European Union Cohesion Policy and the (Re-) Production of Centrality and Peripherality through Soft Spaces with Fuzzy Boundaries

Stefan Telle[1]

Abstract *The paper discusses the co-evolution of the mode of governance of the European Union (EU) and the rationale of EU Cohesion Policy. It is argued that the process of European integration has led to the challenging situation of heightened complexity of decision-making at the EU level under the community method. As a consequence, consensus-seeking deliberation and policy-experimentation are becoming increasingly important in EU governance. In this context, the paper argues that the alignment of Cohesion Policy with the EU 2020 objectives of smart, inclusive, and sustainable growth may be explained by a shift toward a post-political mode of multi-level metagovernance. Adopting Neil Brenner´s spatialized version of Bob Jessop´s strategic-relational approach, the paper analyzes EU Cohesion Policy as a spatial strategy and spatial project in the period from 1988 to 2014+. The main finding is that EU territoriality is markedly different from the territorial arrangement of the Keynesian-Welfare-National-State. Crucially, EU territoriality appears more flexible and issue-driven, which is interpreted as a consequence of a more experimental way of decision-making at the EU level. Future research will use the framework developed in this paper to investigate effects of the making of this soft European space on the (re-) production of socio-spatial polarization in Central and Eastern Europe.*

Socio-Spatial Polarization, EU Integration and EU Cohesion Policy

With the "Big Bang" of the 2004 enlargement of the European Union (EU), economic disparities between EU member states are now larger than those between U.S. states (Majone, 2005). Thus, with regards to EU Cohesion Policy (Adams, Alden, & Harris, 2006), the eastern enlargement poses a challenge to the objective of "reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions" (TFEU, Art. 174). In fact, it has been argued that socio-spatial polarization has become a "striking feature" of the settlement system on the subnational scale, especially in Central and Eastern Europe (Lang, 2011, 2012).

This paper investigates the link between EU enlargement and regional polarization. Viewed from the perspective of Stein Rokkan's (1999) theory of boundary building and political structuring (see also Bartolini, 2005; Ferrera, 2012), political systems can be understood as being structured by a membership boundary and a territorial boundary. The relative openness of these boundaries conditions the structuring of the internal political system. Therefore, EU enlargement can be expected to have a discernible structuring effect on the EU governance architecture in general, and on EU Cohesion Policy in particular.

Indeed, the emergence of new modes of governance (Bache & Flinders, 2004a; Marks, Scharpf, Schmitter, & Streeck, 1996; Piattoni, 2010; Puetter, 2006b; Sabel & Zeitlin, 2008) can be seen as driven by the desire to achieve efficient solutions to political coordination problems by

[1] Slovak Technical University, Marie Curie Fellow ITN RegPol[2], stefan.telle@stuba.sk

accommodating the diversity of the political and social systems of an ever growing number of member states. While some authors (Sabel & Zeitlin, 2008, 2010; Zeitlin & Vanhecke, 2014) are optimistic about the potential of experimentalist forms of governance to deliver on social objectives, others point to the weaknesses of open forms of coordination and question the possibility of a European Social Model (Scharpf, 2002; Smismans, 2008).

In fact, aspirations of becoming the most competitive knowledge-based economy in the world (Lisbon Agenda) through smart, inclusive and sustainable growth (EU 2020) seem to emphasize economic over social objectives, or, at least, suggest that the latter follows from the former. Following Majone (2005) the paper argues that European integration by stealth is leading to inconsistent policy paradigms (or hegemonic projects Jessop, 2002) which are nevertheless imposing a specific spatial selectivity (Brenner, 2004) on EU Cohesion Policy. *Soft spaces with fuzzy boundaries* (Allmendinger & Haughton, 2009; Haughton, Allmendinger, Counsell, & Vigar, 2010) are seen as distinct expressions of new modes of governance, which mediate the tensions between the inclusiveness (Social Europe) and the growth (Competitive Europe) objectives on the discursive level. Nevertheless, this does not necessarily mean that these tensions are also resolved on the empirical level. Indeed, soft spaces have been described as "spaces of neoliberal experimentation" (Haughton et al., 2013) and as such their fuzzy character may, in fact, facilitate socio-spatial polarization by funneling Cohesion Policy funds into the production of spaces of global competitiveness.

The paper is divided into three parts. The first section will discuss the relation between European integration and the structuring of governance, arguing that EU Cohesion Policy can be seen as a form of multi-level metagovernance. In the second section, the development of the spatial selectivity of EU Cohesion Policy is discussed, suggesting that making Cohesion Policy a delivery vehicle of EU 2020 is conducive to prioritizing competitiveness and efficiency objectives over cohesion. This is expected to translate into a spatial selectivity where the production of competitive spaces is becoming more important compared to assisting backward regions. The third section will briefly investigate how EU Cohesion Policy is constructing soft spaces with fuzzy boundaries to redirect local and national planning strategies toward the competitive logic of the Single Market. It is suggested that the growing importance of urban regions / poly-centric urban networks in the EU discourse may be an outcome of the alignment of EU Cohesion Policy with the EU 2020 Strategy. Finally, some concluding remarks will be made to indicate a few points of departure for a future research agenda.

New Modes of Governance: EU Cohesion Policy to Deliver EU 2020?

This section will investigate the link between European Integration and the emergence of new modes of governance. In view of the available budget and the political objectives of EU Cohesion Policy, it is remarkable that there seems to exist no agreement on its effectiveness (Molle, 2007, ch. 10, Leonardi, 2005, p. 92). However, the paper is not questioning the rationale of creating a policy to alleviate socio-spatial disparities across the EU. Indeed, the degree of disparities following the 2004 enlargement reinforces the need for a European-wide redistribution mechanism, from an economic (competitiveness), political (legitimacy, trade-offs) and moral perspective (solidarity, equity). Nevertheless, it is argued that socio-spatial polarization may occur not only despite of, but also due to EU Cohesion Policy intervention.

The argument in a nutshell: in the absence of a European demos that would lend democratic legitimacy to EU policy-making, interest representation at the European level is one of the main legitimizing mechanism of EU integration (Majone, 2005). Due to a multiplication of political and social systems, and hence an increase of national and regional actors and interests seeking representation at the European level, repeated EU enlargements are posing a challenge to policy coordination under the community method. This has encouraged the emergence of new modes of governance – like the open method of coordination (OMC, see Borrás & Jacobsson, 2004; Smismans,

2008). These, however, may be premised on logically flawed, overly optimistic assumptions about the relationship between efficiency and inclusiveness (Peters & Pierre, 2004; Scharpf, 2002; Smismans, 2008). This is characteristic of a "post-political" way of consensus seeking, wherein conflicting interests are reframed as mutually reinforcing (Laclau & Mouffe, 2001; Metzger, Allmendinger, & Oosterlynck, 2015a; Mouffe, 2005). In this sense, the EU 2020 Strategy is seen as an inconsistent policy paradigm or hegemonic project, redirecting the rationale of EU Cohesion Policy towards efficiency/competitiveness objectives. In consequence, because EU Cohesion Policy is currently based on inconsistent "post-political" paradigms, it may become ineffective or even facilitate socio-spatial polarization.

EU Enlargement, Interest Representation and New Modes of Governance

In accordance with Majone (2005), it is argued that that overly optimistic expectations about the prospects of EU integration have led to a pro-integration bias imposing upon the institutional architecture of the EU a logic that prioritizes interest representation over problem-solving. The problem is that the essentially open-ended nature of European integration is restricting the possibility for a European demos to emerge and, thus, limits the scope for redistributory policies based on solidarity among the European citizens. Therefore, EU enlargements pose a significant challenge to the consolidation of one particular mode of policy making, or, indeed, politics (see contributions in Metzger et al., 2015).

Especially since the 2004 enlargement, the community method of integration is increasingly seen as being too inflexible in facing the pressures resulting from the multiplication of interests at the European level (Scharpf, 2002). Attempts to reach consensus on the future development of European integration under conditions of increased diversity and uncertainty have resulted in a shift towards more open, informal, experimentalist and deliberative forms of coordination. New modes of governance can be seen as attempts to create channels of interest representation (Bartolini, 2005; Rokkan, 1999), through which the EU attempts to increase the legitimacy of its policy-making.

Thus, while new modes of governance may improve the representation of interests at the European level, it is not clear whether they constitute a more efficient solution to political problems. Indeed, there seems to be no agreement as to the efficiency of more open modes of governance. On the one hand, the EU's practice of policy coordination and learning through "trial-and-error" strategies and feedback-mechanisms has been seen as evidence of a new experimentalist governance architecture (C. F. Sabel & Zeitlin, 2010) that has a positive impact on the social dimension of EU policy making (Zeitlin & Vanhecke, 2014). Others discern a trend towards a consensus-seeking deliberative (Hajer & Wagenaar, 2003) intergovernmentalism (Bickerton, Hodson, & Puetter, 2014; Puetter, 2012), which may circumvent the inflexibilities of the official EU institutional architecture by referring to informal governance practices (Puetter, 2006a, esp. ch.2).

On the other hand, Peters & Pierre (2004) view the informalization of governmental functions in multi-level governance arrangements as a Faustian-Bargain where democratic accountability and political control are traded for seemingly more efficient governance solutions. Indeed, one of the most eminent theoreticians of European governance now seems to be rather wary that the representation of the interests of a continuously growing number of member states may, in the absence of a European demos, lead to a democratic default (Majone, 2005, 2012, 2014a, 2014b). Moreover, while new modes of governance may be seen as attempts on the part of various local, national and supranational actors, to institutionalize channels of interest representation (Rokkan, 1999), doubt has been cast on the problem-solving capacity of participatory governance (Heinelt, Getimis, Kafkalas, Smith, & Swyngedouw, 2002; Smismans, 2008).

Hence, more skeptical evaluations about the extent to which the OMC may facilitate the emergence of a European Social Model (Scharpf, 2002) should not easily be dismissed. What can be stated is that the multiplication of interests as a consequence of EU enlargement seems to have led to a transformation of the political process of EU policy-making. This lends renewed salience to the old question: "What is Politics" (Satori, 1973) and what is "the Political"(Metzger, Allmendinger, & Oosterlynck, 2015b, p. 8-10; Mouffe, 2005)?

Post-Political or Multi-level Metagovernance? Aligning EU Cohesion Policy and EU 2020

To explain the alignment of EU Cohesion Policy with the EU 2020 objectives, it is useful to introduce some elements of Bob Jessop's strategic-relational approach (1990, 2004, 2007), which understands the capitalist state as social relation/process. From this perspective, capitalism is based on two major social relations: the capital relation and the *state form*. The articulation of these relations determines their precarious functional unity and institutional coherence by enabling historically specific strategies and projects (Jessop, 1990 in Brenner, 2004, p. 86). *State projects* are initiatives that "endow state institutions with organizational coherence, functional coordination, and operational unity". In other words, they produce a "state effect" (ibid., p. 88). *State strategies* are initiatives to "mobilize state institutions in order to promote particular forms of socioeconomic intervention" (ibid.). In other words, they can be seen as "hegemonic projects" or policy paradigms. In Jessop's view, the articulation of state form, state project and state strategy results in a *strategic selectivity* of the state that privileges "particular social forces, interests, and actors over others" (ibid., p. 87). How can this help to explain the alignment of EU Cohesion Policy with the EU 2020 Strategy?

The paper previously argued that the new modes of governance in the EU emerge from the trade-off between interest representation and attempts at efficient political coordination[2]. Therefore, the search for new modes of governance that aim to resolve this dilemma can be seen as a *European political project*. In the context of this paper an understanding of the current EU "state" *form* as a Schumpeterian Workfare Postnational Regime (SWPR) is proposed (Jessop, 2002b). The mode of governance in this regime may be characterized as multi-level metagovernance (Jessop, 2002a, 2004), as the "key issue" of EU governance is

> "the manner and extent to which the multiplying levels, arenas and regimes of politics, policy making, and policy implementation can be endowed with a certain apparatus and operational unity horizontally and vertically; and how this affects the overall operation of politics and the legitimacy of the new political arrangements" (Jessop, 2004, p. 73).

According to Jessop, meta-governance is the management of the complexity, plurality, and tangled hierarchies of existing modes of governance (ibid., p. 66, see also Bache & Flinders, 2004b, p. 97). Nevertheless, he cautions that, eventually, it is unrealistic to expect meta-governance not to fail in the face of growing complexity. Hence, an ironic approach - characterized by "continuing experimentation, improvisation, and adaptation" (ibid., p. 72) – is proposed as a remedy. It is argued that multi-level metagovernance equips the "multiplying levels, arenas and regimes of politics, policy making, and policy implementation" (Bache & Flinders, 2004a, p. 8) with a certain operational unity.

[2] In this sense, EU integration is dominated neither by the member states, as liberal intergovernmentalists would argue (Moravcsik, 1998), nor by the supranational level, as in the opinion of (neo-) neo-functionalists (Haas, 1968; Schmitter, 2003). George (2004) states that the concept of multi-level governance is often viewed as an attempt to overcome this theoretical divide, since it claims that decision-making power in the EU is effectively distributes across various scales.

Multi-level metagovernance is, therefore, characterized by an unstable equilibrium of compromise rather than by the systematic application of one method of coordination.

Moreover, since the available *political strategies* in a political system depend on its distinct historical form, inconsistencies in these strategies "may be part of an overall self-organizing, self-adjusting practice of metagovernance within a complex division of government and governance powers" (Jessop, 2004, p. 71). Therefore, the EU 2020 Strategy can be seen as a *political strategy* that activates the capacity of the multi-level metagovernance regime to act in a coordinated, but not necessarily consistent, fashion.

This is because the articulation of *political project* (trade-off between interest representation and policy efficiency = search for new modes of governance), *political strategy* (EU 2020) and *form* (SWPR with multi-level metagovernance) imbue the EU with a peculiar *strategic selectivity*. This paper argues that the strategic selectivity of the EU can be understood as the forging of a "post-political" consensus, in which inconsistencies between policy objectives are discursively erased. According to this perspective, the "political" is understood as an arena where actors are struggling with each other in the pursuit of their (at least potentially) *conflictive* interests, while respecting the general rules of the game. In the "post-political" situation interests are made *commensurable* by restructuring the arena and the rules under which interests encounter each other (Mouffe, 2005).

In the preface to the second edition to their 1985 book Hegemony and Social Strategy, Laclau and Mouffe (2001) argue that the political *is* the primary (indeed, the only) mode in the formation of *hegemonic universality*. In this sense, hegemony is understood as the "very condition" in which "a *particular* social force assumes the representation of a *totality* that is radically incommensurable with it" (ibid. x). The establishment of hegemony depends on the political articulation of the social division of society. However, according to Laclau and Mouffe, the "internal frontiers within society" also reveal the "limits of all objectivity" (ibid. xiii-xiv). Therefore, *antagonism* is the central category of articulation. They disagree with proponents of a "Third Way", who argue that with the end of communism, the emergence of the network society and globalization, antagonisms have disappeared. Specifically, they do not agree that a "politics without frontiers would now be possible – a 'win-win politics' where solutions could be found that favoured everybody in society" because this would imply "that politics is no longer structured around social division, and that political problems have become merely technical" (ibid. xiv-xv). Here is their argument:

> "According to Ulrich Beck and Anthony Giddens - the theorists of this new politics - we are now living under conditions of 'reflexive modernization' where the adversarial model of politics, of us versus them, does not apply any more. They affirm that we have entered a new era in which politics needs to be envisaged in a completely different way. Radical politics should concern 'life' issues and be 'generative', allowing people and groups to make things happen; and democracy should be envisaged in the form of a 'dialogue', controversial issues being resolved through listening to each other.
>
> There is much talk nowadays of a 'democratization of democracy'. There is nothing wrong, in principle, with such a perspective, and at first sight it seems to chime with our idea of a 'radical and plural democracy'. There is, however, a crucial difference because we never envisaged the process of a radicalization of democracy that we were advocating as taking place within a neutral terrain, whose topology would not be affected, but as a profound transformation of the existing relations of power. For us, the objective was the establishment of a new hegemony, which requires the creation of new political frontiers, not their disappearance" (ibid. xv).

Thus, instead of accepting the "neo-liberal orthodoxy"-discourse of globalization and the tight fiscal constraints it imposes on the state as a necessity without alternatives, Laclau and Mouffe argue that "the present conjuncture, far from being the only natural or possible societal order, is the expression of a certain configuration of power-relations" (ibid. xvi). The reality of a not-so-level playing field and the "ineradicability of antagonism" foreclose the possibility of a "deliberative democracy" in the sense of Habermas: There is no final resolution of conflict and/or reconciliation of divided interests through dialogue. However, the existence and acceptance of an 'outside' to every consensus that prevents its full realization, is part of a radical conception of democracy[3].

What this means in terms of EU governance can be indicated by looking at 2001 Commission White Paper on "European governance" (European Commission, 2001). In the preface to the white paper, Jerome Vignon has made the point that "a strict separation" of the executive, legislative and judicative powers, characteristic of the nation-state institutional systems, "cannot function at the Community level" (in Leonardi, 2005, p. 14). Instead, cooperation between these branches is essential and the participation of relevant political and social actors "has to be sufficiently broad and capable of taking into account the great diversity of interests and views that exist within the Community" (ibid.). In this sense, he concludes that "[i]t is not by accident that the territorial dimension, which is inter-sectoral by nature and conducive to participation, is imposing itself upon the new European governance" (ibid., see also Hajer & Wagenaar, 2003).

The heightened importance of the territorial dimension in multi-level metagovernance, based on territory's perceived potential to improve interest representation of EU governance, makes it attractive and susceptible to the intrumentalization for a specific *political strategy*. The "discovery of territory" (Leonardi, 2005, p. 6) by the Commission makes possible new ways for conceptualizing the relationship between territorial cohesion and economic competitiveness. Talking about "impossible sustainability", Erik Swyngedouw (2007) cautioned that post-political concepts and the political agendas they justify, while allegedly offering inclusive and efficient solutions, are in fact based on the logically flawed assumption of commensurable interests[4]. Instead of truly open and deliberate reasoning, participatory modes of governance are often plagued by an "elitism" in which "fundamental political questions often curiously appear to have already been determined 'somewhere else' on the basis of some 'general interest' which no-one in his or her right mind can supposedly disagree with" (Metzger et al., 2015b, p. 7). In turn, this framing of political objectives (as growth or equality) as unproblematic, according to Allmendinger & Haughton (2015, p. 31) is leading to a "blurring of institutional responsibilities, accountability and legitimacy".

Thus, this process of reframing interests as commensurable, rather than conflictive, allows the European Commission to portrait EU Cohesion Policy as a delivery mechanism of the EU 2020 Strategy:

[3] For a critical reading see Grange (2015), who argues that the political is not restricted to conflictuality, but should be seen as the actualisation of potentials through identification.

[4] The emergence of this post-political way of policy making may be seen as part of a broader "Condition of Postmodernity" (Harvey, 1989) wherein the limits of Enlightenment reasoning (Horkheimer & Adorno, 2002) are overcome by the replacement of the idea of progress through eclectic amalgamations of meanings into *in situ* paradigms. In this sense, it may be argued with Ernesto Laclau (2011) that post-political concepts can be understood as working on the level of *doxa* (common-sense), while the logic of Enlightenment worked at the level of rationality: "If the level of *doxa* constitutes a continuous fabric which absorbs and articulates every possible meaning, the level of [Enlightenment] philosophy aspires to reconstruct the totality of meaning of this fabric *in a necessary order and through rational links*" (ibid. p. 9).

> "Cohesion policy and its structural funds, while important in their own right, are key delivery mechanisms to achieve the priorities of smart, sustainable and inclusive growth in Member States and regions" (European Commission, 2010, p. 20).

The post-political consensus formation of the EU may, therefore, conceal and/or reinforce the reality of socio-spatial polarization by discursively obscuring the conflict between the competitiveness objectives of the EU 2020 Strategy and the equity objectives of EU Cohesion Policy. Consequently, the contradictions between interests at the EU level are not completely resolved, but managed in a way that displaces them temporally and spatially (Habermas, 1977; Harvey, 1982).

In sum, the previous discussion offers an explanation as to how the logic of the European integration produces inconsistent political strategies/hegemonic projects in an attempt to accommodate a multiplying number of interests. In this context, two question are important for this paper: (1) How does this influence the *spatial selectivity* (Brenner, 2004) of EU Cohesion Policy? (2) How is the discursive alignment of EU Cohesion Policy objectives and EU 2020 objectives implemented? These questions will be dealt with in the following two sections.

The Development of the Spatial Selectivity of EU Cohesion Policy

The following section will look at how changing political projects and political strategies influence the spatial selectivity of EU Cohesion Policy. The argument is that the decision to make Cohesion Policy a key delivery instrument of the EU 2020 strategy may divert the Cohesion Policy rationale from redistribution to lagging regions towards an increased spatial concentration of socioeconomic activities in spaces that are relevant for the competitiveness of the Single Market.

Spatial Selectivity

This section will look at the spatial implications of the alignment of EU Cohesion Policy and EU 2020. The paper follows Neil Brenner's (Brenner, 2004) adaptation/spatialization of Bob Jessop's strategic-relational approach (Jessop, 1990, 2004, 2007). Importantly, state space and the state spatial process, according to Brenner, should be understood as the spatial expressions of the *political strategy* (Brenner, 2004, ch. 3; see also Harrison, 2010; Heley, 2013; Raco, 2009).

In analogy to strategic selectivity, *spatial selectivity* "refers to the processes of 'spatial privileging and articulation' through which state policies are differentiated across territorial space in order to target particular geographical zones and scales" (Jones, 1997 in Brenner, 2004, p. 89). Making reference to Harvey (1982), Brenner suggests that while state institutions may be equipped with a spatial selectivity that helps to temporally displace capitalism's inherent contradictions, this outcome is not pre-given. Instead, he contends that "insofar as state institutions may also be harnessed in ways that exacerbate uneven spatial development, they may seriously exacerbate, rather than displace, capital's endemic crisis-tendencies and contradictions" (Brenner, 2004, p. 96).

To conceptualize the evolution of spatial selectivity, Brenner formulates a set of parameters. He develops a two-by-two diagram where state spatial project and state spatial strategy each have a scalar dimension and a territorial dimension (see Table 1, overleaf). The four cells, he argues, contain some of the "core tensions" as well as the "scale and area-specific patterns of state territorial organization and state spatial intervention that may emerge through such struggles" (ibid., p. 98).

Each cell contains two polar alternatives for the spatial selectivity of the state. In this way, he arrives at a four-dimensional matrix, indicating possible directions for the evolution of the state spatial selectivity (see Figure 1, 9). Importantly, Brenner asserts that, in the period from WWII until the late 1970s, the (1) state spatial projects were oriented toward centralization and administrative uniformity,

while (2) state spatial strategies were oriented toward scalar singularity (the national) and the territorial balancing of socio-economic activities. Following Jessop (1990, 2002), this type of state is characterized as the Keynesian Welfare National State (KWNS).

In Jessop's view, this state form is currently being superseded by a new type of state – the Schumpeterian Competition State[5] (SCS). This path-dependent process, Brenner (2004, p. 105f.) hypothesizes, involves the reorientation of (1) state spatial projects "toward administrative differentiation and decentralization" and of (2) state spatial strategies "toward the differentiation of socioeconomic activities within a national territory and toward the management of scalar multiplicity" (ibid., p. 106f.). According to Brenner, this process has resulted in the emergence of "new state spaces" with urban region becoming the primary spaces within the "Rescaled Competition State Regime" (RCSR) (ibid., p. 295).

Table 1: State Spatial Projects and State Spatial Strategies

	STATE SPATIAL PROJECTS: geographies of state territorial organization and administrative differentiation within a given territory	**STATE SPATIAL STRATEGIES:** geographies of state intervention into socio-economic life within a given territory
SCALAR DIMENSION: the *scalar articulation* of state policies and institutions among different levels of political-economic organization within a given territory	**(1) Centralization vs. decentralization** • *Centralization* of state operations: tends to concentrate political authority at one over-arching scale of state administration (generally the national) • *Decentralization* of state operations: transfers various regulatory tasks away from the central coordinating tier of state power (generally to subnational levels)	**(3) Singularity vs. multiplicity** • Privileging of a *single* dominant scale (for instance, the national) as the overarching level for socioeconomic activities • Distribution of socio-economic activities among *multiple* spatial scales
TERRITORIAL DIMENSION: the *territorial articulation* of state policies and institutions among different types of juridical units or economic zones within a given territory	**(2) Uniformity vs. customization** • Promotion of *uniform* and *standardized* administrative coverage in which broadly equivalent levels of service provision and bureaucratic organization are extended throughout an entire territory; • Promotion of *patchy, differentiated,* or *uneven* administrative geographies in which *customized, area-specific* institutional arrangements and levels of service provision are established in specific places or geographic zones within a territory	**(4) Equalization vs. concentration** • Promotion of an *equalization* of socioeconomic activities and investments within the state's territorial borders: goal is to spread socio-economic assets and public resources as evenly as possible across a national territory and thus to alleviate territorial inequalities • Promotion of a *concentration* of socioeconomic activities and investments: goal is to promote the agglomeration of socioeconomic assets and public resources in particular locations, places, and regions within a territory

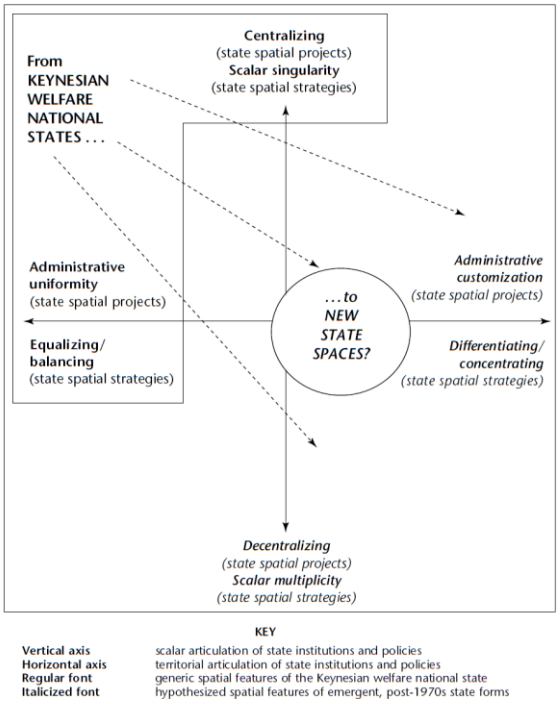
Source: Brenner (2004): 97

[5] Later on Brenner, Peck, & Theodore (2010) have described this process as "variegated neoliberalization", where the logic of the capital relation is seen to have become more dominant relative to the capacity of the state to implement socio-political objectives. In this view, the uneven regulatory development under the neoliberal regime is a constitutive part of neoliberalization.

This model will be used to study the spatial selectivity of EU Cohesion Policy under the EU 2020 Strategy (see Figure 2). In order to extract the spatial implications of the alignment of EU Cohesion Policy with the EU 2020 Strategy, the objectives of Cohesion Policy in previous programing periods will be compared to the reformed post-2014 Cohesion Policy. Furthermore, the objectives of the EU 2020 strategy will be scrutinized and evaluated according to their spatial implications.

The *political strategy* will generally remain in the bottom right corner as, following Majone (2005), the integration-bias of the EU generally tends to frame political strategies in terms of "Europeanization" (scalar multiplicity). Furthermore, (negative) integration is assumed to have a negative effect on socio-spatial equality due to the superior competitiveness of the core countries.

Figure 1: The Evolution of State Spatial Selectivity

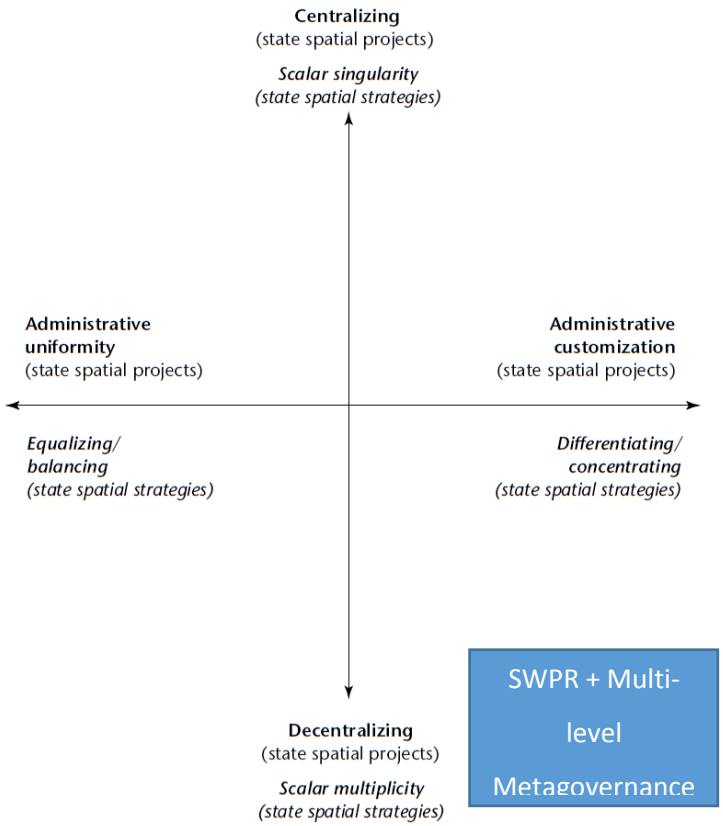


Source: Brenner (2004): 106

This was, indeed, the main rationale for the institutionalization of EU Cohesion Policy as a mechanism to equalize and balance the socio-spatial impact of integration (which is why it will initially be situated in the bottom left corner). Importantly, what is determined by the *political project* (mode of governance) is the framing of the relationship between the *political strategy* and the *spatial strategy*. In other words, what is the relation between the *objectives* of EU Cohesion Policy and those of the single market program, the Lisbon Agenda and EU 2020? Finally, the *structure* of EU Cohesion Policy is understood as an expression of the *spatial project*. As discussed above, the emerging *form* of the political system of the EU can best be characterized as SWPR + multi-level metagovernance, which can be situated at the opposite to the KWNS in the matrix[6].

[6] In fact, the EU has attributes similar to the Schumpeterian Workfare Postnational Regime (SWPR)(Jessop, 2002b). SWPR seems more appropriate than RCSR because it not state-centric.

Figure 2: The Dimensions of EU Spatial Selectivity



Source: Brenner (2004): 106 with own contributions in color.

The Development of the Spatial Selectivity of EU Cohesion Policy

The table below (see Table 2) shows how the objectives and instruments of EU Cohesion Policy have evolved between 1988 and 2013. Based on the table, the relation between EU enlargements and the development of Cohesion Policy will be discussed. Three periods are identified: the birth of Cohesion Policy (1988-1999), the 2004 enlargement (1999-2013), and the alignment of Cohesion Policy with EU 2020 (2014-2020). Following the previous discussion of EU enlargement and interest representation, it is argued that subsequent enlargements had a structuring effect on the *EU political project* (governance), which in turn influenced the way in which the *EU political strategy* and the *EU spatial strategy* are articulated[7].

[7] It is apparent that the 1995 enlargement (Austria, Finland, and Sweden) did not have a major impact on the objectives and distribution of Cohesion Policy. This may be explained by the high level of socio-economic

Table 2: Development of cohesion policy; change of objectives and distribution of aid (billions of euro) by objective, 1988–2013

1988–93			*1994–99*	*2000–06*			*2007–13*		
Objective	*Instruments*	*Amount*	*Amount*	*Objective*	*Instrument*	*Amount*	*Objective*	*Instrument*	*Amount*
1 Lagging	CF ERDF ESF EAGGF	43	102	1 Lagging	CF ERDF ESF EAGGF FIFG	136	1 Convergence (and competitiveness)	CF ERDF ESF	251
2 Restructuring	ERDF ESF	9	22	2 Restructuring	ERDF ESF	23	2 Regional competitiveness and employment	ERDF ESF	49
3 Unemployment	ESF	8	15	3 Social (former 3 and 4)	ESF	24			–
4 Social 5 Agriculture 6 Ultra-peripheral	ESF EAGGF ERDF								
Other programmes		5	11	INTERREG URBAN	ERDF	1	3 Territorial cooperation	ERDF	8
Community initiatives				EQUAL	ESF	10			
Innovative programmes				LEADER, etc.	EAGGF	1			
Adaptation to EMU conditions		–	10	EMU	Cohesion Fund	18			
Accession	Phare, Cards, ISPA and Sapard	x	x	Accession	Phare, Cards, ISPA and Sapard	x	Accession	IPA	x
Total resources		65	159			213			308
SCF									

Notes:
n.a. non applicable
x only for completeness of the picture; no figures as designated sums are not part of internal cohesion efforts of the EU
Figures for the 2007–13 period in 2004 euros

Source: Molle (2007): 143

The general argument is that with the development of more open methods of interest coordination (multi-level metagovernance), Cohesion Policy has experienced a move toward delivering political objectives that are contradictory to the attainment of economic, social and territorial cohesion.

The Development of EU Cohesion Policy: The Birth of Cohesion Policy 1988

The development of EU Cohesion Policy has always been closely connected to the process of European Integration and, in particular, to the creation of the single market (Manzella & Mendez, 2009). After a period of relative stagnation of the integration process in the 1970s and early 1980s, the Single Market program (the dominant *political strategy* at the time) under Commission President Jacques Delors and the accession of the less competitive Mediterranean countries (Greece (1981), Portugal and Spain (1986)) became important triggers of the 1988 reform, which ushered in a "new era" for Cohesion Policy (ibid., p. 13). As a counterweight to balance the negative effects of market integration, the establishment of a supranational redistribution mechanism – the Europeanization of Cohesion Policy – has been called a "revolutionary change" (Leonardi, 2005, p. 1). Significantly, in this new peculiar arrangement, political responsibility was to be distributed across the regional, the national and the European scale, which has been captured by Gary Marks and Liesbet Hooghe (Hooghe, 1996 Marks & Hooghe, 2004; see also George, 2004) in the concept of multi-level governance.

In terms of Brenner's model, the *political project* at the time can be described as "integration through regulation" (Majone, 1996), whereby the dominance of the community method tends towards Europeanizing competences (centralization) through legislation and treaty modification

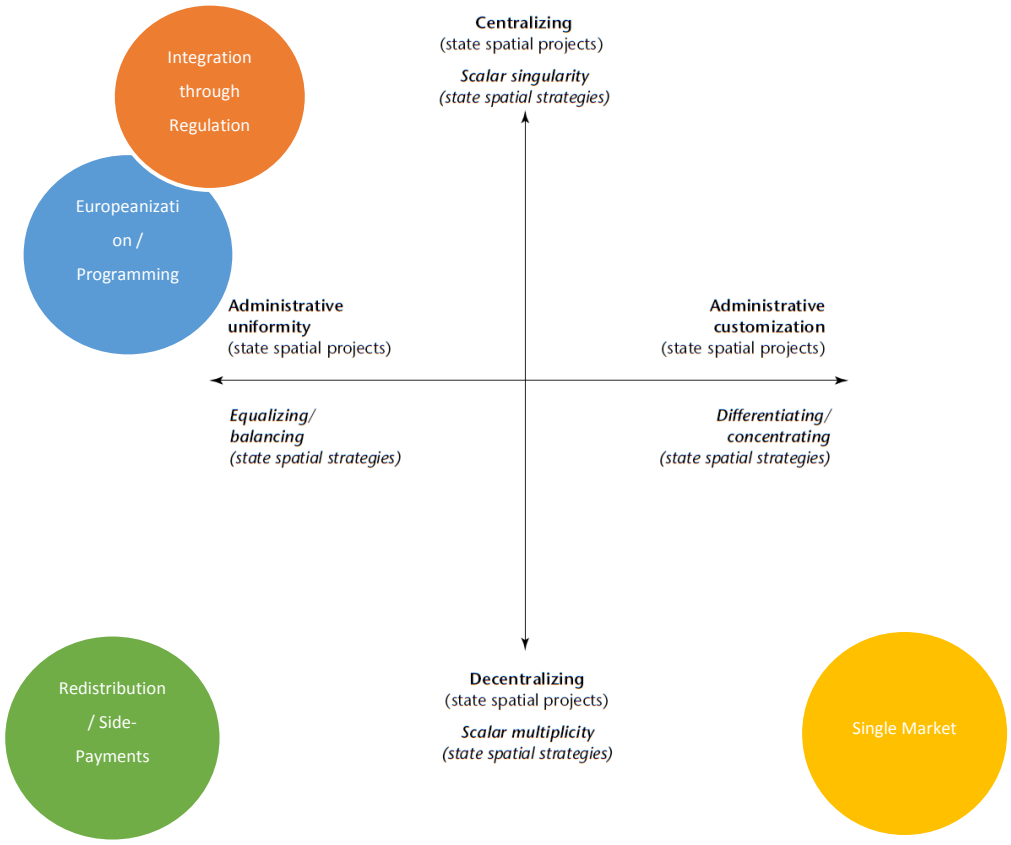
development in these countries, which did not significantly alter the allocation patterns, as all three countries are, since their accession, net contributors to Cohesion Policy (Molle, 2007, p. 148).

(administrative uniformity)[8]. However, the Single European Act (1986) had already introduced the cooperation procedure and extended qualified majority voting in an attempt to remove barriers to further harmonization (administrative customization). The *political strategy* of market integration (negative integration) was met by the opposition of the less developed Mediterranean member states, which, were successful in pushing their interest in a supranational redistribution mechanism (positive integration): the birth of EU Cohesion Policy (Leonardi, 2005). Structurally (*spatial project*), the new EU Cohesion Policy was to be characterized by its firm establishment at the Community level (centralization), which was expressed inter alia by the principle of programming (administrative uniformity). According to Leonardi (2005, p. 36) this Europeanization of Cohesion Policy has "significantly changed the nature of relations between institutions and has led to the emergence for the first time of sub-national institutions as significant actors" (scalar multiplicity). Politically, the objectives of EU Cohesion Policy (*spatial strategy*) can be understood as a side-payment to the new member states (to gain their consent to further market integration). Socially, however, the rationale was one of solidarity with the least developed regions within the expanding Community (equalizing/balancing of socioeconomic activities)(see Figure 3). In the words of Leonardi, the

> "challenge posed by the Single Market allowed the Commission to fully assume the responsibilities transferred to it by the SEA; national governments on the periphery were given access to the financial resources necessary to counter the economic shock that was expected to be produced by the Single Market; and regions were empowered to become involved in a policy process that allowed them to fulfill their constitutional responsibilities and have a say in determining their response to challenges posed by the realization of the Single Market" (2005, .p 19).

[8] The 1992 Maatricht Treaty can be seen as the beginning of a new "era" wherein treaty amendments became less inclusive with the *opt-outs* by the UK and Denmark of the EMU.

Figure 3: Spatial Selectivity of EU Cohesion Policy 1988-1999



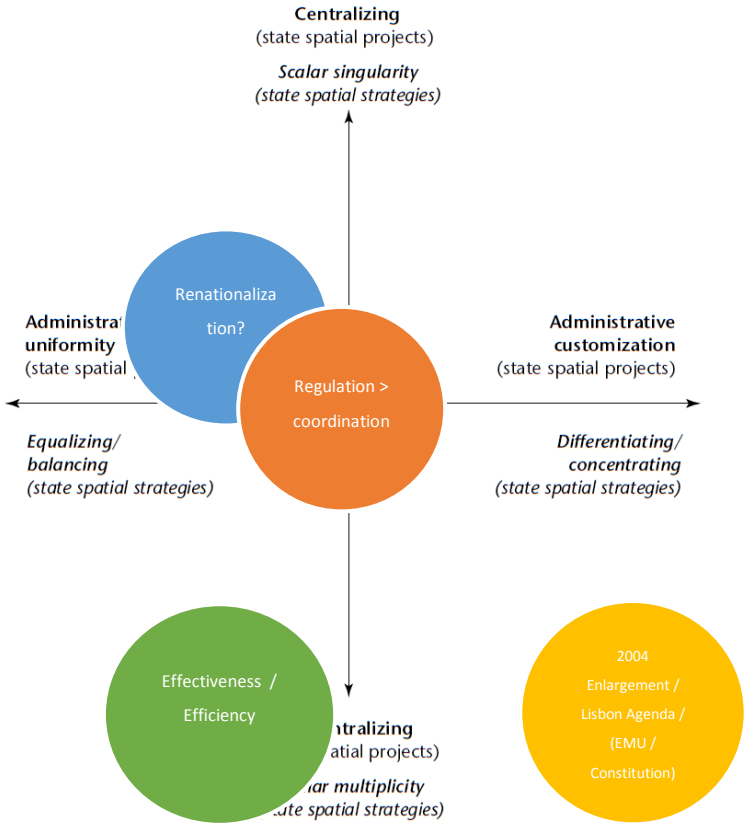
The Development of EU Cohesion Policy: The 2004 Enlargement

Like in the context of the accession of the Mediterranean countries in the 1980s, EU enlargements since the 1990s were paralleled by changes in the instruments and objectives of Cohesion Policy (see Table 2). New instruments for particular issues (pre-accession assistance, urban regions, peripheral regions, cross-border cooperation) were launched, many of which were later mainstreamed. The budget of Cohesion Policy grew continuously and came to constitute roughly one third of the total EU budget. However, Manzella & Mendez (2009, p. 15-17, see also Leonardi, 2005, p. 21-22) have characterized the 1993 and the 1999 reforms as efforts in "fine-tuning, decentralization and effectiveness".

The 2004 enlargement can be seen as the next watershed moment. While in 1992 twelve "western" member states signed the Treaty of Maastricht to form the European Union, over the subsequent two decades a further sixteen states were to join, out of which thirteen were countries with a post-socialist legacy, situated in the far less developed eastern periphery. In addition to the numerical increase in interests, the poor socio-economic conditions in the new member states would make all of them net recipients of EU funds with a severe negative impact on the allocation of funds to the older member states (most of which would become net contributors (Molle 2007, p. 148)).

The 2004 enlargement had a major impact on the *political project* of the EU. The massive increase and divergence of interests made consensus seeking under the community method cumbersome, and led to the introduction of the OMC in several policy fields (administrative customization). This gave increased weight to the member states (decentralization). Thus, in terms of the structure of EU Cohesion Policy (*spatial project*), a debate about its renationalization developed (Bachtler & Mendez, 2007; Bruszt, 2008; Faludi, 2009, 2010; Leonardi, 2005; Manzella & Mendez, 2009). Indeed, the 2006 reforms can be seen as a move toward administrative customization and decentralization of Cohesion Policy (*spatial project*), as the new planning framework involved the steering of interests through Community Strategic Guidelines (CSG) and National Strategic Reference Frameworks (NSRF) (Manzella & Mendez, p. 19).

Figure 4: Spatial Selectivity of EU Cohesion Policy 1999-2013



Furthermore, an increased emphasis on efficiency considerations led to a concentration of support and a reduction in both priority objectives and the proportion of population eligible for support under the territorial Objectives 1 and 2 (ibid. 16f., see also Table 2 above). Parallel to the efforts to make the EU "the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion" (Lisbon Agenda), increased thematic concentration saw the European Social Fund "increasingly [being] tied to the European employment strategy" (ibid. p. 17). Thus, Manzella & Mendez, (2009) have argued that the programming-period 2007-2013 can be characterized as a turn to a more "strategic approach for targeting EU priorities, centered on the Lisbon strategy" (p. 19). Furthermore, competitiveness and efficiency considerations have gained in importance relative to social and redistribution issues.

Therefore, in terms of objectives (*spatial strategy*), a tendency away from equalization/balancing and toward a convergence with the thematic objectives of the Lisbon Agenda can be detected[9] (see Figure 4).

The Development of EU Cohesion Policy: 2014-2020

Willem Molle (2007) has made the point that horizontal coordination of Cohesion is far from ideal. He argues that the existence of large funds for Cohesion Policy relative to the size of the funds available for other EU objectives (notably competitiveness and sustainability) has led to a "blurring of objectives", where Cohesion Policy is made instrumental to these other objectives (p. 285-287). In accordance with Jessop's point that metagovernance should be seen as an unstable equilibrium of different coordination methods, Molle continues to say that while policy coordination depends largely on the OMC, the financial instruments of the Cohesion Policy delivery system attach strong conditional ties to the distribution of funds. Thus, Molle concludes, the present coordination mechanisms "are in need of review and that more adequate mechanisms are to be found to produce lasting and balanced results (p. 287).

However, then came the crisis and with it Europe 2020: a European strategy for smart, sustainable and inclusive growth. In the words of former Commission president Jose Manuel Barroso:

> "The crisis is a wake-up call, the moment where we recognise that "business as usual" would consign us to a gradual decline, to the second rank of the new global order. This is Europe's moment of truth. It is the time to be bold and ambitious" (European Commission, 2010, preface).

Primarily, the EU 2020 Strategy (*political strategy*) "is about delivering growth". Growth is framed as "smart, sustainable, and inclusive", defined by a set of quantified targets (see Annex 1) and operationalized through seven Flagship initiatives (see Annex 2). The implementation of the EU 2020 Strategy is shared between the EU, the member states, regional and local authorities and civil society. Coordination is implemented through the "European Semester" based on Annual Growth Surveys and Country-specific Recommendations (Annex 3).

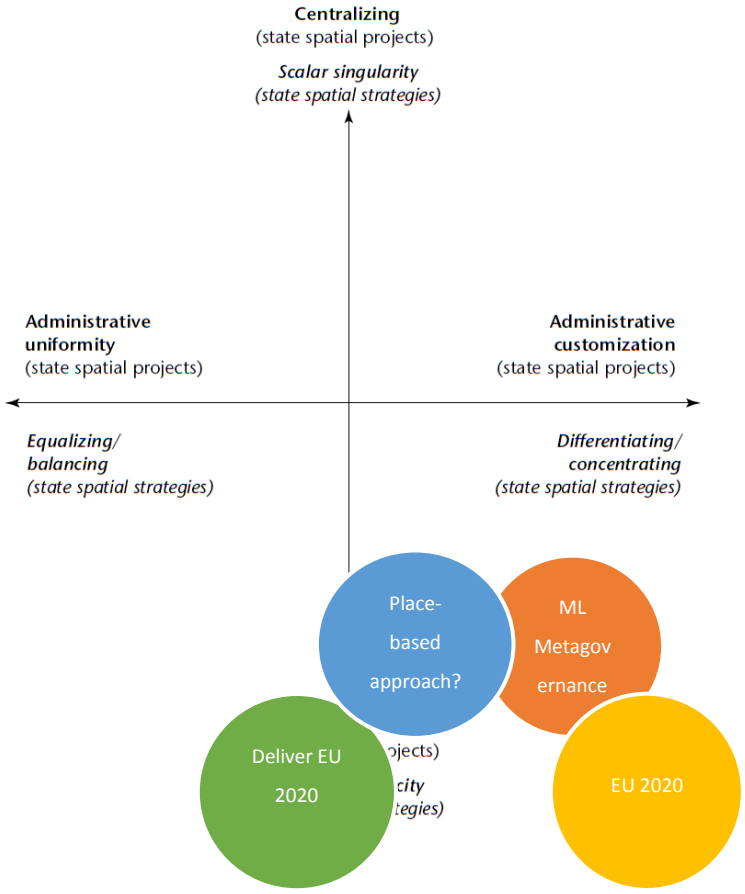
This open form of coordination, based on the constant monitoring and evaluation of the performance of the member states in achieving their non-binding targets, can be understood as multi-level metagovernance (*political project*). As discussed, this form of coordination is conducive to the emergence of a *post-political consensus* where contradictory interests are reframed as commensurable. Evidence for this claim can be found in the framing of growth as "smart, sustainable and inclusive" whereby it effectively becomes the panacea to prevent Europe's "gradual decline" to the second rank of the new global order. Furthermore, the deepening of the single market is seen as important to overcome the crisis (*integration bias*). Crucially, EU Cohesion Policy is presented as "the principle investment tool for delivering the Europe 2020 goals" (European Commission InfoRegio: http://ec.europa.eu/regional_policy/ what/future/index_en.cfm). Hence, in addition to and in deviation from its initial rationale as a counterweight to the single market, EU Cohesion Policy is now seen as the primary tool for delivering growth and competitiveness (*spatial strategy*).

Thus, while the majority of the funds will still be allocated to the less developed peripheral regions (especially the new member states and Portugal), the focus on "Key Growth Priorities"[10] seem to tilt

[9] The problems of the European Monetary Union (EMU) and the ineffectiveness of the Stability and Growth Pact (SGP) in the context of the economic and sovereign debt crises, as well as the failed attempt of a European Constitution, can be seen as examples of how the discursive framing of interests as commensurable (integration bias) may have unexpected results.

the *spatial selectivity* of EU Cohesion Policy toward spaces with greater potential to contribute to smart, sustainable and inclusive growth. This may partially explain, why EU Cohesion Policy was ineffective in preventing socio-spatial polarization in the new member states (Darvas, 2014). Indeed, there is the possibility that focusing Cohesion Policy on the thematic/key growth priorities of EU 2020 prioritizes urban over rural regions, which is in accordance with Brenner's (2004) finding that the urban is becoming the primary spatial unit for capital accumulation and, thus, the driving force in the re-scaling of regulatory landscapes (Brenner, Peck, & Theodore, 2010). The creation of a specific instrument for urban regions (urban innovation actions) and the growing importance of place-based interventions (Barca, 2009) can be seen as evidence for a changing spatial selectivity of EU Cohesion Policy (see Figure 5), where efficiency and equity objectives become increasingly framed as mutually constitutive (Demidov, 2015, p. 45-46).

Figure 5: Spatial Selectivity of EU Cohesion Policy 2014+



[10] These are research and innovation; information and communication technologies; enhancing the competitiveness of small and medium-sized enterprises; and supporting the shift toward a low-carbon economy (http://ec.europa.eu/regional_policy/what/future/index_en.cfm, accessed 11/01/2015).

Governing Polarization through Soft Spaces with Fuzzy Boundaries?

The final section of this paper will indicate how the spatial selectivity of EU Cohesion Policy under the EU 2020 Strategy is influencing the (re-) production of socio-spatial polarization. The point is that the post-political consensus of *cohesion cum competitiveness* is articulated spatially through "soft spaces with fuzzy boundaries" (Haughton et al., 2010).

Socio-Spatial Polarization as the (Re) Production of Centrality and Peripherality

As Brenner's (2004) model indicates, the space of a political system is the outcome of a socio-political process. In this context, political institutions may be geared toward territorial cohesion or may contribute to socio-spatial polarization. Therefore, polarization can be understood in terms of the production of space (Lefebvre, 1991). More precisely, polarization may be understood as the process of simultaneous centralization and *peripheralization* (Kühn, 2014, see Table 3).

Table 3: From *Periphery* as a condition to *Peripheralization* as a process

Periphery	Peripheralization
Pre-given spaces—with social implications Fringes, edges, outskirts, borders	*Social relations—with spatial implications* "Production" of peripheries
Status: static • Distance to centres • Remote location • Sparse population	*Processes: dynamic* • Political • Economic • Social • Communicative
Fields of application: non-urban • Rural regions • Border regions • Suburban fringes	*Fields of application: open* • Developing countries • Urban regions and cities • Rural (non-metropolitan) regions • Urban neighbourhoods
Conditions for actors: fixed • Determined by structural deficits • Periphery as "destiny"	*Conditions for actors: changeable* • Role of periphery in a system changes • Actor networks matter

Source: Kühn (2014): 3

Rather than perceiving of *periphery* as a pre-given and static space, *peripheralization* looks at the spatial implications of social interactions. These interactions are understood as unfolding dynamically at different scales and in different spaces, driven by interactions among actors within continuously changing networks.

Following Lang (2013), the simultaneity of metropolization and urban shrinkage can be understood as a process of peripheralization in which centers are "are constantly portrayed as 'core' spaces of modernity and progress" while peripheries experience a "stigmatization in public discourse" (p. 228). Thus, while Lang assumes that center-periphery relations are a "system-immanent part of the capitalist economic system" (ibid.), he adds that they "are not constituted structurally but emerge discursively" (p. 230). Based on the postcolonial notion of *difference* and *otherness*, Lang suggests to look at peripheralization as a process through which "knowledge" about a specific space is constructed "through formations of power, which is replicated through discourse by individuals, organizations and

institutions" (p. 231). In the German context, he argues, *metropolitan regions* have emerged as "a current paradigm of spatial planning" (p. 229). However, the borders of these central spaces are characterized by Lang as vaguely defined "in-between-spaces", where political conflicts about belonging to core or periphery are fought out.

Viewed from this perspective, Cohesion Policy can be understood as a tool of center-formation (Bartolini, 2005), selectively privileging some spaces over others. The point is that the alignment of Cohesion Policy with the EU 2020 Strategy may contribute to the process of peripheralization. It has been argued that the establishment of policy priorities centered on economic growth (rather than social-spatial equity) is impacting on the spatial selectivity of Cohesion Policy. This entails that the discursive construction of a space as central or peripheral is dependent on the overall logic of the political system (multi-level metagovernance). In this sense, the primacy of interest representation (coordination) at the European level, discussed above, has a structuring effect of the spatiality of the member states and of the EU as a whole (articulated through EU Cohesion Policy).

EU Enlargements play an important role in this structuring process. This may be explained by Stein Rokkan's theory of boundary-building and internal structuring (Rokkan, 1999), which assumes an intimate link between the establishment of control over the external demarcation and the internal differentiation of political systems. Rokkan's concept of *boundary* refers to the mutual constitutiveness of the territorial and the membership dimensions of the political system. Indeed, processes of "bounded structuring" (Ferrera, 2003) at the national level are increasingly challenged by European Integration, which according to Ferrera "rests on opening: on weakening or tearing apart those spatial demarcations and closure practices that nation-states have built to protect themselves" (Ferrera, 2012, p. 258).

Therefore, looking at European integration through the lenses of Rokkan's theory suggests that enlargements are be crucial in the de-structuring of existing nation-state borders and functions and their contingent and selective re-structuring at the European and the regional levels (Bartolini, 2005). This restructuring, it is argued, occurs through the creation of problem-centric *soft spaces with fuzzy boundaries* (Allmendinger & Haughton, 2009; Haughton, Allmendinger, Counsell, & Vigar, 2010). In sum, it is argued that EU Cohesion Policy - as an EU-wide redistribution mechanism - gears the logic of regional development away from the national level by superimposing a strategic-spatial selectivity that follows the logic of the internal market (Conzelmann, 2006). In other words, this may be described as the Europeanization (Bache & Jordan, 2006) of spatial planning (Dühr, Stead, & Zonneveld, 2007; Kunzmann, 2006).

Soft Spaces with Fuzzy Boundaries

Leonardi (2005, p. 36) has argued that the emergence of multi-level governance "has had an impact on the reconfiguration of linkages among national, regional and local levels within member states and has reinforced the regional devolution of policies". In the UK, he continues, the existence of Cohesion Policy has supported the devolution of the regions of Scotland and Wales after the Labour victory in 1997 (see also Conzelmann, 2006).

He attributes this to the "revolutionary nature" of EU Cohesion Policy (ibid., p. 74). According to Leonardi (ibid., p. 74), the multi-level governance process of Cohesion Policy is characterized by a decision-making and implementation process that is characterized by a "series of interactive learning loops", incompatible with any of the pre-existing national regional policies. Following Leonardi, this "lack of fit"[11] requires "substantial institutional adjustment and learning on how to use the policy"

[11] For a brief discussion of the idea of "misfit" or "mismatch" in the Europeanization literature see Bache & Jordan, 2006 (based on Radaelli, 2000).

(ibid.). The decision-making process of *national* developmental planning did usually not involve great responsibilities for the regional level. Indeed, the phases of decision-making and implementation characteristic for Cohesion Policy (learning loops) were normally not a part of national regional policy formulations (ibid., p. 75).

Talking about the new member states, Leonardi (2005) states that while there are no provisions in the Cohesion Policy *acquis* prescribing a particular institutional setup at the subnational level, what is seen as crucial in the transition is the possibility for "institutional learning and the ability to implement the policies according to prevailing procedures and norms" (p. 148). He concludes that the entry of the new member states increased the importance of the efficient and effective management of Cohesion Policy (p. 172).

This paper suggest, that EU Cohesion Policy is an important driver of the emergence of soft spaces with fuzzy boundaries. In this context, the conditionality attached to the EU funds has been seen as a major driver for institutional change, particularly in the New Member States (NMS) (Bache, 2010a, 2010b, Alden et al. 2006, Grabbe 2006). The concept of soft spaces with fuzzy boundaries has been developed in the context of the devolution of the UK and Irish spatial planning systems. This suggests that the emergence of soft spaces is linked to the opening up of the territorial boundedness of the nation state in order to achieve efficient political interventions in the context of an increasingly competitive and complex global arena. The emergence of soft spaces, therefore, can be seen as a reaction to greater social complexity, which has resulted in "governance systems becoming more functionally differentiated [as well as in] an increased fuzziness of institutional boundaries, the multiplication and rescaling of spatial horizons, and a need for reflexive knowledge and understanding to cope with this complexity" (Haughton et al., 2010, p. 49). Thus, soft spaces are seen as a deliberate attempt to "insert new opportunities for creative thinking" at the interface between public and private engagement. Additionally, they are "deliberately fluid and fuzzy in the sense that they can be amended and shaped easily to reflect different interests and challenges" (ibid., p. 52).

The impact of EU Cohesion Policy on the decision-making process and the rationale of policy making can be illustrated by shortly introducing the examples of Ireland and Northern Ireland discussed by Haughton et al. (2010). First, Haughton et al. (2010) argue that EU funding had a significant impact on the decentralization of the Irish planning system. After the 1988 reform, Ireland as a whole qualified as an Objective 1 region. However with high rates of economic growth continuing throughout the 1990s, the Irish government decided (1999) to divide the country into two NUTS 2 regions in order to sustain eligibility for EU funds in the economically weaker southern region. This meant the introduction of a "regional approach" to planning in a country that was traditionally highly centralized. Thus, Haughton et al. (2010) conclude that "the lure of European funding" was essential "to bring about a more enduring set of regional structures" (p. 58). The "pragmatic desire to attract European structural funds" rendered the regional governance structures into "largely bureaucratic creations" that not sitting well with the entrenched regional identities (ibid.). Subsequently the authors illustrate their claim by looking at the case of the Cork metropolitan area. They maintain that the combination of (1) uncontroversial policy guidelines rather than legally binding statutory plans and (2) widespread "mistrust" toward the new regional authorities (which were perceived as representative of a hierarchical system of government) prevented the problems of congestion, urban sprawl and socio-spatial polarization from being tackled effectively.

Second, discussing the 2001 Regional Development Strategy of Northern Ireland, Haughton et al. (2010) find that it picks up the "conceptual language" of the European Spatial Development Perspective (ESDP, 1999) of hubs, corridors, gateways and polycentric development. However, in focusing on consensus-building around the "neutral concepts" of territorial equity and balanced development, substantive debates about "hard issues" (i.e. concentration vs. dispersion) were avoided (Ellis & Neill 2006, in Haughton et al., 2010, p. 88). According to one interviewed academic "keeping

everybody on board and everybody happy with it", was the political rationale behind the strategy. Thus, Haughton et al. (2010) conclude that "EU thinking […] provided a means for accommodating and hiding from view underlying tensions" (p. 88).

The point is that EU Cohesion Policy may destabilize regional development practices at the national level by *constructing* and *injecting* soft spaces with fuzzy boundaries, whose logic is increasingly geared toward competitiveness in and of the single market. The Baltic Sea Region can be named as a rather successful example (Metzger & Schmitt, 2012), while the more recent Danube Region seems to require more time and commitment by the participants to get off the ground. However, soft spaces can be created at different spatial scales. In fact, the EU itself could be described as a soft space with fuzzy boundaries, a complex governance system with rather fluid and evolving responsibilities. However, what can be concluded from the previous discussion is that the alignment of EU Cohesion Policy with the EU 2020 Strategy may increase the importance of urban regions. In this sense, the emergence of a poly-centric metropolitan network (Hamza, Frangenheim, Charles, & Miller, 2014; Meijers & Sandberg, 2007; Meijers, Waterhout, & Zonneveld, 2007; Molle, 2007) might be a result of the refocussing of EU Cohesion Policy toward the delivery of "smart, sustainable, and inclusive growth".

Conclusion

In conclusion, the paper has attempted to indicate how the process of European integration under the primacy of interest representation at the EU level, is leading to a transformation of the political process. The emergence of multi-level metagovernance, understood as the management of disparate modes of coordination, is presented as a source for the emergence of inconsistent post-political strategies. Here, interest are framed as commensurable rather than conflicting, which allows the discursive framing of cohesion and competitive objectives as mutually reinforcing. This enables the depiction of EU Cohesion Policy as a delivery mechanism of the growth objectives of the EU 2020 Strategy and, in opposition to its treaty rationale of enhancing social, territorial and economic cohesion, shifts the *spatial selectivity* of Cohesion Policy toward spaces that may contribute to the competitiveness of the single market – including, but not exclusively, poly-centric metropolitan regions.

Based on the framework developed in this paper a future research agenda will investigate the construction of poly-centric metropolitan regions and its impact on socio-spatial polarization, with a focus on Central and Eastern Europe (CEE). Due to the large share of EU Cohesion Policy in the total budget for regional development of the new member states, the construction of soft spaces, geared toward the competitiveness of the single market, have a great potential to contribute to socio-spatial polarization.

Acknowledgement

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Annexes

Annex 1: EU 2020 Targets

- **Employment**
  - 75% of the 20-64 year-olds to be employed
- **R&D**
  - 3% of the EU's GDP to be invested in R&D
- **Climate change and energy sustainability**
  - greenhouse gas emissions 20% (or even 30%, if the conditions are right) lower than 1990
  - 20% of energy from renewables
  - 20% increase in energy efficiency
- **Education**
  - Reducing the rates of early school leaving below 10%
  - at least 40% of 30-34–year-olds completing third level education
- **Fighting poverty and social exclusion**
  - at least 20 million fewer people in or at risk of poverty and social exclusion

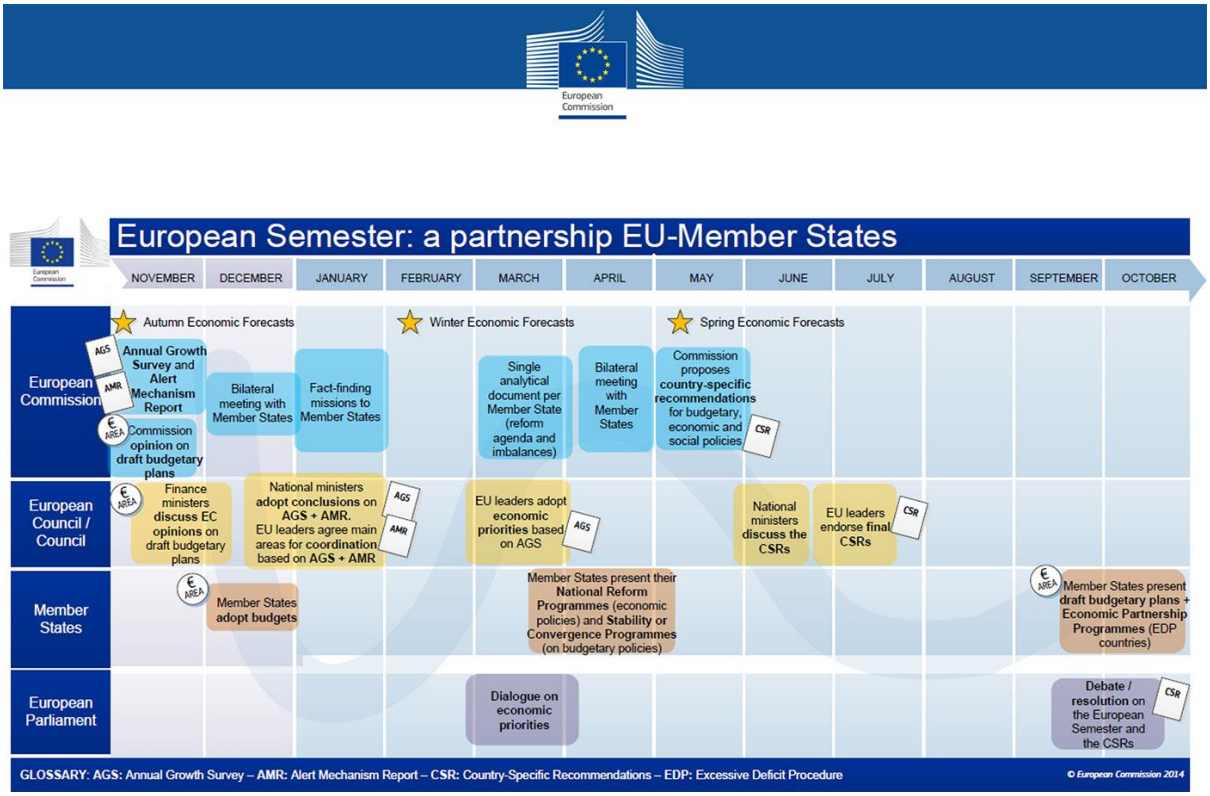
Source: http://ec.europa.eu/europe2020/index_en.htm, accessed: 11/01/2015

Annex 2: Priorities and Flagship Initiatives of EU 2020

Priorities: Growth	Flagship Initiatives
Smart	Digital agenda for Europe
	Innovation Union
	Youth on the move
Sustainable	Resource efficient Europe
	An industrial policy for the globalisation era
Inclusive	An agenda for new skills and jobs
	European platform against poverty

Source: http://ec.europa.eu/europe2020/index_en.htm, accessed: 11/01/2015

Annex 3: The European Semester



Source: http://ec.europa.eu/europe2020/index_en.htm, accessed: 11/01/2015

Annex 4: Other Tools for Growth and Jobs

"Other tools for growth and jobs"	
Deepening the single market	Growth and job creation depend on healthy, well connected markets, where competition and consumer access stimulate business and innovation. Several **obstacles** have still to be addressed: • bottlenecks to cross-border activity • insufficiently interconnected networks • uneven enforcement of single market rules • legal complexity from having up to 27 different sets of rules for some transactions Work is also needed to improve access to the single market for small **businesses** and to develop **entrepreneurship**, e.g. by • simplifying company law (bankruptcy procedures, private company statute, etc.)

	• allowing entrepreneurs to restart after failed businesses. Individual consumers should be able to buy goods and services from other EU countries with greater ease and confidence, in particular on-line.
Investing in growth	The financial crisis has had a major impact on the capacity of European businesses and governments to finance investment and innovation projects. To achieve its objectives for Europe 2020, the EU needs: • a **regulatory environment** that ensures effective, secure financial markets • innovative instruments to finance the necessary investment - including public-private partnerships. These long-term growth priorities have been taken up in the Commission's proposals for the next multi-annual financial framework (2014-2020) of the EU. At present, the European Regional Development Fund, European Social Fund and Cohesion Fund together account for more than one third of the EU's overall budget. These tools help to ensure that money is invested effectively in order to support smart, sustainable and inclusive growth. EU funding is helping to support: • More and better jobs • The development of new technologies • Cutting edge research • High-speed internet access • Smart transport and energy infrastructure • Energy efficiency and renewable energies • Business development • Skills and training
External policy instruments	To foster growth, the EU must encourage trading in open, fair markets worldwide, within a rule-based international framework. It will promote: • **external aspects** of various **internal policies** (e.g. energy, transport, agriculture, R&D) • trade and international **macroeconomic policy** coordination • assertive and effective **participation in international fora** such as the G20, to shape the future global economic order. The EU also wants to build strategic relationships with emerging economies, to discuss issues of common concern, promote cooperation on regulation and other matters, and resolve bilateral issues. In this context, the Commission presented a new trade strategy in November 2010. The EU is already developing a **real partnership with developing countries** to help eradicate poverty, promote growth and fulfil the Millennium Development Goals.

Source: http://ec.europa.eu/europe2020/index_en.htm, accessed: 11/01/2015

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