist institution-building in the area of EC regional policy, at least in France, and highlights the importance of underlying socio-political conditions.

One obvious reason for this is linked to the juridical status of sub-national governments in France. A fundamental principle is that no unit or level of

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<sup>59</sup> A twofold division could have been justified in geographical terms, since there were two distinct and non-contiguous eligible areas, one in the Pyrénées and one in the Massif Central. The division of this latter zone in two, however can be accounted for only by the refusal of the *départements* in question to collaborate with each other -- and in particular of the Lozère to give up the special status it had enjoyed as the sight of one of the first IDO's.

<sup>60</sup> Even leaving aside the special case of the Lozère, difficulty in coordinating the action of multiple *départements* in each of the other two zones was one of the principal weaknesses in these programs emphasized by the first regional evaluation report prepared for the European Commission.

<sup>61</sup> These designations follow the notoriously imprecise wording of the 1982 decentralization laws in designating the respective areas of jurisdiction of regions and *départements*. One important difference between the first and second PDZR is that the increase in eligible area has resulted in the formation of a single contiguous zone. As a result only one Operational Program is envisaged for the zone as a whole --rather than the three of the previous program cycle. As should be clear from the discussion above, however, any loss of influence suffered by the *départements* as a result is likely to benefit the *préfecture* rather than the regional council.



territorial government of administration is to have authority over another. From a legal standpoint, region, *département* and municipality are equal. While this principle is constantly broached in practice, it remains a powerful defense for the *département* against the region. In cases of conflict between these two levels, it also provides a "legitimate" pretext for national authorities to weigh in on the side of the *départements* so as to preserve the integrity of the system -- and incidentally increase the effective influence of the center. Efforts on the part of the regional council of Languedoc-Rousillon to regain in the PDZR the status of co-chair (along with the regional *préfecture*) of the various programming and oversight committees, thus, have easily been turned back by a tacit coalition of *préfecture* and *départements*.

The regional council is similarly weak on the financial front. In the first place, the regional contribution to the global budget of either the IMP or the PDZR is a relatively small fraction of the total.<sup>62</sup> Nor is it likely that the regional share of co-financing will be increased. The margin for maneuver of regional budgets is constrained both by the limits on their revenue potential and by the fact that a growing proportion of their budget is "blocked" by spending required in the *Contrat de Plans Etat-Région* (Blanc *et. al.*: 1994).

In practice, the region has neither the juridical right nor the financial power to carry the day in an open struggle for influence with either the central state or the *départements* -- much less a tacit alliance among them. In the face of hostility, or even passive non-cooperation, from infra-regional actors, the best that a regional administration can hope for may well be recognition as one actor among others in the European policy process, basing its actions on a strict interpretation of the mandate of the decentralization laws. It cannot enforce its predominance over the departmental or local levels, however much it might wish to.

## The Importance of Pre-Existing Policy Communities

Putting together our observations in Languedoc-Rousillon with the earlier discussions of Bretagne and PACA allows us to make at least a preliminary choice between structural and voluntarist explanations of inter-regional differences. The clearest observable difference between the two southern regions on the one hand and Bretagne on the other, turned out to be the attitude displayed by infra-regional actors -- cooperative with each other and with the regional council in the first case and competitive on both fronts in the second.

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<sup>62</sup> For the regions studied, the regional share of total financing varied between ten and twenty percent for both the IMP and the PDZR as reported in the respective regional program documents.



This is the "structural" factor, which we identified with Marsh and Rhodes' concept of a "policy community" that makes it relatively likely that institution-building initiatives will succeed in Bretagne.

While the experience of Bretagne in the past century suggests that it is indeed possible for territorial policy communities to grow out of persistent voluntarist action, it would seem that European Community Regional policy by itself is not a sufficient stimulus for the creation of such a network if one does not already exist. Despite the efforts of its powerful and energetic president, the regional council of Languedoc-Rousillon remains one actor among others in the territorial politics of the region, and not necessarily the strongest. Here, as in PACA, the division among elected territorial governments leaves the *préfecture* - in its role as "representative of the state" -- as the leading "regional" actor in the implementation of EC regional policy.

The most plausible reason for this finding seems to hinge on the relatively limited resources available for ECRP. Either as "stakes" worth pursuing for their own sake, or as "tools" to be used in pursuing some further goal, these are not sufficiently important to serve as the stimulus for the creation of a territorial policy community for European affairs if one does not already exist in the closely related field of regional economic planning. In the positive case, however, it proved relatively easy for the territorial policy community for economic planning in Bretagne to take on this new task, expanding and transforming itself in the process.

## Conclusions

The successive sections of this essay have explored the regional-level institutional outputs of European Community Regional Policy (ECRP) in France. The EC regional policy initiatives that were launched with the IMP in 1985 and expanded in the structural fund reforms of 1988 were intended, among other things, to increase the autonomous role played by regional-level institutions and decision-makers in setting priorities for and managing development programs funded in part by the EC; the transfer of financial, juridical, and technical resources to them from Brussels was meant to lessen their dependence on the national level. Academic observers of this process, however, have cast serious doubt as to the success of this effort.

In France, our observations showed that while this skepticism was well warranted in some regional cases, it was not in others. Considerable variation in the nature of institutional outputs were observed between regions, best



summarized as the existence in some cases but not others of an effective regional-level policy community for European affairs. Where such a community existed, the net impact of ECRP has indeed been to lessen the dependence of regional decision-makers on the national level, largely as a result of the participation of the dual role of the regional *préfecture* as a participant both in the territorial policy community and in the national policy process.

The experience of the three regions studies here suggests that ECRP has been "empowering" -- in the sense given that term here -- only where it encountered a pre-existing regional-level policy network for territorial development. Such an encounter consolidated the policy network in question, making it less dependent on shifts in national-level policy, as well as leading to its transformation and expansion by allowing it to take on an extra-national dimension it had previously lacked. In the absence of a pre-existing policy network, however, the new resources brought by ECRP have proven insufficient either as tools or as stakes to bring about the creation of a new policy network. From this observation follow several points.

As matters now stand, there is no reason to predict convergence among French regions with respect to their handling of ECRP. Indeed, a more plausible prediction would be for a degree of continued divergence. With the days of easy money from Brussels probably over, due both to global pressures on the European Union's budget and the likelihood of a redeployment of resources to the east, regions that have already acquired the structures and expertise to navigate the European policy maze will have an ever-growing comparative advantage in finding out about and competing for a shrinking pot of Euro-money. Competition for funds, a minor aspect of regional strategy in the current generation of programs, may well become a significant one in the future.

This same development, however, by making the financial rewards of European activism less obvious and harder to achieve may well lead those regions that do not now possess a functioning policy network in the area of ECRP to lose whatever interest they may have had in the issue. The window of opportunity in which to develop such a policy network, I would suggest, was finite and may fast be closing.

With regard to the "governance" of the European Union, or at least of its economic pillar, our observations in the French regions suggest several conclusions. It is increasingly clear that the unitary actor model of the state, brought to EC studies from international relations, is not useful in this case. In particular, several conclusions that follow logically from the unitary state model, and that are too often accepted uncritically, should be re-examined.

To assert, as Moravcsik has done in the case of EC activity in general and Anderson specifically with regard to the structural funds, that the membership in the EC and participation in its policies has strengthened "the state" or even



"the national executive" in the member countries is perfectly true as far as it goes, but it doesn't go very far. The evidence presented in this essay suggests not only that the state is not a unitary actor -- no great surprise to students of comparative government -- but that the neither is "the national executive."

The very real strengthening of one part of the executive, namely the regional *préfectures* has led directly, in some cases, to a greater role both for sub-national political figures and for non-state actors. While some parts of the state -- the DATAR -- do indeed seek to act as gate-keepers, standing between Brussels and the regions, the case of Bretagne shows that other organs of the state can act as a "bridge" linking these sub-national actors to Community decision making.

The model of "state as gatekeeper," thus, is not false in every case, but it does not hold generally (any more than does its erstwhile rival, the "regional empowerment" model). More unfortunately, to put forward general models of this sort gives a misleading impression of national uniformity. To question in general the applicability of such national models is this essay's final, and most important, conclusion.

Not all regions, as we have seen, are in a position to take advantage of the possibilities offered by the potential "bridging" role played by the *préfectures*. Our basic finding is one of sub-national diversity. There is no doubt that national institutions exist and that they contribute to shaping "patterns of mobilization". Within the array of opportunities provided by this pattern, however, variation is considerable. Anderson's skepticism is thus justified in some French regions but not in others.

From a methodological standpoint, thus, the principal conclusion of this study is that attention should be paid to sub-national policy-making conditions and, in particular to the presence of territorial policy communities and the interaction between territorial politics and national administration. In France, the regional *préfectures* are the link that allow territorial policy styles to influence the institutional outputs of EC regional policy. There is no reason why this role should not be played by other agencies in other national cases. Comparative studies at the regional level in other member states and, most especially, studies of this kind involving cases from more than one member state, should make it possible to uncover such relationships.

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