

The Macro-regional Concept as a New Model of Differentiated Integration

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Abstract

The expanding membership of the European Union (EU), as well as the the expansion of the scope and the deepening of the level of integration, has contributed to increase diversity within the EU. In order to cope with this situation a system of differentiated integration developed. Differentiation is a way of integration which involves only a limited number of member states. The objective of this paper is to carry out a systematic analysis of one of the most recent differentiated arrangements, the EU macro-regional strategies. The strategies will be analyzed along six dimensions, provided by one of the most recent typology of differentiated integration. The thesis is designed as a case study and the documents framing the strategies will provide the empirical material. The analysis concludes that the macro-regional concept is a new model of differentiated integration with a distinct set of features: permanent, territorial, multi-level, within the EU treaties, with the decision-making at the EU level and involving also non EU-member states.

Key words: European Union, differentiated integration, macro-regional strategies, Baltic Sea region, Danube Region.

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LIST OF ABBREVIATIONS

BSR	Baltic Sea Region
CBSS	Council of Baltic Sea States
CEC	Commission of the European Communities
CEPR	Centre for Economic Policy Research
CoR	Committee of the Regions
DG	Directorate General
DG Regio	Directorate General for Regional Policy
DR	Danube Region
EIB	European Investment Bank
EMU	European Monetary Union
ERM	Exchange Rate Mechanism
ESDP	European Security and Defence Policy
EU	European Union
EUROMARFOR	European Maritime Force
EUSBSR	European Union Strategy for the Baltic Sea Region
EUSDR	European Union Strategy for the Danube Region
HELCOM	Helsinki Commission
IR	International Relations
MEP	Member of the European Parliament
MLG	Multi-level Governance
ND	Northern Dimension
ORU	Optimal Regulatory Unit
TEU	Treaty on European Union
TFEU	Treaty on the Functioning of European Union
WEU	Western European Union

1 INTRODUCTION¹

The European Union (EU)² throughout its history has constantly increased both its membership³ and its remit. These developments, jointly, pose great challenges on the Union. As the matter of fact, more members, wider and deeper policy scope contribute to diversity within the EU. Diversity to be seen both in terms of preferences over integration and in terms of capacity to integrate.

Consequently, in the EU emerged several ways to deal with this heterogeneity. The European Monetary Union (EMU), the Schengen agreement, the European Security and Defence Policy (ESDP) are probably the best known examples of the many forms of differentiated integration. The process of differentiation has become so essential in the development of the European Union that some authors have conceptualized the EU-polity as a system of differentiated integration (Schimmelfennig *et al.*, 2011: 1). Definitions such as *condominio* by Schmitter (1996), Zielonka's "neo-medieval empire" (2001) and De Neve's "Europe as onion" (2007), all mean approximately the same thing. The EU is a governance system with "overlapping authorities, divided sovereignty, diversified institutional arrangements and multiple identities" (Zielonka, 2001: 509).

At the same time, enlargement also meant an increasingly geographically vast Union, where sub-groups of states shares some challenges, which are too specific to be tackled from the Union as a whole, but, nonetheless, they need some EU involvement. One of the most recent policies of the EU, the macro-regional strategies, can be seen in this perspective. These arrangements aims to promote an integrated approach in the management of different problems and opportunities for actors included in a determined macro-region. So far, two strategies have been

¹ I would like to thank my supervisor Rikard Bengtsson for helpful comments and ideas.

² In this paper I will use the term European Union to mean both the Union as such born with the Treaty of Maastricht and the European Communities before that.

³ The founding members were Germany, France, Italy, the Netherlands, Belgium and Luxembourg. The UK, Denmark and Ireland joined in 1973, followed by Greece (1981), Portugal and Spain (1986), Austria, Finland and Sweden (1995). In 2004 with a "big bang" enlargement ten new countries joined, followed by Romania and Bulgaria to years later. Croatia is expected to join soon.

established and are in course of implementation, namely the European Union Strategy for the Baltic Sea Region (EUSBSR) and the European Union Strategy for the Danube Region (EUSDR), but many others are under consideration or at the different stage of development. Macro-regions can be seen as differentiated arrangements which, on the one hand, are a rational response to the process of integration, creating a sort of divisions of labour, but, on the other hand, they could contribute in increasing the fragmentation and therefore hinder the process of integration (Koller, 2012: 14).

This introductory chapter aims at setting this thesis both in the context of the process of European integration and the academic research over differentiation. Therefore, I will give a brief historical overview of the centrality of differentiation in the European history, which will lead to the introduction of the research question and its relevance within the studies on the issue and it will finally concludes with the plan of this thesis.

1.1 European integration and differentiation

Kölliker (2006: 17-8) identifies four phases in the use of differentiation in the history of the European Union.

The first phase can be set at the origins of the process of European integration. In those years, there was the confidence that the Member States would have set apart their differences and found a way to identify a set of policies, within which they would have all participated with equal rights and obligations (Wallace & Ridley, 1985: 1-2, Kölliker, 2001: 127)⁴.

This widespread belief started to be questioned already in the early 1970s, after the first wave of integration. It is not casual the first discussions on differentiation at the highest political level date back to this period. The major examples are the Willy Brandt' emergency programme (1974) and the Tindemans Report (1975).

⁴ Already in the Treaty of Rome is possible to find some instruments which could potentially be used for differentiation, such as the instrument of the directive, which is binding only upon the Member State to which it is addressed (Tuyschaever, 1999:9). Nevertheless, directives have largely been addressed to all Member States. In addition, Paul Henry Spaak has been reported to have defined the founding member as “those that wanted to go faster and further in European integration” (Gilbert in Stubb, 1997:41).

The first one suggested a flexible approach as a way to move more rapidly to common policies, pre-conceptualizing a sort of two-speed Europe (in Stubb, 1997: 41, La Serre & Wallace, 1997: 6), while the second stated that “the states in a position to do so have a duty to go out in front” (Tindemans in La Serre & Wallace, 1997: 6).

However, the first differentiated agreements started to emerge outside the EU framework, even if they were closely related to the EU because of the actors involved (Kölliker, 2006: 18). Examples of agreements included in this second generation are the Exchange Rate Mechanism (ERM) and the Schengen Agreement⁵.

The notion of flexibility came back in the European political debate at the beginning of the 1990s. The reasons were mainly the end of the cold war and the uncertain geopolitical consequences that followed. With the Treaty of Maastricht differentiation entered the EU treaties with probably the most emblematic example, the European Monetary Union (EMU). This is the third phase.

The first document to steam the debate on differentiated integration at the highest political level was the Schäuble-Lamers paper (1994), which included the possibility of creating a hard core of member states, to be composed possibly of Germany, France and the Benelux countries, but however not exclusive. This hard core was meant to have a centripetal effect in order to persuade the less willing to move on with integration (Stubb, 1997: 41). The paper was heavily criticized and sparked an important debate. The French Prime Minister Edouard Balladour proposed a Europe of concentric circles, depending of the different degrees of integration, while the British PM John Major called for greater flexibility in the process of integration and put forward the concept of integration *a la carte*. According to this view, there would have been a core of policies endorsed by all member states, basically constituted by the internal market, while they could have more freedom of choice concerning other policies (*ibid.*). These proposals made possible that the idea of flexibility was quite high in the agenda of the inter-governmental conference which brought to the Treaty of Amsterdam, which

⁵ The Schengen Accord was signed in 1985, outside the EU treaty, by France, Germany and the Benelux countries. It established the elimination of border controls among the states part of the agreement (Hix, 2005: 348).

introduced the fourth generation of differentiated integration. The Treaty introduced the legal possibility for only some of the member states to pursue some common policies, in the form of closer cooperation. However, such a legal instrument, reinforced in the Nice and Lisbon treaties, was never used until recently when a law involving fourteen member states on the issue of harmonization of divorce law was approved in 2010 (Koller, 2012: 10)⁶.

1.2 Research question and its relevance

This historical overview highlights the centrality and importance of differentiation in the process of integration. Consequently, the issue has been high on the research agenda, especially after the publication of the Schäuble-Lamers paper (Stubb, 1996: 284). At the same time, it is quite surprising to find out how unsystematic the research on this phenomenon is. In one recent article (2012), which is of central importance for the development of this thesis, Holzinger and Schimmelfennig try to put some order in the studies of differentiation and at the same time develop a research agenda. The authors identify some trends (*ibid.*, 292): a great abundance of conceptual works, few attempts of developing a positive theory, and the studies are mainly focused on a few, politically highly relevant, treaty-based arrangements, such as the EMU. They therefore call (*ibid.* 302) for a more systematic data collection and more case studies on the “minor” cases of differentiation. Hence, I decided to give a contribution in this concern, through a case study on the macro-regional concept, one of the most recent and interesting cases of differentiation.

The research question which will guide my work is actually divided into two parts, but they can be considered the two sides of the same coin. When one attempts to answer the first, he will necessarily answer the other one as well. The link between the two will become more evident when I will introduce the analytical framework:

⁶ It was followed by the adoption of enhanced cooperation in the field of patent protection authorised by the Council in March 2011 (ec.europa.eu/internal_market/indprop/patent/index_en.htm).

Is the macro-regional concept a new model of differentiation? What are its features?

As I mentioned above, differentiation comes in a wide array of models and each of them has its own distinct combination of features. So it is interesting to investigate whether the macro-regional strategies are simply a new manifestation of existing models or they constitute a model by themselves and they have therefore paradigmatic potential. If the answer will be affirmative I will be able to give a substantial contribution in the development of a typology of differentiation, otherwise the study can still provide information in order to understand this complex phenomenon.

In addition, the strategies are a relatively new phenomenon, the first one being endorsed in 2009, and this means that the analytical researches on the subject are still limited in number, especially the ones concerning the Danube Strategy. Looking at the macro-regional strategies as a case of differentiation with this particular framework will also provide important information over their essential features.

In conclusion, the approach of the thesis is descriptive/analytical (Diez & Wiener, 2009: 18), as the main focus “is on the development of definitions and concepts with which to grasp particular developments, practices and institutions” (*ibid.*). This kind of work, however, provides the basis upon which more complex explanatory theories can be built (*ibid.*, Kölliker, 2010: 41).

1.3 Structure of the paper

This paper will have four main chapters, plus an introduction and a conclusion. The next chapter will introduce the theoretical and analytical framework. Rather than dealing with a proper theory, for the reasons explained above, I will employ a theoretical concept, that of differentiated integration. This concept will need clarifications. I will provide definitions, describe the causes and consequences of differentiation, touch upon the few attempts to develop a theory of differentiated

integration and, finally, particular attention will be given to various forms of differentiations and their categorization. It is one typology in particular which will constitute the analytical framework.

The following chapter, will focus on the methodological approach. It will be shown the research design of the paper as being a case study and it will be put in relation with the theory. The method as such will be a content analysis of the documents framing the strategies. I will explain why I have chosen this method, the data used for the analysis, its strengths but also the weaknesses.

An empirical, or background, chapter on the macro-regional strategies will follow. The strategies will be contextualized and defined. The two strategies, the Baltic Sea Region and the Danube Region, will be shortly described and finally I will give a brief overview over the main scientific literature on the issue. This chapter serves two main purposes. Firstly, it is aimed to give more information to the reader over this new development within the EU context. Secondly, I wanted to avoid overloading the analytical chapter with too many background information.

In the analytical chapter I will investigate the strategies along the six dimensions provided by the analytical framework in order to find out whether the macro-regional concept is a new model of differentiation or not. After I find out the results I will be able to point out similar cases of differentiation and I will finally assess the analytical framework.

Finally, the conclusion will sum up the findings but I will also try to draw some theoretical implications from the study and provide some suggestions for further studies concerning both differentiation and macro-regional strategies.

2 THEORETICAL AND ANALYTICAL FRAMEWORK

In this chapter I will introduce the analytical framework which will be employed for the analysis. It will be preceded by some conceptual clarifications. As the matter of fact, more than a fully developed theory, I will be dealing with a theoretical concept, that of differentiated integration. As I am going to show later in this chapter a widely accepted theory of differentiation is missing and the field is rich of terminological confusion. As a consequence, many scholars have tried to put some order in this research area through the development of a comprehensive categorization of the different forms and models of flexible integration. The underlying assumption is that it will be easier to develop a theory after the concept is well organized and understood. These categorizations, with the related variables, can be a good tool for the analysis of the macro-regional strategies.

The chapter will be divided in sub-sections. I will first attempt to clarify what is meant with the concept of differentiated integration, and introduce some recurring themes in this field, such as the causes and consequences of this phenomenon. I will then move on to give an overview of the most comprehensive studies on the subject, presenting both some of the few theories developed so far and the most accepted categorizations. I will finally explain how I will use one of the typology as a framework for the analysis of the macro-regional strategies.

2.1 Definition and conceptualization

Differentiated, or flexible⁷, integration has grown to become, especially after the different stages of enlargement, one of the prominent features of the process of European integration. “The Euro Area, ‘Schengen’ Europe, ‘social’ Europe, and the European Security and Defence Policy (ESDP) represent the visible tip of an iceberg of differentiated integration that has grown up within the European

⁷ The two terms are often used interchangeably, also in this paper.

Union” (Dyson & Sepos, 2010: 3). With the term differentiation is generally meant any method of integration, formal or informal, which does not involve all the member states or it involves them in a different way. It is evident that this is a quite wide and somehow vague definition, but at the same time this vagueness is necessary. Differentiation can be considered as an “umbrella” concept. Differentiated integration comes in many different, and sometimes contrasting, forms and such a definition has to include them all. One of the main scholars of flexible integration, Alexander Stubb, for example, defines it even in more general terms as “the general mode of integration strategies which try to reconcile heterogeneity within the European Union” (1996: 283).

Other definitions are narrower as they are inspired by a strictly legal idea of differentiation, focusing consequently on the rights and the obligations of the states (Dyson & Sepos, 2010: 4). A definition belonging to this strand is given by Kölliker, who states that differentiation “is used as the general term for the possibility of member states to have different rights and obligations with respect to certain policy areas” (2006: 14).

Dyson and Sepos (2010: 4), editors of the probably most comprehensive anthology on the subject, try to go beyond the definitions of the phenomenon which borrows from legal literature and give a quite lengthy definition which tries to reconcile its complexity and it includes functional, territorial and legal perspectives:

Differentiated integration is the process whereby European states, or sub-state units, opt to move at different speeds and/or towards different objectives with the regard to common policies. It involves adopting different formal and informal arrangements (hard and soft), inside or outside the EU treaty framework (membership and accession differentiation, alongside various differentiated forms of economic, trade and security relations). In this way actors come to assume different rights and obligations and to share a distinct attitude towards the integration process – what is appropriate to do together and who belongs with whom.

For the purpose of this paper I will rely on the wider definition of differentiation, as macro-regional strategies are rather flexible and soft

arrangements. The definitions belonging to the legal literature suffers somehow from the fact of being, as many of the studies of differentiation, focused on treaty-based cases of differentiation, such as the EMU, while differentiations comes in many other forms, which might be more informal and rely on more flexible legal instruments.

2.1.1 Differentiation and regionalization

Differentiation is also linked to regionalization. This is extremely relevant to the case of the macro-regional strategies, but at the same time this aspect has been neglected in the few attempts to develop a theory of differentiated integration. Antola (2009: 9) claims that “[R]egionalisation is a form of differentiation on a territorial base. Regionalisation as a form of differentiation stems from the simple fact that member states geographically close to each other share common history, common values and common interests in a variety of issues”, and at the same time these interests might not be relevant for the other member states or for the Union as a whole. As a consequence he divides the EU in five “Olympic circles”: Baltic, Mediterranean, the Visegrad Cooperation, Danube and Western Europe. Other authors have added more regional clusters as example of differentiation, such as Alpine Europe (Caramanti, 2010), Atlantic Europe (Gambie, 2010) and Balkan Europe (Economides, 2010). Similar is the conception of parallel cooperation developed by La Serre and Wallace (1997: 10). This is a separate group, such as the Benelux and the Nordic Council, and, as long as it deals with interdependence within this group, it is not likely to be a threat for the EU.

2.1.2 Causes of differentiation

There seems to be a quite accepted knowledge among the researchers on the causes of differentiation, called “folk theorem” by Schimmelfennig *et al.* (2011). “It stipulates that both enlargement and the increasing policy scope of European integration have resulted in a higher heterogeneity of state preferences and capabilities and that this heterogeneity has given rise to differentiation in turn” (*ibid.*, 2). The increasing membership of the Union puts under great stress the

process of integration. In the 1950s and to some degree until the first stages of enlargement the Union was more or less homogeneous body, both economically and politically. Nowadays, reconciling the views of 27 member states is inevitably a much more complex process. Enlargement meant also more competition over the redistributive policies of the Union, especially the Common Agricultural Policy and the Structural Funds (CEPR, 1995: 2). At the same time, and strictly interrelated to the process of broadening, the scope of integration has increasingly widened coming to include more and more policy areas, also of high politics – i.e. security and defence. Finally, member states conflicts over the degree of supranationalization of certain policy area. Moreover, even if a policy is at the EU level, the Union has a very limited enforcement capacity and therefore has to rely on the national administrations (*ibid.*), and unwilling member states might not enforce a certain policy creating a *de facto* differentiation.

All this factors taken together have contributed to increase heterogeneity among the member states. In order to deal with this situation, and to keep the momentum of integration, several differentiated agreements emerged in the EU system. Nowadays, differentiation is an established tool for political management and a design principle of integration (Dyson & Sepos, 2010: 16)

Some authors try to give a more nuanced representation of the drivers, adding also functional specificity and spatial rescaling⁸ (*ibid.* 5).

Tuytschaever (1999: 218) suggests the overall causes of differentiation can be grouped in objective and subjective differences among the member States. The former is based on socio-economic differences between the member states. He calls it also “natural”, as it is inevitable that the Union will comprises relatively wealthier and relatively poorer countries. The latter is grounded in political differences among the member states.

2.1.3 Effects of differentiation

A bit more controversial is the debate about the effects of differentiation. Is differentiation the rescue of the European project or its end? Undoubtedly,

⁸Spatial rescaling is one of the recurring themes, both concerning differentiation and macro-regional strategies. Keating (2009, 2010) is one the major scholars of this phenomenon whereby functions migrates away from the states, traditionally the main functional unit, and consequently new spaces are created above and below the states, but also among states (2010: 55). The European Union is both a manifestation and a catalyst of this process (*ibid.*).

differentiation increases complexity and creates cleavages among the member states but, on the other hand, as seen in the previous section, it is a way to keep the momentum of integration in the face of increasing diversity. Legal scholars tend to see differentiation as problematic because they read it in terms of fragmentation of law, increasing complexity and decreasing transparency (Kölliker, 2005: 34). The first studies of political science on the issue seem to share such a skeptic position. For example, Wallace and Ridley (1985: 67-8) describes how many saw it as having possible destabilizing effects or being adapted only to some policy area (such as industrial cooperation). This skepticism stems from the fact that differentiation appears to threaten the principles at the base of the process of integration (Devuyst in Junge, 2007: 400-2): such as the process towards ever closer union, the principle of solidarity among EU member states, non hegemonic and democratic decision-making.

More recent studies, taking into account the almost systematic application of differentiation the EU embarked in the last 20 years, have instead a less pessimistic stand. Differentiation is seen as a tool for overcoming deadlock and pushing forward the process of European integration (Dyson & Sepos, 2010: 13). In addition, most of the differentiated arrangements have demonstrated to have a centripetal effect (Junge, 2007: 400-2). Most of them started with a few members and have progressively increased their membership. This dynamics might take either the form of the carrot or that of the stick (De Neve, 2007: 512). The first one where the perceived benefit of being part of a certain arrangement push states to do the necessary reforms for being part of it, for examples Italy, Spain and Portugal in order to join the Eurozone (*ibid.*). In the second is the fear of exclusion to persuade member states to join a certain agreement. A good example is the UK eventually joining the negotiations for the Single European Act (*ibid.*).

2.2 Theories of differentiation

I mentioned how the positive theorizing over flexible integration is still rather limited. There are many *ad hoc* explanation and the “folk theorem” over the causes of integration mentioned above (Schimmelfennig *et al.*, 2011: 2).

Nevertheless, there are some interesting theoretical attempts which I will present in this section.

Logical points of departure are the classical integration theories, especially the explanatory ones, such as neo-functionalism and liberal intergovernmentalism. Schimmelfennig *et al.* (*ibid.*, 1) write how differentiated integration has been overlooked by these theories, as their objective is to explain integration rather than differentiation. This is quite surprising since flexible integration has become an integral part of the process of European integration. However, the integration theories, if not a complete explanation over its causes and consequences, might still provide important insights in order to understand some aspects of differentiation (Dyson & Sepos, 2010: 17). Potentially, neo-functionalism is the most useful. This theory, developed originally by Ernst Haas in order to explain the early developments of the European Communities (Bomberg *et al.*, 2008: 11), could help to understand the functional expansion which characterizes differentiation. The concept of spill-over is of central importance here⁹. So, for example, it could explain the expanding integration in the economic area, from the single market to the EMU. But, what neo-functionalism can not explain is why such spill-over happens only for some of the member states (Dyson & Sepos, 2010: 17) producing, consequently, differentiation.

The other “grand theory” of European integration is intergovernmentalism, especially in its liberal variant. Drawing on the realists accounts of international relations, it sees the states as the major players in the European arena and integration is the result of a zero-sum intergovernmental bargaining (Hix, 2005: 15-6). Moravcsik (in Kölliker, 2006: 38) actually includes the possibility of a flexible arrangement in his theory, but only as a “threatening” instrument in order to persuade the reluctant states to take part in new policies¹⁰.

Finally, constructivism, going beyond the rationalist approaches, explains integration not only as the result of national interests, but also as influenced by identities and norms (Bomberg *et al.*, 2008: 13). It could explain differentiated integration as the result of multiple identities which produce the need of creating arrangements involving only the states which share that identity (Dyson & Sepos,

⁹ The concept of spill-over is the engine of integration for the neo-functionalist theory. It means that in order to achieve an objective within a certain area of integration is necessary to take actions in other related area, pushing therefore the integration forward (Jensen, 2007: 91, Niemann and Schmitter, 2009: 49).

¹⁰ Moravcsik provides as an example the negotiations for the Single European Act. The possibility of exclusion of the UK was a decisive factor for the success of the negotiations (in Kölliker, 1996: 38).

2010: 18). One theoretical work on differentiation, falling within constructivism, is by Rebecca Adler-Nissen (2011). She points out how informal practices might lessen the centrifugal effects of a differentiated arrangement. Common norms are developed between the core countries and those who opted-out and as a consequence the UK and Denmark have adopted EU legislation covering issues which theoretically would fall in their opt-outs.

Schimmelfennig, Leuffen and Rittberger (2011) attempt to develop a theory of differentiated integration which draws on intergovernmentalism, supranationalism and constructivism because, even if these theories do not deal directly with differentiated integration “they provide all the basic ingredients” (*ibid.* 2). The main framework for the theory is intergovernmental, but constructivism might be useful for explaining national preferences as shaped by ideational factors, and supranationalism suggests supranational institutions as intervening factors in the intergovernmental bargain. The framework consists of four steps. The first step is agenda setting, where a central role is played by the Commission, but important role might be played by other actors. The second step is preference formation. Preferences might be driven by both material and immaterial factors. Step three is bargaining and the last step has three possible outcomes. If all member states (the theory is dealing with the constitutional decision-making level, so unanimity is necessary) agree then the outcome is integration, if they disagree there will be no integration. Finally, when there is only a partial agreement, a differentiated arrangement might be found. This would allow some states to remain to the status quo while others move ahead.

There are, however, a few attempts to build positive theories of differentiation which do not draw on classic integration theory. Probably the major attempt so far has been by Alkuin Kölliker (2001, 2006, 2010). His theory is inspired by the public good theory. He (2010: 46-9) writes how a differentiated arrangement is created because it is expected to produce “positive internal effects” for the participating countries. At the same time it will produce externalities, and if these are negative, then the initially unwilling might now decide to participate at the arrangement. He goes on linking this reasoning to the public goods theory. A public good has two essential features: excludability and rivalry¹¹. The incentives

¹¹ A good is “excludable” if free-riding on that specific good is possible (Kölliker, 2010: 47). If increasing consumption of a good diminishes the utility of other consumers drawn from that good, then the consumption is rival (*ibid.*).

for the creation of a differentiated arrangement are high if the good is excludable and there is no rivalry over it. On the other hand, when goods are not excludable and their rivalry is high there might still be some incentives for cooperation, but at the same time possible “leakages” of the public good might benefit also the free-rider non participants. When instead the non-participants are excluded from the positive internal effects but damaged by the negative externalities the incentives for joining the differentiated agreement are the highest. So, for example, the EMU and Schengen can be seen as excludable public goods and despite initial differentiation the re-establishment of unity in the long-run is a likely outcome (Kölliker, 2007: 144).

Jensen and Slapin (2011) develop a complex spatial model which, instead of looking at the nature of the policy area object of the agreement, takes into consideration preferences, agenda-setting and qualified majority voting. The authors give a strong focus, as it is clear in the examples they provide, on those arrangements which include the possibility of opting-out.

The main limitation with all the theories presented is that they are built around few, politically highly relevant, cases, such as the EMU, Schengen and the ESDP. They are hardly applicable when it comes to differentiation in ordinary legislation or informal differentiation. This is why case studies on these, less evident, cases and a consequent categorization and typology over the different forms of flexible integration might have a theoretical worth.

2.3 Categorization of differentiated integration

It is now clear that differentiation is not a monolithic phenomenon, but it comes in many different forms. Politicians and scholars both have produced a great number of terms to describe them. As the matter of fact, while the theoretical works are still limited, the opposite can be said for the conceptual work and terminological production (Holzinger & Schimmelfennig, 2012: 302). Despite this might seem pointless scholasticism, the creation of categories is needed to “connote different, even contradictory, strategies of integration” (de La Serre & Wallace, 1997: 5). However, these terms are often misunderstood (Stubb, 1996:

284)¹². Many terms are coined in order to describe a case of differentiation and subsequently these terms are borrowed from other authors to be applied to other cases creating confusion.

Given this situation, many authors have stressed the importance of a comprehensive categorization, or typology, of the different models of differentiated integration. First of all, it helps to bring conceptual clarity. Secondly, the study of differentiation need to take into account the differences among the various differentiated arrangements (Kölliker: 2010: 41). Finally, also the theory might benefit of such a process. Once the concepts are ordered according to clearly defined variables it would be easier answer questions about differentiation (*ibid.*).

In the less recent studies of differentiated integration there was the awareness that it could happen in many different forms but at the same time it was not evident the utility of a comprehensive categorization. For example, Wallace and Ridley (1985) identify several models (*directoire*, two-speed Europe, two tiers, Europe *a la carte*, variable geometry, differentiation, abgestufte integration, subsidiarity, concentric circles, exclusion of the uncooperative and core Community) without, however, organizing them systematically.

The already mentioned classification by Stubb (1996) is probably the most used and accepted systematical attempt to bring order into the jargon of differentiation¹³. According to him, all the different cases of differentiation can be grouped in three main concepts, borrowed from the political discourse (see introductory chapter): multi-speed, variable geometry and *a la carte*. In addition, he linked each concept to a distinctive variable: time, space and matter respectively. The first one is defined by a group of states (the core) who are willing and able to pursue some objectives and policies and there is the assumption the some other will follow later. This is integration differentiated by *time*. Examples falling within this category are the transition periods and the temporary derogations which are often included in the accession agreements. Variable geometry is instead linked to more irreconcilable differences and therefore there is a permanent separation between a core and a periphery. Major

¹² Stubb reports how the meeting of the European Parliament on 28 September 1994 “was an embarrassing portrayal of ignorance concerning the differentiated visions” (1996: 284).

¹³ The author identifies at least 32 terms related to differentiation in English, and almost as many in French and German (Stubb, 1996: 285).

examples are in the defence and security area such as the WEU, EUROCORPS, EUROMARFOR, but also the Schengen Agreements could be considered good examples of this category. Finally, there is differentiated integration on pick and choose or *à la carte* basis. In this type of differentiation member states can choose which kind of policy they want to participate in, as in a menu. It is focused on matter and important examples are the opt-out of the UK and Denmark from the European Monetary Union, or the Swedish accession agreement¹⁴.

The categories can also be considered as different points in a spectrum of the different models of integration. Multi-speed is strongly linked to supranational ambitions. The objective is integration but the states are given different time in order to reach the objective. While at the other end of the spectrum there is the concept of *à la carte* integration (Stubb, 1996: 288). The integration is somehow sacrificed to the interests of the member states, which are free to decide to which policies they want to take part in. Variable geometry is placed somewhere in the middle (*ibid.*), given its ambiguity. This classification based on three main concepts has been generally accepted and following typologies (such as Warleigh, 2005, Junge, 2007) have a similar stand.

While this wide acceptance, the classification, and especially the concept of variable geometry, has attracted some critiques. Ehlermann (1995: 6) points out how the main variable for both variable geometry and *a la carte* Europe is matter.

More recently, Kölliker (2010: 41) tries to go beyond the mono-dimensional (each type of differentiation is defined by one variable) classification of Stubb and develop a classification which takes into consideration more dimensions. He identifies six variables (the first four of them are binary, while the fifth has four alternatives and the sixth three): 1) actual vs. potential; 2) inside EU law vs. outside the EU law; 3) inside EU borders vs. outside the EU borders; 4) broad issues vs. narrow issues; 5) due to the unwillingness of “outs” vs. due to the unwillingness of “ins” vs. due to the inability of “ins” vs. due to the inability of “outs”; 6) temporary vs. conditional vs. permanent.

The most recent attempt of elaborating a typology of the different models of differentiation is by Holzinger and Schimmelfennig (2012). Drawing on Ehlermann (1995), have claimed Stubb’s categorization is faulty with reference to the second and third dimension: space and matter. As the matter of fact, they

¹⁴ Sweden was allowed to keep using *snus*, despite it was illegal in the rest of the Union (Stubb, 1996: 292-3).

explain, space and matter are involved by definition in all cases of differentiation. Therefore, after analyzing the main literature on the different cases of differentiation, they propose their own classification of differentiated integration, along six variables, which they have found to be recurrent in the different cases of differentiation:

- (1) permanent v. temporary;
- (2) territorial v. purely functional differentiation;
- (3) differentiation across nation-states v. multi-level differentiation;
- (4) differentiation takes place within the EU treaties v. outside the EU treaties;
- (5) decision-making at the EU level v. at the regime level;
- (6) only for member states v. also for non-member states/areas outside the EU territory.

From these six dimensions it is possible to derive different models of differentiation, based on different combinations of the variables. After a review of the empirical cases and the literature, they identify ten models of differentiated integration (figure 1). Most of the models are normative in character, but it is interesting to see how it is possible to find concrete examples, close to the ideal-type, for most of them¹⁵ (*ibid.*). Of course the classification it is not complete and new models, based on different combinations of the six variables, might be added. And it is exactly here that my study takes place.

I will analyze the macro-regional concept along the six dimensions provided by the authors and I will be eventually able to establish whether it has its own unique combination of variables. I decided to employ this typology as analytical framework for several reasons. Firstly, it is a recent framework, which takes into consideration the most recent researches over differentiation. Secondly, the classification provided is really multidimensional and therefore allow for an in-depth research, more than the classification by Stubb which is instead mono-dimensional.

¹⁵ The only exception is model number 10, Flexible Overlapping Competing Jurisdiction.

Figure 1. Overview of models of differentiated integration

Dimension	Permanent									
	Territorial					Functional				
1	Temporary									
2	Differentiation at nation-state level									
3	Only inside EU treaties					Also outside EU treaties				
4	EU decision-making					Club decision-making (intergovernmental)				
5	Only member states		Also non-members		Only members		Also non-member states		Only members	
6	1	2	3	4	5	6	7	8	9	10
Models	Multiple Speed	Multiple Standards	Avantgarde Europe	Core Europe, Concentric Circles	Flexible Integration	Variable Geometry	Europe à la carte	Optimal Level of Jurisdiction	Flexible Co-operation	FOCI
Examples	Many in secondary law, e.g. environmental policy	In secondary law, e.g. environmental policy	EMU, basic rights charter	EMU; EEA, associated states	Enhanced Co-operation, Bologna (at the start)	Schengen	Bologna	Competence allocation in Lisbon Treaty	EUREGIOS	No example
References	Grabitz (1984); Stubb (1996, 2002)	Scharpf (1999)	Club von Florenz (1996)	Schäuble and Lamers (1994)	Centre for Economic Policy Research (1995)	Stubb (1996)	Dahrendorf (1979)	Fischer and Schley (1999)	Holzinger (2001)	Frey and Eichenberger (1996, 1997)

(Source: Holzinger & Schimmelfennig, 2012: 298)

Thirdly, it is not strictly linked to a legal, and therefore narrower, definition of differentiation, like instead is the classification by Kölliker, where a strong focus is given to ins and outs, which would hardly fit the macro-regional strategies.

Once performed the analysis, it will be possible to readily compare the models in order to find similarities and differences between the macro-regional concept and other models and potentially identify common patterns and theoretical explanations. Of course, it will be out of the scope of this paper to draw all these inferences, anyway, in the concluding chapter, I will attempt to elaborate some theoretical considerations.

2.4 Limitations of the analytical framework

Of course, the choice of such a framework is not free of some limitations. The biggest shortcoming of my study is relying almost exclusively on only one framework. This means that if the analysis concludes that the macro-regional concept is a new model, it would be new only in reference to this typology. If I would have used the Stubb categorization then my concept would not appear as a new one, as it would necessarily fall in one of the three categories. However, being the most recent work, the categorization by Holzinger and Schimmelfennig takes into consideration also the previous works. As the matter of fact (as it is visible in figure 1) the Stubb's concepts (multi-speed, variable geometry and *a la carte*) are included, they just have a more multidimensional and nuanced description.

In addition, while, on the one hand, the fact that the typology is really recent is a point of strength, on the other hand, it is also a limitation as it has not been applied systematically yet. This means that it might be incomplete or faulty as more variables might be added to the six or, on the other hand, some of them could be irrelevant. The same authors admit that “the typology needs to prove its theoretical worth” (2012: 302). Nevertheless, such limitations do not impede to perform a comprehensive analysis and answer the research question. It provides enough ground to parallel the macro-regional concept with other models. Moreover, this can represent also an opportunity to assess this new framework.

After performing the analysis I might be able to draw some critiques or suggestion in order to improve the model.

3 METHODOLOGY

The purpose of this chapter is describing and motivating the methodological choices I did in order to carry out this research. It will start with a section where I describe the research design, consisting of a case study, and I relate it with the theory. In the next section the method, content analysis, will be presented. Finally, I will conclude the chapter with some considerations over strengths and weaknesses of such approach.

3.1 Case study as a research design

Already the first part of my research question gives some clear indications for the most appropriate design. I will write it again for clearness:

Is the macro-regional approach a new model of differentiation?

From this formulation it is quite logical framing the work as a case study. Case studies are “analysis of persons, events, decisions, periods, projects, policies, institutions, or other systems that are studied holistically by one or more methods. The case that is the subject of the inquiry will be an instance of a class of phenomena that provides an analytical frame - an object – within which the study is conducted and which the case illuminates and explicates” (Thomas, 2011: 513).

Case studies offer many potentiality but they need to be performed in the right way as well. The first important step, highlighted also in the definition provided above, is establishing to which class of events the case studied belongs. In this thesis, the macro-regional concept will be studied as a case of flexible integration. As shown in the theoretical chapter the concept of differentiated integration will give the framework for the analysis of the macro-regional strategies. A second

step is seeing how the case study contributes to the theoretical knowledge about the object of investigation.

3.1.1 Case studies and theory

A classic critique addressed to case studies is their low theoretical, mainly because the most radical detractors claims it is impossible to draw generalization on the basis of a single case (Yin, 2003: 10-1). This statement is nowadays almost overcome. Many authors have shown how case studies might be theoretically worthy, especially if embedded in the right design.

Eckstein (1992) lists five different kinds of case study in relation to their contribution to the theory:

- (1) Configurative idiographic: provides good descriptions but do not contribute directly to the theory;
- (2) Disciplined configurative: uses an existing theory to explain a case;
- (3) Heuristic: the case is used to identify new variables and hypothesis;
- (4) Theory testing: the case is used to test a theory or competing theories;
- (5) Plausibility probes: preliminary studies on theories which are at the early stages of development;

To these five kinds George and Bennett (2005: 76) add a sixth one:

- 6) “Building block”: can be useful in the development of a typological theory.

As I showed in the theoretical chapter, despite some “islands of theorizing” (Holzinger & Schimmelfennig, 2012: 297), the theoretical development on differentiation is rather incomplete and, in addition, there is the need for more empirical information on the less studied cases of flexible integration. So, due to this lack of a general accepted theory and for the need for integrating the typology, a good choice could be that of a “building block” case study. In this design each case study is seen as a contribution to a theory or a typological theory (George & Bennett, 2005: 78). As the matter of fact, one of the purposes of this

study is to enter the macro-regional concept in the typology of differentiated integration. It is necessary to make clear it is still a typology and not yet a typological theory. My case could potentially give a contribution which might lead to the construction of a more complex theory. “[Typological theorizing] advantages include its ability to address complex phenomena without oversimplifying, clarifying similarities and differences among cases to facilitate comparisons, provide a comprehensive inventory of all possible kinds of cases, incorporating interactions effects, and draw attention to 'empty cells' or kinds of cases that have not occurred and perhaps cannot occur” (*ibid.*, 233).

3.1.2 Research design

Once settled the question of the theory-case study relation, the next logical step is looking at the design as such. Yin (2003: 40) proposes a 2x2 matrix (figure 2) of basic types of designs. A first divide is between single- or multiple-case design, and within these two variants there might be only one unit of analysis (holistic case study), or multiple units of analysis (embedded case study). In my case finding the right design is a bit problematic. On the one hand, I am dealing with the macro-regional concept in general but, on the other hand, I have two empirical cases to look at, the Baltic Sea Strategy and the Danube Strategy. So I would face two alternatives, either type 2 or type 3.

An embedded single-case design (type 2) involves more than one unit of analysis. “This occurs when, within a single case, attention is also given to a subunit or subunits” (*ibid.*, 42). So, from this perspective, the case would be the macro-regional concept while the subunits would be the two different strategies. It is a design which fits quite well my research question, as I have explained how macro-regional concept is a case within a larger class of event, represented by differentiated integration. Overall, it is quite suitable as I can still use the two macro-regional strategies as empirical sources of the analysis without, however, creating major problems for the design.

The other alternative is a holistic multiple cases design (type 3). It is fundamentally a comparative case study (*ibid.*, 46). Choosing this approach would mean dealing with at least two cases, which in this particular study would be

necessarily the two macro-regional strategies. However, this would complicate the design where I have conceptualized the macro-regional concept as a case of differentiation. Moreover, I am not interested in a systematic comparison of two strategies, rather in finding the features of the macro-region phenomenon in general.

To sum up, my choice of research design falls on the embedded single-case design as it is the one that fits better the research question.

In addition, as a further justification for choosing type 2, the two strategies can be expected to be quite similar as they are within the same framework and one (Danube) was born in the shadow of the other, as made evident also from the structure and the thematic pillars (see next chapter).

Figure 2. Basic Types of Designs for Case Studies

	<i>Single-Case Designs</i>	<i>Multiple-Case Designs</i>
<i>Holistic</i> (single level/unit of analysis)	Type 1	Type 3
<i>Embedded</i> (multiple levels/units of analysis)	Type 2	Type 4

(Source: Yin, 1994)

3.2 Method: content analysis

Finally, it is necessary to look at the method as such, the way in which I will collect and organize the empirical data necessary for the analysis. I will be basing my research on written sources and performing consequently a content analysis. Content analysis belongs to the wide family of methods, both qualitative and quantitative, which are based on the analysis of texts, such as documentary analysis, discourse analysis, text analysis. I will be investigating the manifest meaning of the documents, rather than the latent, however, my methodological choices are more on the qualitative side of the spectrum. I will be searching for and analyzing some themes (suggested from the analytical framework) and not

looking at their recurrence in the text. The method it is often praised for being objective¹⁶, at least in its quantitative variant, however, also the qualitative one can be a reliable source of information if the right precautions are taken.

It doesn't exist a standard method for text analysis providing great flexibility to the researcher. At the same time, the researcher himself has to be clear in explaining what he did and why he did so. Of central importance here is how to approach the texts. In my case I will perform a thematic analysis, meaning I will code the documents according to a certain number of themes (Bryman, 2008: 282). These themes will be provided by the analytical framework, that is, the six dimensions used for the classification of the different types of differentiated integration:

- (1) permanent v. temporary;
- (2) territorial v. purely functional differentiation;
- (3) differentiation across nation-states v. multi-level differentiation;
- (4) differentiation takes place within the EU treaties v. outside the EU treaties;
- (5) decision-making at the EU level v. at the regime level;
- (6) only for member states v. also for non-member states/areas outside the EU territory.

This division in issues will then provide the ground for the analysis as I will attempt to determine in which side of the dichotomies the macro-regional strategies are.

A final consideration on the method concerns the presentation of findings. May (2001: 196) describes how the research has two main possibilities. One is presenting the method at the beginning and then illustrating the results, without providing examples. This way requires high level of trust in the author. The other way is an “illustrative style” where data are chosen for their ability to show the general themes and supported with specific examples. My choice falls on the latter option. I will always provide a reference to back up my conclusions, either in the form of an explicit quote or with a reference to the document and page.

¹⁶ In Bryman (2008: 274) we can find one of the most common definitions of content analysis by Berelson, which stress this objectivity: “Content analysis is a research technique for the objective, systematic and quantitative description of the manifest content of the communication”.

3.2.1 Documents as sources of data

In this final section I will briefly introduce the data I will be using. The word document it is quite wide and it comprehend a plurality of sources. Bryman (2008: 515-33) identifies: personal documents, official documents deriving from the state, official documents deriving from private sources, mass-media outputs and virtual outputs. The sources I will employ for the analysis will be mainly primary EU documents, which show strong similarities with the official documents deriving from the state. These documents will be conclusions of the European Council or of the Council of Ministers, communications of the Commission, action plans and implementation reports by the Commission and a discussion paper presented by a Commissioner. The documents will, when necessary, be integrated with opinions of other European institutions, such as the European Parliament and the Committee of the Region, think-tank or regional and sectoral organisations, and secondary sources as well.

Scott (in Bryman, 2001: 370, May, 2001: 188-90) suggests four criteria which should be taken into consideration when approaching a document: authenticity, credibility, representativeness and meaning. Bryman (*ibid.*) points out as for official documents the criteria of authenticity and meaning do not present particular problems. The former is not a problem as long as the researcher is sure about the origin of the document. In my case I can be rather sure as I have retrieved the documents from the European institutions websites. When Bryman says meaning is not a problem he intend that the documents are quite clear and comprehensible in the eyes of the researcher who perform the analysis and present the results (*ibid.*). The condition of credibility is somehow more problematic, as it is nearly impossible to claim a document it is free of biases. For example, concepts such as multi-level governance (MLG) might be exaggerated by the European Commission because it has become one of the catchwords and distinctive features of the process of European integration and are therefore central in the EU discourse. A way to correct this is relying on a plurality of sources, so reports of other institutions, such as the Committee of the Regions, might help in this concern. Representativeness is linked to the typicality of the document. Is the document representative of the phenomenon studied? If the

authors want to draw some generalization this is a central question. In my case I can claim the documents are representative. Firstly, they are the documents on which the macro-regional strategies are based, and especially the action plans are central. Secondly, I tried not to exclude any of the documents linked with the development and implementation of the strategies, even because the number of documents is quite manageable.

3.2.2 Strengths and weaknesses of the methodological approach

This final section of the chapter is aimed at assessing critically the methodological choices in order to point out strengths and weaknesses.

Content analysis is praised for being a very flexible and transparent method (Bryman, 2008: 288-9). It is flexible because there are no rigid frameworks for using it and the author is therefore free to draw the framework according to its needs. There is however the need of being explicit in explaining what we do, why we do it and how we do it.

Moreover, it is an unobtrusive method, meaning a method where it is not necessary to presence of the researchers when collecting information. It is a non-reactive method (*ibid.*).

One of the main problems when dealing with content analysis is the question of subjectivity. The analysis is performed through the eyes of the researcher who has some preconceptions and implicit assumptions on the topic and it is hard to correct for these biases. What the author can do is being as explicit as possible and supply information about its coding and sources, providing, at the same time, examples to back up the arguments. In this way the readers could check themselves and it is possible to replicate the study or having follow-up studies. In this way it can be also a transparent method.

Finally, some pitfalls could be identified in the choice of method itself. I decided to use a content analysis because I found it to be quite coherent with the analytical choices and the designs. The primary documents I will analyze are those around which the strategy is built. They are quite descriptive and they are likely to contain information on the six variables of the analytical framework as they are often essential part of an arrangement.

Said that, other methods, such as interview, could have been used in order to gather further information on the issue and integrate and corroborate the findings. This is true especially in the case of the Danube strategy, which has less documentary material than the Baltic Sea strategy, lacking, for example, implementation reports. However, the action plan and the communications are quite detailed (The Action Plan is of almost 90 pages) and a preliminary screening showed they were rich in information and they would have allowed me to answer the research question, with some help, if necessary, from secondary sources. In addition, and in consideration of the design, I preferred to have similar data set. I felt the need of basing the research on coherent sources and the documentary structure of both strategies is quite symmetrical.

4 MACRO-REGIONAL STRATEGIES

The European Union Strategy for the Baltic Sea Region (EUSBSR), the first macro-regional strategy, was approved in October 2009. Approximately one year and half later, in June 2011 the strategy for the Danube region was endorsed. The two strategies have been defined as “pilot projects” for a new model of cooperation within the European Union. If the strategies will prove themselves to be effective, the same model might be transferred to other macro-regions within the EU territory. In some cases, however, actors did not wait too see the results and put forward their proposals to create new strategies. So, this new way of cooperation has attracted many policy-makers and it might be a model for the future of territorial cooperation within and outside the borders of the Union.

This chapter serves two main purposes. On the one hand, it wants to offer important information and describe the strategies and their development in order to facilitate the reader comprehension of the topic. On the other hand, it starts introducing many empirical data which will be used in the analytical chapter in order to avoid overloading the latter with background information which would result in less fluency.

The first paragraph will start discussing the definition of macro-region and macro-regional strategies and will set them in the wider EU context. It will follow a short description of the two strategies developed so far, the EU strategy for the Baltic Sea region and the EU strategy for the Danube Region. In the next section I am going to introduce briefly some of the proposals for other macro-regional strategies. Finally I will conclude the chapter with an overview of the main scientific literature on the topic.

4.1 Macro-regions and macro-regional strategies: definition and context

Dubois *et al.* (2009: 17-20) offer an excellent overview of the concept of macro-region both in the scientific literature and in the EU policy papers. The authors observe how the concept of macro-region has been used mainly by scholars of international relation (IR)¹⁷. They point out how the first conceptualizations of macro-region stressed the importance of homogeneity, meaning common characteristics of the countries involved. So, for example, Sweden, Denmark, Norway and Finland would belong to the same macro-region. Progressively, the concept of macro-region based on homogeneity was coupled with the idea of macro-region based on common challenges (*ibid.*, 18). Interestingly, they indicate how the concept of macro-regions emerged in the scientific literature about the EU at the end of the 1990s, stating as a possible reason the development of the INTERREG programme in the programming period 2000-2006. For example, Cappellin (*ibid.*) conceptualize the EU territory as a system of overlapping macro-regions. He gave as examples the Mediterranean and the Baltic basin, but also the Alpine region, Central Europe, *Mittleuropa* and the Atlantic Arc.

The same authors go on showing how, despite the macro-regional strategies are a recent development, the concept has been used “between the lines” in the EU documents for a decade or so. Starting with the White Paper on European Governance (CEC, 2001) it is possible to find a series of recurring themes which would have been included in the macro-regional framework, such as: increased involvement of local actors, subsidiarity, better coordination, identification of common challenges and territorial cohesion (Dubois *et al.*, 2009: 24). The first document to give a definition of macro-region is a discussion paper titled “Macro-regional strategies in the European Union”, presented by the Commissioner for regional policy Samecki¹⁸ in 2009. The definition provided here is “an area

¹⁷ Nye, for example, gives a definition which includes both functional and territorial relations. He defined a macro-region as “a limited number of states linked together by a geographical relationship and by a degree of mutual interdependence” (in Dubois *et al.*, 2009: 17).

¹⁸ Pawel Samecki served as Commissioner for Regional Policy in 2009-2010, a period of central importance for the development of the macro-regional strategies. He substituted Danuta Hubner when she resigned because elected in the European Parliament.

including territory from a number of different countries or regions associated with one or more common features or challenges”. Many scholars have pointed out how this definition has both functional and territorial features (Schymik, 2011: 8, Dühr, 2011: 6) in a similar fashion with the definition of macro-region provided by the scholar of IR.

Macro-regional strategies are instead defined as an “integrated framework” (Samecki, 2009: 2). Through this integrated framework the countries involved and the EU can coordinate better their resources and policies in order to tackle common challenges and exploit unrealized potentials. Of course this definition is wide as each macro-regional strategy will have a different focus depending on what are its priorities.

From an institutional perspective, the macro-regional strategies are quite soft, or weak as a commentator defined them (Stocchiero, 2011: 3), framework. They are built around three no: no new EU legislation, no new EU institutions, no new EU funding. Without new legislation it is avoided one of the main problem highlighted in the process of differentiation, that of legal fragmentation of the European Union. The absence of new funding does not mean the implementation of the strategies has to happen without money, but the funds have to be found within the existing financial frameworks, such as the structural funds, and institutions, such as the European Investment Bank (EIB). Some (Stocchiero, 2010: 7) have highlighted how this could be a way to avoid conflicts over the distribution of resources. Finally, no new institutions are needed for implementing the strategy. The challenge is therefore finding a right governance system including many actors at the supranational, national and sub-national level.

From a more technical perspective, each strategy is built around an action plan. The action plan itself is composed of pillars, which represent the main area of concern. Each pillar is then divided into priority areas which “represent the main areas where the macro-regional strategies can contribute to improvements” (CEC, 2010b: 4). Finally, within the priority areas are included a number of concrete actions to be implemented. Furthermore, a number of projects of high significance, “flagship project”, are indicated as examples (CEC, 2009a: 4).

4.2 The EU Strategy for the Baltic Sea region

The original initiative to create a framework for closer cooperation within the countries surrounding the Baltic Sea came from a group of seven MEPs¹⁹ which were disappointed with the state of regional cooperation. Sweden, then, took the initiative and brought the question to the European Council and in December 2007 asked the Commission to prepare a strategy for the Baltic Sea region (European Council, 2007). The European Council left wide discretion at the Commission in preparing the strategy; however, it set three conditions: it should be without prejudice of the integrated maritime policy, it should address the urgent environmental challenges of the Baltic Sea and the framework for external action should be given by the Northern Dimension (*ibid.*). After a wide consultation²⁰, and the coordinated effort of several DGs, the Commission presented a Communication with an Action Plan in June 2009, which was endorsed by the European Council during the Swedish presidency the following October.

All the littoral member states (Sweden, Denmark, Germany, Poland, Estonia, Lithuania, Latvia and Finland) are part of the strategy. In addition, special attention is given to Russia, Norway and Belarus.

The Action plan was originally composed of four pillars. The first one dealt with improving the environmental situation of the Baltic Sea and this has been one of the main drivers behind the strategy, as expressed in the Council conclusion which brought to the development of the action plan. It includes, among other priorities: reduce the nutrient inputs, preserve biodiversity, to become a model region for clean shipping and adapt to climate change (CEC, 2009b: 8). The second pillar was about promoting a more balanced economic development in the region. The action plan points out how the northern and western part of the region is highly developed and innovative in comparison with the south-eastern part. It includes “actions to promote entrepreneurship, innovation, and trade, thus enhancing business opportunity and making the internal market work better on the ground” (*ibid.* 23). The third one focused on the accessibility of the region, where

¹⁹ The Baltic Europe Intergroup was composed by Christopher Beazley (UK, chair), Michael Gahler (Germany), Girts Valdis Kristovskis (Latvia), Toomas Hendrik Ilves (Estonia), Henry Lax, Satu Hassi and Alexander Stubb (all from Finland).

²⁰ The Commission received 109 written contributions: 9 from national governments, 31 from subnational authorities, 48 from transnational and non governmental organisations and 19 from the private sector and from individuals.

a strong focus is given to the improvement of the transport and energy infrastructures (*ibid.* 43-5). Finally, the last pillar was about making the region a safer and more secure place, seen as a necessary condition for increasing confidence and therefore development. Actions are directed mainly at increasing maritime safety and tackling cross-borders crime (*ibid.* 58-9). After the progress report published by the Commission in 2011, the General Affairs Council asked the Commission to review the strategy. The result was a new strategic framework, which did not change radically the strategy, but the four pillars were transformed in three objectives: saving the sea, connecting the region and increasing prosperity. These objectives are to be accompanied by clear indicators and targets.

Besides, and complementary, the pillars, there are some horizontal actions, which “will contribute to develop territorial cohesion” (CEC, 2009b: 68) and facilitate coordination and access to funding.

4.3 The EU Strategy for the Danube region

In the case of this strategy the role of main entrepreneurs have been the governments of Romania, Austria and Serbia and the German Länder of Baden-Württemberg (Schymik, 2011: 12), which first formally proposed the create a strategy for the Danube region, similar to the one just introduced for the Baltic Sea. An important role has been played also by the Committee of the Regions (Pálmai, 2010: 98-9). Hungary, following the leadership example of Sweden, decided to make the strategy one of the priorities of its presidency and asked to Commission to prepare the strategy (European Council, 2009a). In a similar way to the Baltic Sea strategy, a consultation phase was launched. Concluded this, the Commission proposed to the European Council a Communication (2010a) and an Action Plan (2010b), with pillars reflecting roughly the same thematic areas of the EUSBSR. The first pillar is about connecting the Danube Region, in terms of transport and energy infrastructures and tourism (CEC, 2010a: 7-8). The second pillar deals with the environmental aspect of the strategy in order to ensure good quality and management of water resources, protect the inhabitants from

accidents, such as floods and industrial problems, and protect the biodiversity (*ibid.* 9). The next pillar includes the economic competitiveness of the region with the main objectives of reducing the huge economic disparities of the regions. Strong focus is given to education, research and innovation and inclusion of marginalized communities, mainly Roma (*ibid.* 10). Last thematic area of cooperation, labeled “strengthening the Danube Region” wants to step up institutional capacity and cooperation and increase security by fighting corruption and organized crime (*ibid.* 11).

Each pillar is, again, divided in priority areas, this time coordinated in tandem by member and non-member states, and in concrete actions and projects to be implemented.

4.4 The macro-regional fever

The expression “macro-regional fever” (Dühr, 2010: 3) has been used to describe the increasing number of proposals, mainly by trans-national or sub-national bodies, for creating similar macro-regional frameworks in other parts of Europe (figure 3). In this concern Schymik (2011: 23-28) elaborates four requirements for the expansion of the macro-regional concept to other regions of Europe. The first one is multifunctionality, that is, a macro-region should have enough common challenges and interdependencies to justify such an approach. Secondly, a macro-region should be really transnational. According to the author (*ibid.*, 25) a Pyrenees macro-region would not be feasible because it would involve only France, Spain and Andorra. A third condition is that of symmetry. There should be some kind of balance between the states participating. In this perspective an Adriatic macro-region might be problematic because there would be many small states on the east coast while in the north and west there would be only Italian regions. Finally, they should be mainly part of the EU territory, so a hypothetical Mediterranean macro-region would be problematic because of the EU member states would be outnumbered by the non-members.

The region which is probably at the most advanced stage of development is the North Sea-Channel. It should involve seven EU member states (Sweden,

Denmark, Germany, the Netherlands, Belgium, France and the United Kingdom) plus Norway and focus mainly on pollution and economic development (CoR,

Figure 3. Macro-regional strategy areas in the European Union



(Source: Dühr, 2010: 11)

2010b). Another possible macro-region is the Adriatic-Ionian. This macro-region seems to be the logical evolution of the cooperation among the two coasts of the Adriatic and Ionian Sea through the framework of the Adriatic-Ionian Initiative²¹. It would involve many non EU member states and have an important role in the enlargement perspective in a similar fashion as the Danube strategy. A major advocate for these two possible macro-regions has been the CoR (2010b, 2011), which in both cases issued an own-initiative opinion. Also the Atlantic Arc macro-region, which would extend from Scotland to Spain and be entirely in the EU territory, has been proposed (CPMR, 2012). All this ferment²² is evidence that the macro-regional concept has attracted interest among policy-makers and stakeholders at all levels. It is not unlikely to imagine in 10 years time a Europe divided along macro-regions. It is also clear that so far the macro-regions have focused mainly on water basins or, and it could be interested to see if the idea can be transferred to other unifying factors (such as economic or cultural, Stead, 2011: 166) than a sea or a river.

4.5 Literature on the macro-regional strategies

As I have shown in the previous paragraphs the macro-regional strategies are a rather new phenomenon. This means that, despite they have attracted academic interest, the literature on the topic is still quite limited in number. Moreover, most of the literature is about the BSR while the one concerning the Danube region, again because of obvious temporal reasons, is much more restricted.

Many works on this new model of cooperation are from 2009, when the first strategy, the EUSBSR, was approved and therefore attracted curiosity. This early literature on the topic (such as Bengtsson, 2009, Antola, 2009, Joenniemi, 2009) focuses on the analysis of the content, describes how the strategy came about,

²¹ Members of the Adriatic-Ionian Initiative are Italy, Greece, Slovenia, Bosnia and Herzegovina, Croatia, Montenegro, Serbia and Albania.

²² Also the Alps, the Carpathians and the Black Sea have been mentioned as possible macro-regions (Schymik, 2011: 7).

relates it to past experiences of cooperation in the Baltic and, especially, highlights the potential added value and challenges the strategy could face. Among these challenges are listed: the efficiency challenge, the governance challenge, the community challenge and the external challenge (with particular reference to Russia). Dubois *et al.* (2009), cited earlier in this chapter, perform a scoping study on the strategy and, in addition to the already mentioned challenges and potentials, describe the evolution of the macro-regional concept in the EU policy papers. Salines (2009) argues that effective macro-regional cooperation requires four factors: a common perception of interests, a common identity, a well balanced cooperation method and the involvement of the EU. Schymik and Krumrey (2009) employed a slightly different approach and analyzed all the documents presented to the Commission in the consultation stage of the Baltic Strategy. They show how the Commission has been really skillful in satisfying most of the actors but at the same time this might result in an action plan which is too wide and complex and therefore the risk is that the macro-regional strategy could be a new label for the existing cooperation.

The development and approval of the second strategy in 2010 opened up for new possibility of research with the first attempts to compare the strategies and draw some general patterns. Schymik (2011) presents the two macro-regional as a possible new operational level within the EU multi-level system but at the same time they are not likely to bring any major changes in the system especially in consideration of the three no (no new institutions, no new funding, no new legislation). Dühr (2011) claims that macro-regional cooperation is not a radically new phenomenon in Europe but the main problem of the previous cases was the intergovernmental nature of cooperation, that resulted in continuous changes of priorities, while “the EU macro-regional approach has lifted transnational cooperation out of the domain of intergovernmental cooperation and into the sphere of EU multi-level governance with a stronger role for supranational institutions” (*ibid.*, 36).

Studies focusing exclusively, or mainly, on the EUSDR are much rarer. The most complete is probably the study published by the Blue Ribbon Research group (2010) collecting a series of articles by Hungarian scholars focusing on the Danube region in general and in some specific cases on the strategy. They are mainly descriptive works reflecting largely literature about the EUSBSR.

Dieringer *et al.* (2010) describe the content and the structure of the strategy, Pálmai (2010) analyzes the involvement of the various stakeholders (at European, national and sub-national level) in the preparation of the Danube strategy and Molnar (2010) investigates whether the model developed for the Baltic Sea and the Danube Region could be further generalized to other regions in Europe.

The macro-regional strategies did not attract only the interest of political scientists but also of other academic fields, such as geography and spatial planning. However, the literature belonging to these areas (such as the already mentioned work of Dühr) is much narrower. An interesting article has been written by Stead (2011). The author claims the macro-regional strategies are manifestation of the spatial rescaling the EU is embarking and the “soft spaces” with “fuzzy boundaries” that the strategies has created are evidences of this development.

5 ANALYTICAL CHAPTER

In this chapter the macro-regional concept will be analyzed along the six dimensions of differentiation provided by Holzinger and Schimmelfennig (2012: 297). At the end of the analysis, I will be able to locate the macro-regional concept within the classification of flexible integration, see what its essential features are and, consequently, establish whether it is a new model of differentiated integration.

As shown in the theoretical chapter the dimensions relevant for this classification are:

- (1) permanent v. temporary differentiation;
- (2) territorial v. purely functional differentiation;
- (3) differentiation across nation states v. multi-level differentiation;
- (4) differentiation takes place within the EU treaties v. outside the EU treaties;
- (5) decision-making at the EU level v. at regime level;
- (6) only for member states v. also for non-member states/areas outside the EU territory.

Each section of the chapter will focus on one of this dimension and through the analysis of official documents, reports and existing literature I will attempt to set the macro-regional concept on one side of each dichotomy. Some of the categories will be quite straight-forward, while some others will require to be integrated with additional secondary literature in order to clarify some concepts.

The chapter will however start with a conceptualization of the macro-regional strategies as a case of differentiation. Finally, I will conclude stressing similarities with other models and assessing critically the analytical framework.

5.1 Macro-regional strategies as a case of differentiation

Before starting with the analysis it is opportune asking whether it makes sense at all conceptualizing the macro-regional concept as a case, and possibly a model, of flexible integration. As seen in the theoretical chapter, differentiated integration can be interpreted in general terms as any method of integration which includes only part of the member states. Seen from this perspective, the macro-regional concept fits the definition. The macro-regional framework is an EU strategy involving only a limited number of member states, significantly less than the Union as a whole, together with some neighboring countries.

More specifically, the macro-regions are quite close to what Antola defined regionalization as differentiation (see theoretical chapter). Neighboring states shares challenges and opportunity for the simple fact of being geographically contiguous and therefore they need a specific approach, which takes into consideration the basic features of the region. At the same time, this approach needs to be within the EU framework because of the policies involved. Environment, economic development, energy, transports, security are all areas where, to different degrees, the Union has competences. The EU institutions will make clear these specific approaches are coherent with the rest of the EU policies and do not produce negative externalities.

In addition, an important theme in differentiated integration concerns the gray areas between union, integration and cooperation (Dyson & Sepos, 2010: 11). In the case of the macro-regional strategies it is possible to talk of “soft” differentiation in the form of cooperation, but, whereas this cooperation usually does not involve supranational institutions, in the case of the macro-regions there is a wide involvement of the European Commission. “Soft” differentiation can be however be conceptualized as a step on the ladder towards further integration (*ibid.* 12). This idea of cooperation as a mean to integration is a recurring theme in the documents concerning the strategies. (CEC, 2011: 1)²³.

The soft character of this kind of cooperation it is further highlighted by the legal instruments used for framing the strategy. Communications and Action Plans

²³ Quite symbolically, the main conference on the macro-regional strategies organised so far, and hosted by the Committee of the Regions, was named “Integration through territorial cooperation”.

of the Commissions and Conclusions of the European Council and Council of Ministers meetings are all considered soft law (Chalmers *et al.*, 2010: 101). It is not binding over member states but at the same time it has practical effects (*ibid.*).

Many authors have referred to the macro-regions with terms borrowed from the lexicon of differentiated integration. Koller (2012) explicitly talks of differentiated integration, Lehti (2010: 140) writes of “well controlled regional differentiation”, Antola (2009: 9) of “differentiation on a territorial base”, Schymik and Krumrey (2009: 3) talks of “transnational area of enhanced cooperation and governance” and Schymik (2011: 7) of macro-regions as a type of “*Kerneuropa*”. However, none has so far systematically analyzed the strategies as a case of differentiation. In addition, many of these contributions reflect the terminological confusion which is peculiar of the study of flexible integration, stressing once more the importance of clarifying and ordering the concepts.

5.2 Permanent vs. temporary differentiation

This first dimension is related to time. Time has always been a central theme in the analysis of differentiation, especially through the concept of multi-speed Europe, where a group of states pursues a certain policy and others will follow later, when they are able and willing to do so. Goetz, in the already mentioned anthology on differentiated integration edited by Dyson and Sepos, deals with the temporal dimension as a central one in the study of differentiated integration. He points out (2010: 67) as time was one of the main variables of differentiated integration already in the first categorization by Stubbs and it was developed by successive works on the topic (such as Andersen and Sitter, 2006, and De Neve, 2006). The same author (2010: 71) claims there are evidences of a move towards open-ended differentiation, where what was meant to be temporary becomes then a long-term norm. Moreover, he (*ibid.* 70-1) highlights three temporal properties of differentiated integration. First, differentiation by *means of time*, particularly important in the context of enlargement and comprehending derogations, transitional arrangements and post-accession financial assistance. Second, differentiation *in time*, seen as a strategy within the context of EU deepening, widening and enlargement. Finally, the *duration* of the differentiated arrangement.

Despite macro-regional strategies could be examined along all these three properties, it is the last one which is relevant for our categorization. In addition, as a further clarification to the concept, Kölliker (2010: 42) defined as permanent an arrangement “whereby no pre-determined conditions or time limits apply”.

In the official documents it is not mentioned a deadline for the action plan and for the macro-regional strategies themselves. Moreover, it is stressed the need for a long-time perspective in the management of the macro-region, because most of the objectives will require years for their successful implementation and the current economic situation is not so favorable for investments (CEC, 2009a: 4, 2010b: 4). So, the absence of a pre-determined time limit places the strategies within the definition of permanent arrangement provided above. Nevertheless, despite the strategies duration is unlimited, their content is much more fluid. In the Action Plan for the BSR (CEC, 2009b: 3) it is possible to read that the Member States and stakeholder may revise the plan and update it regularly if any change in circumstances would make it necessary. This is what happened in 2012 when, following a call of the General Affair Council for a revision, The Commission presented a revised version of the Action Plan where the four pillars were changed in three objectives, without however altering it radically (more information on this aspect in the previous chapter). A similar approach is endorsed in the Danube strategy. “The Action Plan should be stable for a certain period of time. However, over the years, the priorities may evolve and hence, the actions and projects may be updated, transformed or replaced. The Action Plan is therefore “rolling”, and it will be regularly reviewed.” (CEC, 2010b: 5). Clearly, if one of the challenges included in the strategy is successfully tackled it might disappear from the Action plan, however, new challenges could rise and be included subsequently.

While I showed how the strategies are open-ended but object of constant revision, slightly different is the approach towards the single projects within the strategies. In the Action Plan for the Danube (*ibid.*: 4) it is stated that the time frame for the actions and projects varies, where some can be implemented in a rather short time (a couple of years), while other will need longer. It goes on stressing the importance that each project needs to have a clear deadline.

Overall, it can be said the duration of the macro-regional strategies as a framework is unlimited²⁴.

5.3 Territorial vs. purely functional differentiation

Dividing between territory and function would be quite problematic, as it is evident the macro-regional strategies shares both aspects. This “double nature” is stressed in many articles (Schymik, 2010, Dühr, 2010, Dubois *et al.*, 2009 among others). The authors highlight how the definition itself of macro-region shares functional and territorial features, and it would be impossible discerning the two dimensions. Anyway, the wording of this dimension, specifically the use of the expression “purely functional differentiation”, makes the work less problematic. As the matter of fact, in the categorization by Holzinger and Schimmelfennig (2012: 298) only one model is purely functional, namely the one of Flexible Overlapping Competing Jurisdictions (FOCJ) elaborated by Frey and Eichenberger in 1996. FOCJ are expressions of a functional federalism which “suspends territoriality and proposes the creation of jurisdictions that are purely functional and independent of space and political borders” (*ibid.* 295). It is a normative proposal, an ideal-type with no existing empirical examples. However, even if not in such a radical manner, also in the macro-regional concept it is possible to find a redefinition of borders. The discussion paper presented by Commissioner Samecki in 2009²⁵ is the best documentary example of this tension. It is possible to read “[F]ollowing the principle of place-based policy in functional regions, the physical boundaries may vary according to the relevance of the policy area in question” (*ibid.* 1). There seems to be a tendency to go beyond the existing territorial and administrative boundaries. The concept is reiterated again in the paper where it is stated that the strategy should not be administratively organized but rather place based (*ibid.* 7) and the boundaries should be flexible (*ibid.* 8). A concrete example can be found in the Communication of the Commission for the

²⁴ A further evidence towards this conclusion comes from the INTERACT office, responsible for information on the strategy. In one of their publication it is explicitly stated that the time frame for both strategies is unlimited (INTERACT, 2011: 7-8).

²⁵ This is a document of central importance as it is the first one where one member of the Commission provides definition and essential features of macro-regions and macro-regional strategies. In addition, it is a clear attempt to go beyond the EUSBSR and generalize the macro-regional concept.

BSR (2009: 5) where it is stated that the extension of the region would depend on the issue at stake: for economic objectives all the countries should be considered, while on water quality issue the region is defined by the catchment area, etc. Also in the other strategy can be read that the Danube region is a functional region and limited to the river basin (CEC, 2010a: 3).

A further similarity with the concept of FOCJ is the fact that “functional region may well overlap, so that a given location is in more than one region” (*ibid.* 1), with Germany, belonging to both strategies, showing the case in question.

Nevertheless, the similarities should not be exaggerated as in the functional federalism each jurisdiction has the power to raise taxes and compete with other jurisdictions to provide a certain good. So, despite this tendency toward a functional region, the territorial character is far from being canceled. As the matter of fact member states and sub-national administrative divisions keep on being the main actor involved in the strategies.

In conclusion, despite the existing tension between territorial and functional differentiation, the macro-regions are not purely functional regions, so they fall on the first side of the dichotomy.

5.4 Differentiation across nation-states vs. multi-level differentiation

This dimension refers to whether the main actors in the differentiated arrangement are the states, such as in the case of the EMU, or it is a multi-actor and multi-level framework. The concept of multi-level governance (MLG) has become one integral part of the jargon of the European Union meaning “a system [...] whereby policies are made through interaction between regional, national and European-level authorities” (Hix, 2005: 222). The concept itself was introduced and developed in reference to the EU (Peters and Pierre, 2009: 95) and in particular considering the EU regional policy, where the sub-national authorities are in a pivotal position through the management of structural funds. In addition,

MLG is relevant in the implementation of policies, given the fact the EU has little implementation capacity (*ibid.* 96). The strong focus given by the macro-regional strategies to the implementation phase and the framing of the strategies within the EU regional policy (the DG for Regional Policy is the one responsible for the preparation and coordination of the strategies) made quite normal that MLG has been so far the main conceptual tool used for the description and analysis of the strategies.

Sub-national authorities have been really active in the consultation phase and have a central role in the implementation of the strategies, as stressed also in the official documents. “Responsibility should be placed at the level most appropriate – usually as low as possible” (Samecki, 2009: 5). One of the priority areas, priority number 10, of the DRS is about strengthening multi-level governance, while a similar Horizontal Action was added in course of implementation to BSR strategy (CEC, 2011: 8). Many regions are lead partners for flagship projects. Also, the CoR has been one of the main advocates of the macro-regional approach, seen as a way to improve the role of the sub-national actors. Mercedes Bresso, president of the Committee, points out how, in order to achieve the EU objectives which are of particular concern for the sub-national authorities, such as territorial cohesion and development, the macro-regions are “among the most interesting innovative instruments” (2010: 2). The CoR was one of the main supporters behind the Danube Strategy and it is lobbying for other strategies, such as the one of the Adriatic and Ionian Sea and the one in the North Sea.

Palmai (2010: 99-101) points out how the strongest regional representations, Baden-Württemberg above all, have been really active in lobbying the European institutions in the development of the EUSDR. Schymik (2011: 22) writes how a new organ, the Council of the Danube Cities and Regions, was established in view of the Danube Region strategy.

On the other hand, the sub-national authorities are not as much involved when it comes to the coordination of the priority areas, where the member states have a major position, with some significant exceptions, namely the German and Austrian Länder, which have the role of coordinators for some priority areas²⁶.

²⁶ Mecklenburg-Vorpommern and Hamburg are responsible for tourism and education respectively in priority area 12 of the EUSBSR. Bavaria is coordinator of priority area 6 of the EUSDR, Baden-Württemberg for priority area 8 (to support the competitiveness of enterprises) and Vienna for priority area 10 (to step up institutional capacity and cooperation).

However, despite MLG seems to be a substantial feature of the strategies, the multi-level potential of the strategies has not been fully developed. In the latest Communication concerning the EUBSR, the Commission stressed how regional and municipal actors should be more involved (CEC, 2012: 3).

Overall, notwithstanding some unrealized potentials, regional and municipal actors have an important role in the important phase of implementation, and in a few cases also in the coordination. It is possible to conclude the macro-regions can be framed within the EU multi-level system.

5.5 Differentiation takes place into the EU treaties vs. outside the EU treaties

The two macro-regional strategies are explicitly internal EU strategies. Despite in the framework documents there is no reference to a Treaty Article as the legal basis for such a programme, it can not be denied such a character. The macro-regional strategies can be set in the objective of “territorial cohesion” which after the Lisbon Treaty became one of the main objectives of the Union (TEU, Art. 3). The relation with this objective is explicitly stated in the Action Plan for the DR (CEC, 2010b: 77). Some authors (Dieringer *et al.*, 2011: 64) have stressed how a possible legal basis for a more institutionalized macro-regional cooperation would be provided by Art. 20 TEU and Art. 326-334 TFEU through the instrument of enhanced cooperation.

A further evidence of the internal character of the strategies is fact the “it is important that responsibility and accountability is established from the outset at the EU level” (Samecki, 2009: 3).

Of central importance in this concern is the continuous reference to other EU policies. It is stated that at the core of the strategy there is consistency with EU legislation and policies (CEC, 2010a: 14). A central policy here is Europe 2020²⁷ (*ibid.* 13) but other relevant policies are: TEN-T (transport), TEN-E (energy), the

²⁷ “Europe 2020 is the key EU commitment to jobs and smart, sustainable and inclusive growth” (CEC, 2010a: 13). It has five main targets which are reinforced by the Strategies: promoting employment; improving innovation, research and development; improving education levels; promoting social inclusion and addressing the challenges of ageing (*ibid.*).

Strategy for the Single Market, but also European Neighborhood Policy. Probably the best example of the relation of the macro-regional strategies with other EU policy is the EU Integrated Maritime Policy. As the matter of fact, in the case of the EUSBSR, the macro-regional strategy serves as the regional implementation of such a policy (CEC, 2011: 4).

Finally, despite no additional funds are created for the implementation of the strategies, the financing will be ensured through existing sources, mainly coming from EU sources, such as Cohesion Funds, and institutions, such as the EIB (CEC, 2010b: 87-9).

In conclusion, given the strong relation with EU institutions, objectives, policies and fund, it is clear the macro-regional strategies can be set within the EU framework.

5.6 Decision-making at the EU level vs. decision-making at regime level

In this dimension it should be identified whether the decision-makers are only the states part of the agreements or all the EU member states. If the regime is outside the EU framework, like original Schengen Accord, then the answer is quite immediate: membership and decision-making coincide. A bit more complex is the situation for internal EU arrangements. For example, Holzinger (1999) develops the normative concept of optimal regulatory unit (ORU), where, despite it would be an internal EU programme, only the states directly involved would take the most important decisions.

One of the recurring themes since the early discussions over the macro-regional idea was that no new EU institutions should have been created for the management of the regions. This was meant to be true especially for the BSR where there is a wide array of well established transnational organisations (Schymik, 2011: 11, Dühr, 2011: 26). Probably the most important of these is the Council of Baltic Sea States (CBSS). Born after the end of the Cold war as a reflection of the geopolitical changes in the region, the CBSS addresses many transnational issues. However, its importance has been decreasing after the 2004 enlargement (Bengtsson, 2011: 12). Other institutions, which address only a single

issue are the Helsinki Commission (HELCOM) and VASAB. The former deals with the pollution of the Baltic Sea, while the second with the harmonization of the spatial planning policies.

There was the possibility of shaping the macro-regional strategies around these established institutions. However, as the preparation of the strategy went on, it became clear that there was the need for more involvement of the EU institutions and a risk of empowering too much the existing regional organisations creating, therefore, a club within the EU (Samecki, 2009: 3). Former commissioner Samecki further added in reference to the EUSBSR that “the existing institutions sufficiently covered the field of activities to the extent that any new body would be superfluous and perhaps wasteful, yet none of them was sufficiently broadly based or accepted to act as the overall coordinator: hence the call for the Commission to play an ongoing role” (*ibid.*).

Therefore, the main decision-maker should be found at the EU level, but the rather complex governance structure developed for the management of the macro-regions does not make clear which of the institutions cover this role. As I already mentioned, the Commission in general and DG Regio in particular have a pivotal position. It is coordinator but it also monitors, reports and evaluates the progress (CEC, 2012: 5)²⁸. Moreover, the Commission has also an important role in elaborating the concrete content of the strategies. It is the only institution that has the expertise for such a wide and coordinated work. So, it can be affirmed the Commission decides over the content of the Action Plan, however this is not enough to claim it is the main decision-maker.

Ultimately, this role falls on the European Council. This institution first called for the Strategies and invested the Commission with the task of preparing the Action Plans and subsequently endorsed them. Besides the European Council, there is the Council of Ministers, mainly in its General Affairs configuration, which adopts resolutions on the Strategy, for example when asked the Commission to review the Strategy for the early 2012.

So, not only the decision-making but also to a large extent supervision and coordination are at the EU-level. All this witnesses the great care used in order to avoid the creation of a “club” within the EU. In this concern, a High Level

²⁸ As a further support to the Commission in the coordination of the strategies, especially at the national level, National Contact Points are established (CEC, 2012:5).

Working Group has been created to advise the Commission and to ensure the anchorage of the strategies to the EU-level, and it is composed by representatives of all EU member states and not only those directly involved (CEC, 2012: 5). Conceptualized in this way, the EUSBSR is really a “well controlled” case of regional differentiation (Lehti, 2010: 140). Regional “regimes”, such as CBSS, might still have a role in the implementation, or as further *fora* for coordination, but they are far from being the main decision-makers.

In the discussion paper by Commissioner Samecki it is mentioned how this institutional approach was intended to be adaptable for a generalization of the macro-regional approach. As the matter of fact, it has been reproduced to the case of the EUSDR. The need for such an approach was even more necessary in the case of the Danube region, because the transnational cooperation is not as much developed as in the Baltic case.

5.7 Only for member states vs. also for non member states/area outside EU territory

This dimension might be the one where the differences between the two strategies are the most accentuated. In the communication of the Commission (2009) concerning the EUSBSR it is clearly stated that the basis for the external aspects of cooperation should be provided by the Northern Dimension (ND). This was one of the three conditions posed by the European Council (2007) when asked the Commission to prepare the strategy. The ND is a programme involving the EU, Norway, Iceland and the Russian Federation which aim to provide a framework for cooperation, security and development in Northern Europe²⁹.

So, on the one hand, the involvement of some external actors, Russia and Norway especially, is considered to be necessary for the successful implementation of the strategy, on the other hand, the basis for this cooperation are external to the strategy itself. The concept is repeated in the Action Plan and it is added: “the strategy cannot dictate action to third parties; rather it indicates issues on which cooperation is desirable and proposes *fora* where this discussion

²⁹ http://eeas.europa.eu/north_dim/index_en.htm

should take place". Such *fora* are EU-Russia common spaces, the Council of Baltic Sea States and the Helsinki Commission (*ibid.*). Also in the 2011 Report on the implementation of the strategy the same ideas are reiterated, and it is added that the non-EU member states most concerned, Russia, Norway and Belarus, have all indicated their support for the strategy. Finally, in the 2012 Communication it is stated that cooperation with the neighboring countries, in particular with the Russian Federation, should be intensified (CEC, 2012: 6). Overall, in the EUSBSR the need for cooperation with external actors is evident but at the same time this has to happen outside the framework of the strategy itself. The problematic relation with Russia is one of the main challenges for the successful implementation of the strategy (Bengtsson, 2009: 8). The source of this challenge seems to lie mainly in the incoherent position of the EU towards Russia and the consequent vulnerability (*ibid.*).

The EUSDR appears to be different. First of all, the Danube is the world's most international river and many of the countries of its basin are non-EU members. Croatia, Serbia, Bosnia and Herzegovina, Montenegro, the Republic of Moldova and Ukraine are listed but it is also added that the strategy remains open to other partners in the region. Secondly, many of the just mentioned third countries are either candidate countries for EU membership or potential candidates, so the strategy it is relevant also in perspective of a possible enlargement in the Balkans. It may contribute to the alignment of policies and standards of these countries with the one of the member states. The Communication goes on stating that all these countries commit themselves at the highest political level. In a similar tone with the EUBSR, it is stated that targets will apply only to Member States while non Member States would be still encouraged to achieve them (CEC, 2010a: 4).

In addition, the same document adds important information on the role of the non-EU member states. It declares that they should be invited to the High Level Group when appropriate. Furthermore, they should be placed side by side to member states in the coordination of each priority area, with the exception of topics which are dealt at member state level, such as security and organised crime (*ibid.*, 12).

In conclusion, the Strategies involve also areas and countries outside the EU borders. The successful implementation of the action plans requires the involvement of non Member States, especially because the regions are defined in

functional terms. They both should work together in order to reach the common objectives.

However, the degree of involvement of third countries is a consequence of geopolitical reasons. On the one hand, the EUSBSR suffers of the chronic weakness of the EU towards Russia, on the other hand, the enlargement perspective of the EUSDR makes possible a stronger involvement of the non-member states.

5.8 Conclusion

After the analysis of the six dimensions provided by the analytical framework, it is now possible to set the macro-regional concept within the typology of differentiation and check whether it is a novel model of flexible integration. To sum up, the analysis showed the following features of the macro-regional concept:

- 1) permanent;
- 2) territorial;
- 3) multi-level;
- 4) within the EU treaties;
- 5) decision-making at the EU level;
- 6) also for non-member states.

An overview of the table in the theoretical chapter (Table 1) shows how none of the models in the existing categorization coincides with this peculiar combination of variables. Therefore, this study gives an important contribution as it is possible to affirm the macro-regional concept is a new model of differentiation. A new “building block” can now be added to the categorization and this can have important benefits for any systematic study of differentiation or attempt to develop a theory.

One clarification is needed, this does not mean the macro-regional strategies introduce a radical departure from the existing normative and empirical examples of differentiation. Sometimes the models differ only in one variable of the six and consequently they might be quite similar. Finding these similarities is also

important because it makes easier identify common patterns. In this concern, a model which is rather similar to the macro-regional concept is that of flexible cooperation provided by Holzinger (1999). The concept is largely normative, but for many aspects the Euroregions are rather close to the ideal-type (Holzinger & Schimmelfennig, 2012: 298). The two models differ only for one dimension, the one concerning the decision-making. While I have shown the decision-making for the macro-regions is at the EU level, the one of this model is at the regime level, despite being within the EU treaties. In many ways macro-regions could be seen as an example of flexible cooperation, at least concerning the environmental aspects. As the matter of fact, this concept has been developed only in consideration of environmental standards (Holzinger, 1999: 22).

Another similar concept is that of subsidiarity. Subsidiarity, meant not in a strictly legal sense³⁰, has been conceptualized by several authors as a principle for differentiation (Wallace & Ridley, 1985: 42, Tuytschaever, 1999: 240, CEPR, 1995: 64). The macro-regions deals with issues which are too big for a single country but too specific to be dealt by all the member states, so they are the most appropriate level of intervention. The Centre for Economic Policy Research (1995: 64) describes “the generalized subsidiarity principle” in a way quite adaptable to the macro-regional strategies when it states that policies might be decentralized to a subgroup of countries, especially if does not mean new costs for the others. The example provided in that book is quite meaningful for my case: “it is not clear why Mediterranean countries should be involved in the clean up of the Baltic Sea and *vice versa*” (*ibid.* 65).

5.8.1 Critical assessment of the analytical framework

The reasons for choosing the categorization by Holzinger and Schimmelfennig as a framework for the analysis have already been explained in the theoretical chapter. Briefly, it is the most recent and comprehensive classification and it provide a really multidimensional representation of the phenomenon of

³⁰ Tuytschaever (1999: 242) points out how subsidiarity in the legal sense and differentiation in the form of subsidiarity respond to two opposite dynamics. The former states that the Community shall act only if the objectives can not be achieved by the member states alone. The latter instead states the if the Community can not take actions, because of disagreement or in our case because the problems are too specific, than only the member states willing to do so, or those directly concerned, shall act.

differentiation. Its structure along six dimensions allowed me to give an in-depth look at the macro-regional strategies, which would not be possible compared to other classification, such as the one by Stubb. Overall, the framework proved to be extremely useful and relevant, as all the six dimensions turned out to be applicable to the macro-regional concept.

However, some weaknesses need to be highlighted. The fact itself that the typology is really recent might be a limitation. As the matter of fact, it has not been applied systematically. After performing the study I can write a few comments on this issue. I will describe the problems I met in using it and, at the same time, give some suggestions for improvement. Firstly, all the dimensions in the framework are binary, so I was facing an “either or” choice, and while such an approach it is necessary for the sake of the classification itself, it could be problematic because in some cases the situation is not clear cut and it is hard to place the object of investigation in one side of the dichotomy. For example, the second dimension, territorial vs. functional differentiation, is a bit problematic. The two alternatives are hardly discrete. I have shown how the macro-regional strategies share aspects of both and the same can be said for most of the cases of differentiation. The decision itself of the authors to choose the wording “purely functional”, which somehow ease the job, ends up being problematic as it is empirically irrelevant (no empirical examples of this model exists, Holzinger & Schimmelfennig, 2012: 298).

Moreover, I think I can suggest two more dimensions for making the classification more theoretically relevant. I found these two characteristics being extremely important in the case of macro-regional strategies as they hardly fit the current theoretical models. The first potential dimension concerns the membership, which could be either fixed or flexible. With fixed membership I mean that only a certain number of actors can take part of the differentiated arrangement. While the macro-regional concept could be extended to the whole territory of the EU and its neighboring countries, each macro-region has its own borders, which are themselves defined by the function to be performed. So, while Italy could be part of a possible Adriatic-Ionian macro-region, it could never be part of the Baltic Sea Region. Seen from this perspective the macro-regions could be an example of variable geometry, where the main variable is space (Holzinger & Schimmelfennig, 2012: 296).

The second dimension is the soft or hard nature of the arrangement. It might be hard to draw a line between the two, but it is undeniable some examples of differentiated integration, such as the EMU, are highly institutionalized with laws, institutions and strict targets. Macro-regional strategies on the other hand require no new legislation, institutions and funding and maintain a rather informal character. Moreover they are based on soft law, such as action plans and communications, which are less binding and it would be hard to imagine an opt-out system with these legal instruments

6 CONCLUSION

The purpose of this paper was to find out whether the macro-regional concept could be considered as a new model of differentiated integration and therefore have paradigmatic potential or it is just a new manifestation of established models. In order to answer this question was necessary to analyze the strategies and identify their essential features in order to compare them with other models of differentiation.

This final chapter will first sum up the findings and highlights how differentiation was a very fruitful framework the analysis of the macro-regional strategies. Then, I will attempt to see which kind of theoretical implication this study might have and finally I will suggest some possible areas for further research in the field of both differentiated integration and macro-regional strategies.

6.1 Macro-regional concept and differentiation

The first part of my research question asked whether the macro-regional concept is a new model of differentiation. After performing the analysis I can answer that it is indeed a new model. As shown in the analytical chapter, it shares some features with other cases of flexible integration, but at the same time it has its own unique combination of variables.

Overall, the concept itself of differentiation has been proved to be an extremely useful perspective for the analysis of the macro-regional strategies also beyond the research question. It can be said that the generally accepted drivers of differentiation played a role in the rise of the macro-regional approach. Enlargement has been undoubtedly relevant. After 2004 enlargement the Baltic Sea became almost totally an internal EU sea there was therefore the need for a coordinated effort to tackle the common challenges, and at the same time to exploit the opportunities, deriving from being part of the region. The enlargement

aspect it is even more evident in the Danube Strategy. The majority of states crossed by the river are EU member but many others of them are candidates or possible candidates, so the strategy has an important role in the enlargement and Europeanization process. Widening and deepening were important as well. The strategy is an integrated approach including several policy areas and all those policies (such as environment, economic development, cohesion policy, education, etc.) have today a more or less accentuated EU involvement. Therefore, the strategies had to be included within the EU framework. Furthermore, The EU institutions, from the Commission to the European Council, are heavily involved in the development and management of the strategies.

Overall, the macro-regional concept included a unique set of features, which relates to the second part of my research question. It is a permanent arrangement with a territorial perspective. It is a multi-level framework, which includes EU institutions, states and sub-national authorities. It is within the EU treaties and the decision-making is at the EU level. Finally, it involves also non-member states because a macro-region is defined in functional terms and it might extend beyond the EU borders.

In addition, even if involving a limited number of countries, the macro-regional strategies do not seem to pose a threat for the Union as a whole. This limited membership is the consequence of the fact those countries are linked by interdependencies which are too peculiar to be tackled by the whole EU. There is no substantial opposition to the strategies. The participating countries will benefit of such approach without damaging other states. Quite the contrary, there might be positive externalities in terms of, for example, environmental conditions and functioning of the single market. Furthermore, their soft character has only a minor impact on the fragmentation of the EU legal system. Finally, some precautions are in place in order to avoid the evolution of the strategies into a club within the EU. In this perspective, the Commission and the High Level Group act as watchdogs, ensuring the anchorage and the consistency with other EU policies and objectives.

In conclusion, macro-regions are a new and innovative way to manage diversity within the EU. They deal only with a limited number of member states and non-member states, however, for their soft and flexible character they do not seem to be a threat for the rest of the Union or for the process of integration. Of

course, the approach is too recent to make any conclusive statement on the effect of the strategies on the EU as a whole. Time is needed in order to tell whether, despite the precautions, they have contributed to the fragmentation of the Union.

6.2 Theoretical implications

As mentioned several times throughout the thesis, it is important to build a comprehensive categorization of differentiated integration. It is important because this phenomenon happens in an astonishing variety of forms and the concepts used to describe them are often confused. A typology would provide conceptual order and consequently differentiation could be grasped better, making the investigation of general patterns and the development of a theory easier. My study gives a small contribution in this concern. Mine is a mainly analytical and descriptive work, however I can contribute with some theoretical reflections. Therefore, in this section I would like to test whether some of the theories of differentiation presented in the analytical chapter could sufficiently explain the macro-regional strategies or they instead need to be modified.

Most of the positive theories of differentiated integration (such as the one by Kölliker, Schimmelfennig *et al.* and Jensen & Slapin) are based on a few politically highly relevant cases of differentiation. The main are the EMU and Schengen. However, such cases are not the only ones. Differentiation comes in many forms and any attempt to develop a theory has to take into consideration all of them.

Macro-regional strategies hardly fit those theories, especially because they all give a strong focus on opt-outs or describe differentiation in terms of excluded, unwilling, unable member states. It can be said most of these theoretical attempts suffer of what can be defined an “intergovernmental bias”. As the matter of fact, the cases the authors provide as examples are results of intergovernmental negotiations, they are often treaty-based (where unanimity is the rule) and the member states are the masters of the treaties. Macro-regional strategies on the other hand, together with other models of differentiation (such as the Euroregions but also differentiation in secondary legislation) emerge more informally and through different decision procedures. They are often with fixed membership

(defined by the functions to be performed) and they are without a hard legal framework which makes opt-outs or similar arrangements meaningless.

In conclusion, any theoretical attempt has to focus also on more informal cases of differentiation. The EMU is without any doubt a highly relevant example of differentiation but this does not mean it is representative. Or, alternatively, any attempt to build a comprehensive theory of flexible integration, which would explain all or most of the cases, should be given up. Each theory would explain better only some cases of differentiation as each European integration theory can explain certain developments and dynamics better than other.

6.3 Perspectives

It is now clear that the study of differentiated integration, given its complexity, the terminological confusions and the great variety of empirical cases, is still a work in progress. The previous section shows well the case in question.

Therefore, more researches on the “minor” cases of differentiation are needed. The most visible cases have received enough attention, while, for example, many authors stressed how differentiation in EU secondary legislation has been largely ignored. My study gives a small contribution in this concern. There is now the need for more researches like mine. Differentiation need to be studied in all its form and classified according to relevant variables. In addition, a systematic comparative study of the models of differentiation developed so far might be useful for theoretical purposes. Such comparison would help finding common patterns, similarities and differences in the causes and consequences of differentiation. Moreover, as I mentioned in the previous section, any attempt to develop a theory of differentiated integration needs to compensate for the “intergovernmental biases”.

The other main area of study of this thesis, the macro-regional strategies, needs also further attention. They are a quite recent development so it is understandable it is an under-investigated area. At the same time, they open up for interesting possibilities of research. Implementation in the BSR is at a good point, while soon the first implementation reports for the DR will be published. Studies would be needed in order to see whether the macro-regional strategies are effective ways of

cooperation and they achieve what they claim to or they encountered the same problems of the old ways of cooperation. One of the most interesting perspective concerns the role of sub-national authorities in the strategies, as a tension seems to be in place. While on the one hand the macro-regional strategies are clearly multi-level systems and the the need for involving the sub-national authorities is high on the official documents, they seem to have only a subordinate role in when it comes to coordination. Furthermore, comparing the two strategies might be interesting too. They show strong similarities on paper, but they might reveal substantial differences in the implementation.

Finally, and this is what I consider to be most important aspect to investigate, it has to be seen the effects of macro-regional strategies on the EU. Already two strategies have been approved, some other are likely to follow. Whereas the macro-regional concept does not appear to create major problems for the Union, the coordination of many strategies might be problematic, put a heavy burden on the Commission and ultimately contribute to the fragmentation of the EU.

7 Executive summary

Differentiated, or flexible, integration has become an essential feature of the process of European integration. Broadening, deepening and widening have contributed to increase diversity – both in terms of preferences over integration and ability to integrate - among member states and consequently a differentiated system emerged in order to cope with this heterogeneity. The EMU and Schengen are probably the best known examples, but differentiation comes in a great variety of different forms.

The recent creation of two macro-regional strategies brought a new differentiated arrangement within the complex EU governance system. Therefore, the decision to analyze such strategies as a case of differentiation. The thesis is built around the following research question:

Is the macro-regional concept a new model of differentiation? What are its features?

Answering this question is important because it would place the macro-regional strategies within a typology of the models of differentiated integration, which would help to grasp better this complex phenomenon and potentially contribute to the development of a comprehensive theory.

The first chapter presents the theoretical framework. As I am not dealing with a proper theory but rather a theoretical concept, I use this section to clarify the concept and show how it can be used as an analytical framework.

Differentiated integration is broadly intended as any agreement which deviates from the principle of equal involvement of all member states. Among the scholars there is a widely accepted knowledge over the drivers of differentiation, namely broadening, widening and deepening. A bit more controversial are the effects of differentiation. In a first moment it was thought to be detrimental for the project of European integration creating sub-groups and divisions. However, the most recent

researches have shown how many differentiated arrangements have had a centripetal effect.

Nevertheless, these consideration over the causes and effects of differentiation are not included in a comprehensive theoretical framework. The theories on differentiation are still rather limited and often *ad hoc*. This topic has been largely ignored by the classic integration theories, while there have been some interesting original theoretical attempts (Kölliker, 2010, Schimmelfennig *et al.*, 2011, Adler-Nissen, 2011) which however focused exclusively on a few politically highly relevant, cases of differentiation, neglecting the most informal cases.

Therefore, in order to produce a more complete knowledge of this complex phenomenon, it is important developing a typology of differentiation. There are a number of categorizations (Stubb, 1996, Kölliker, 2010) which are generally accepted. However, I decided to employ the classification by Holzinger and Schimmelfennig (2012) as analytical framework because it is a recent, multidimensional framework which does not rely on a too narrow definition of differentiation. The six variables along which the macro-regional concept is analyzed are: 1) permanent vs. temporary; 2) territorial vs. functional; 3) across nation states vs. multi-level; 4) within EU treaties vs. outside EU treaties; 5) EU decision-making vs. regime decision-making; 6) only for member states vs. also for states outside the EU. When the analysis is complete, the macro-regional concept can be put in the typology and compared with other models of differentiation.

Chapter 3 is devoted to the research design and the methodology. The design is that of an embedded single-case (Yin, 2003). This means the the macro-regional concept is a case of a wider class of events (differentiation), while the two macro-regional strategies are the sub-units of analysis which will provide the empirical material. The case study serves as a "building-block" towards the creation of a typology and a theory of differentiation.

The actual method is a content analysis. I analyze the official documents (Council conclusions, Commission communications, Action Plan and implementation reports) which frames the two strategies in order to find themes related to the variables suggested by the analytical framework and clarify them.

The next chapter give a brief overview of the macro-regional concept and the two strategies which have been endorsed so far, the EU Strategy for the Baltic Sea Region and the EU Strategy for the Danube Region. A macro-region is “an area including territory from a number of different countries or regions associated with one or more common features and challenges” (Samecki, 2009). Drawing on this definition, a macro-regional strategy is an integrated framework within which the actors in the region can better coordinate their policies and funding in order to tackle these common challenges and exploit common opportunities. The two strategies reveal how central attention was given to the environment, but also issues such as economic development, territorial cohesion, education, tourism, energy and security are included. This concept has attracted a lot of interest and many other regions in Europe have put forward their proposal in order to create similar strategies. This framework seems to be the model for the future of territorial cohesion in the EU.

In chapter 5 I analyze the macro-regional concept along the six dimensions provided by the framework. I start conceptualizing the macro-regional concept as a case of differentiation. Being an EU strategy involving only a limited number of member states fits the definition of differentiated integration. More specifically it is linked to regionalization (differentiation emerges for the simple fact some countries are contiguous and consequently share a number of unique features and challenges) and it is a rather soft case of differentiation (the documents used for framing the strategies are all instruments of soft law). Then I continue looking at the six dimensions one by one.

- 1) The first variable is temporal. The macro-regional framework can be considered to be permanent and a clear deadline for the strategies is not specified. However, the content of the strategy is more fluid as it is object of continuous revision. The strategies are defined as “rolling”.
- 2) The definition of macro-region has both territorial and functional elements making a distinction quite hard. Nevertheless, despite they show some evidences of development towards a functional region, the territorial aspect is far from being canceled, making them a case of territorial differentiation.
- 3) The macro-regional strategies are a multi-level framework. The involvement of sub-national authorities is stressed as being central in the implementation

phase. The German and Austrian Länder have also a coordination role and the Committee of the Regions is a strong advocate for this approach. It is evident that there are some unrealized potentials, however, it can not be denied the multi-level character of this framework.

- 4) The strategies are internal EU strategies. It is clearly stated the responsibility should be placed at the EU level and there is a strong link with EU objectives, specific policies, institutions and funding.
- 5) Initially, there was the possibility of building the strategies around the existing regional organisations. However, the EU wanted to avoid the creation of a club within the EU and therefore it was decided to involve more the EU level. The Commission has a central role, but, overall, the main decision-maker is the European Council and to a minor extent the Council.
- 6) Finally, the strategies involves also non EU-member states. It is necessary because the regions are defined in functional terms and the involvement of third countries is essential in order to achieve the objectives. Nevertheless, the degree of involvement depends on geopolitical consideration, as it is made evident by a comparison of the two strategies.

After the analysis, I am able to assign a distinct set of features to the macro-regional concept. The framework makes it readily comparable against other models of differentiation and none of these has this exact combination of variables. Therefore, it is possible to say the macro-regional concept is a new model of differentiation and a new “building block” can be added to the typology. This does not mean a radical departure from the existing models. Some of them, such as flexible cooperation and subsidiarity, are quite similar but those similarities might be useful in order to find common patterns and eventual generalizations.

In conclusion, differentiated integration proved itself to be an extremely useful tool for the analysis of the macro-regional concept. The answer to the research question is hence affirmative: the object of the research is a novel model of differentiation. It is a permanent arrangement with a territorial perspective. It is a multi-level framework, which includes EU institutions, states and sub-national authorities. It is within the EU treaties and the decision-making is at the EU level. Finally, it involves also non-member states.

In addition, this study can provide some theoretical reflections. Many of the current theories of differentiation are built around a narrow definition of differentiation, with a strong focus on the most politically relevant (EMU, Schengen) cases of differentiation, while other cases, such as the macro-regional concept are ignored and can hardly be explained by such theories. Any further theoretical attempt should consider this aspect.

Finally, further studies are needed in order to find out the effects of the macro-regions on the EU and find out whether, as it seems, they are not likely to produce major problems for the EU or they will increase the fragmentation within the Union.

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