

**EUROREGIONS
AS A FACTOR
OF SUCCESSFUL
INTERNATIONAL
INTEGRATION
IN MODERN CONDITIONS**

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This article focuses on the correlation between the contemporary crisis phenomenon in the Eurozone and some CIS countries, and the existing Euroregions. We attempt to analyze the interdependence of the qualitative aspect of cross-border relations of European countries with their economic sustainability in the context of regional international integration. The theoretical significance of this work lies in the revealed correlation between the efficiency of cross-border Euroregions and the additional resources that can be retrieved in the framework of national economic policy during global recession. The practical component lies in clarifying the conceptual framework for the formation of successful cross-border cooperation in today's Europe. The authors employed the historical-descriptive approach and factual consideration of the cross-border and macro-regional level of interaction between European countries.

The main results are as follows. The crisis in several EU countries is associated with a complex of causes that deplete the platform for multilateral cooperation in Europe. To a lesser extent, the crisis has affected the states that are actively involved in cross-border cooperation projects. The formation of European regions is closely related to the industrial development of their regions. The Post-Soviet space requires a redistribution of the over-centralized power. The abundance of Euroregions along the perimeter of certain states may be an indicator of economy's resilience to potential shocks.

The provisions set forth in the article contribute to an improvement of the scientific understanding of political regionalistics and take the current understanding of the international system to the level of cross-border relations and institutions creating a system of interrelated elements of macro-regional and national building. The results can be applied in the development of a conceptual and legal framework for the construction of cross-border political formations in the Post-Soviet space, especially, within the Eurasian Economic Community, which coined the concept of «eurasiaregion».

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Economic crisis phenomena in a number of European and post-Soviet countries make the expert community look for the reasons for the weakness of integration processes in these regions. Since 2008, financial analysts have used the *PIGS* [6] abbreviation (Portugal, Italy, Greece, Spain), which gives an opportunity to both assess the attitude of more successful countries to the inefficient economic policy of their weakened partners within the European integration. Having started in the year of the tenth anniversary of the European Central Bank, financial problems have caused irreparable damage to both the Eurozone and integration in that part of the world in general. Within the post-Soviet space, special attention has been paid recently to the situation in Belarus, which managed to strengthen cooperation with Russia and Kazakhstan by means of political will, but entered the phase of internal political and economic crisis.

The modern perspective on the development of integration alliances suggests considering them as based on the economic convergence of their member states. Major advances in the field of development of different forms and methods of economic integration were made by the European Union. However, ironically, it is the economic problems that have become an insurmountable obstacle in the path of further integration. Such complications are also integral to the post-Soviet integration, which, at the same time, is less rich in resources and institutions and, hence, faces fewer risks in the course of unification due to the breakdown of a large economic space that took place twenty years ago.

Some experts mention as a reason for the crisis situation the aspiration of stronger states to distance themselves from ailing partners in integration alliances [1]. However, not everything can be explained by unilateral actions at the governmental level, since there are a large number of supranational institutions that make decisions independently from the EU member states. The post-Soviet space, due to a limited number of supranational mechanisms, does not show such a negative attitude towards the pursuing of national interests by individual states. Evidently, the countries facing the most serious crisis have made a series of mistakes in the course of implementing their social and economic policies ignoring a possible increase in budget deficit. While in the post-Soviet space, it is individual countries that face the gravest repercussions of the ensuing economic meltdown, in the EU such situations — for instance those in Greece and Italy — affect the whole Eurozone.

In order to develop a new approach to the assessment of stability of integration alliances, this article suggests focusing on their particular section. The authors believe that this section must be the regional level characterised by cross-border cooperation following special conceptual models, which were shaped on this continent and are being implemented at the moment. It is the concept of Euroregions. This concept implies a bottom-up approach, i. e. a study of the actual degree of integration of the neighbouring countries.

As a rule, in the modern world, the tools and mechanisms of managing regional political processes relate to the macrolevel and embrace the area of international organisations or states. At the same time, the recent decades have seen a trend towards the decentralisation of the spheres of coordination

and management of the processes in question. The key method of this kind of decentralisation is the use of such a form of regional cooperation as Euroregion.

Euroregions are border communities of the international transborder cooperation of European countries in the fields of economy, culture, education, transport, environment, etc. based on the principle of subsidiarity. They function on the basis of distribution of power between the central government and the border communities given the authority to regulate their activities independently and conclude interregional transborder agreements in accordance with the state legislation.

Of course, the legal aspects became the greatest complication in the implementation of the Euroregion concept, since such cooperation involved territorial units of independent countries with different forms of government and legal systems. Thus, certain Euroregions differ significantly depending on their legal status, geographical position and most importantly the constituent countries. The Association of European Border regions identifies four major types of such associations [2]:

- an association of local authorities astride the national border, sometimes with a parliamentary assembly;
- a foreign association with a permanent secretariat and a technical and administrative team enjoying its own resources;
- an association based on the principles of private law and established by an intergovernmental agreement with the participation of regional authorities.

The scope of activities of Euroregions includes local trade and economic ties and employment, trade and communications, culture and education, tourism, healthcare and social services, infrastructure and environmental protection. Euroregions also tackle the issues of the equipment of the shared border and the adjacent territories and interaction in case of emergencies. Sometimes the parties solve local problems, such as water supply, migration of border population, spatial planning, etc.

At first, Euroregions were established within the so-called “Rhine states”, which are believed to be the cradle of Western European civilization. In the mid-20th century, these countries founded the European Economic Community, which later transformed into the European Union. The Rhine states constitute a geopolitical region stretching from Italy in the South to the Netherlands in the North. A distinctive historical feature of the development of this region is a large number of towns and cities that have enjoyed since the Middle Ages a special political status, which is characterised by significant autonomy, long-standing traditions of self-governance and democratic principles of organisation of the lives of local communities. Of course, the historical traditions of local self-governance contribute to the rapid development of such an efficient form of regional cooperation organization as Euroregions.

The first association of the type was *Euregio* — an area between the Federal Republic of Germany and the Netherlands established in 1958. Its name became a common noun for such associations throughout Europe. It was the first association based on the similarity of legal mechanisms of the

two countries, which became an example to be followed. As to Germany and the Netherlands, this step facilitated the development of the cross-border cooperation through including in the process of European integration Münster, Osnabrück, Enschede, and Hengelo, whereas the administrative centre of the first Euroregion was the city of Gronau in North Rhine-Westphalia [3, p. 86]. And for Europe, this form of cooperation became the basis of the original type of the bottom-up integration, which increased considerably the opportunities of regional development and intergovernmental cooperation.

This process was launched on the brink of weakening of European integration on the basis of European communities. Thus, despite an increase in Germany-Netherlands bilateral trade, the political and legal development of *Euregio* did not take place. Its institutional bases started to break up, the local authorities started to compensate the lack of opportunities for legal consolidation of a special form of coordination through concluding bilateral cross-agreements. As a result, a work group was created in 1966, which consisted of representatives of municipalities constituting the cross-border region. It became the first coordinating mechanism aimed at the transition to a continuous management of cooperation. However, a substantial progress in the integration was reached only in 1978, as the first parliamentary assembly of the regional level was established in Europe. Later, a second decisive step was made towards the merger of all disconnected executive bodies of the cross-border association into a unified secretariat headquartered in Gronau and bringing together representatives of both countries. In 1987, a regional action programme was presented; it proposed financing *Euregio* projects through the fund of the European Commission, the Ministries of Finances of the FRG and the Netherlands, and the constituent regions.

The first Euroregion was an attractive form of organising regional cooperation, which turned out to be quite popular in other European states. The 1970s became a period of active formation of such associations in Western Europe; and they were not necessarily established by the member states of the European communities. Austria, Germany, and Switzerland organised the International Lake Constance Conference Euroregion in 1972. At the same time, Norway, Sweden, and Finland formed Kvarken-MittSkandia. Cross-border cooperation between Belgium, the Netherlands, and Germany in the framework of the Maas-Rhine Euroregion was launched in 1976. Over that decade, the number of Euroregions increased to ten, but they involved mostly the territories of Northern Europe enjoying a high level of industrial development and strong traditions of local self-governance.

Another period of active Euroregion formation was the 1990s, when their number increased to 72; over the 2000s, it approached 120. As the European Union enlarged, Euroregions started to emerge in the countries of Central and Eastern Europe, which joined the ranks of this international organisation at the beginning of the century [4]. The idea of formation of Euroregions was supported beyond the European Union, giving rise to such associations bringing together regions of both EU member states and non-members.

The large scale of Euroregions and the complication of regional political processes required administrating this sphere at the level of national states.

The establishment of a special Ministry of regional development in the Czech Republic was a unique case for both Western and Eastern Europe. A Committee on Regional Policy under the Council of Ministers was created in Poland, a National Council on Regional Development in Slovenia, a Council on Regional Policy in Estonia, etc.

Historically, the major objective of establishing Euroregions was bringing together the efforts of border regions of Western European countries in order to overcome their relative backwardness in the socioeconomic sphere and certain isolation from the centre. As the processes of the European integration were unfolding, this form started to be considered a necessary tool for constructing the European Union, albeit it was not solidified in the fundamental documents of this organisation. At the time, Euroregions play an important role in the creation of favourable conditions for the development of the EU at its external borders, especially those for cooperation with the countries of Central and Eastern Europe. The activities of Euroregion-type territorial communities are believed to be the most effective of the existing mechanisms of the cross-border cooperation; their distinctive feature is permanent common working bodies.

As to the prerequisites of the emergence of Euroregions over the last two decades, one should mention that they are not unambiguously objective. While the first transborder regions of the Rhine countries had sufficient economic opportunities for the integration at a regional level, new Euroregions (for instance, Belasica bringing together Greece, Bulgaria, and Macedonia) do not have a solid platform such as a developed infrastructure or excessive manufacturing potential.

Thus, in most cases, the Euroregions formed in the 1990—2000s serve, first of all, as political associations aimed at the development of individual border regions. However, their efficient economic development requires additional financial injections. As to the European Union, the funds allocated by the European Commission and structural funds are obviously not enough to support the economies of the significantly increased number of member-states (most of the new members cannot be called stable in this respect). Naturally, transborder projects experience a lack of funds. And the expected results of Greek, Spanish, Italian, and Portuguese participation in the EU integration depend to a great degree on balancing the disparities in their own regions, which could be greatly facilitated by the transborder cooperation.

For the states mentioned, a peculiar consequence of the lack of resources for the development in this field was a diminishing interest in this form and certain border conditions: firstly, a limited extent of land borders; secondly, significant distances between the industrial regions of the neighbouring countries.

The mentioned concept of Euroregions developed in European countries under the conditions of a changing geopolitical and geoeconomic situation in the 1990s. So, the Czech Republic, Poland, and Slovakia got actively involved in this form of transborder cooperation feeling that there were no more obstacles to establishing ties with Western European countries. It is worth noting that there are 14 active Euroregions with Czech and 16 with Polish participation; Greece is involved in only two associations of this type,

Italy in five. Of course, it does not account for the general stability of the states' economies, but gives an opportunity for making conclusions regarding investment at a regional level. In most Euroregions with Polish and Czech participation, the partners are German lands enjoying sufficient financial opportunities for an independent cooperation with the neighbouring areas. At the same time, Italian regions in most cases and Greek regions almost always turn out to be economically stronger, since they try to form transborder regions with the neighbouring countries and wait for financial injections from their side. A direct consequence of an intense activity of the cross-border cooperation in the ex-socialistic countries of Central Europe is a high degree of their integration with Western European countries and, as a result, an increased immunity to recessions in the world and regional economies.

It is worth noting that this concept was used in the ex-Soviet space, for instance, in the development of the legal framework for the Eurasian Economic Community. It introduces the notion of Eurasia region — a region of cross-border integration and cooperation — bringing together border territories of the EAEC member states and the corresponding territories of the neighbouring states in the framework of an agreement on cross-border cooperation stipulating the establishment of common cross-border cooperation bodies and describing their competences and location [5, appendix 3]. One can maintain that the notion of Eurasia-region was coined under the direct influence of the conceptual framework and practices of Euroregions.

At the same time, the formation of such associations with the participation of CIS countries follows, to a degree, a formal approach owing to the traditional centralisation of power in our states. The lack of independence of regional and local authorities in conducting cross-border cooperation weakens the expected effect of the establishment of this kind of associations. Thus, despite the apparent ethnocultural closeness, remaining infrastructure, and common objectives relating to the uniform development of internal regions of our states, such form of cooperation has not yet yielded tangible results. Neman, Baltic, Karelia, and Dnieper are Euroregions that will be able to function effectively only in the conditions of decentralised power in the major participant states. However, the possible prospects of their development resting on the remaining resource base and industrial potential of constituent areas give more cause for optimism than the Greek and Italian project of the type.

Associating the Belarusian crisis with a special form of power centralisation, one cannot but mention that the latter also led to complications in the field of cross-border cooperation and development of Euroregions with the participation of this country. The deterioration of relations with EU and CIS neighbours significantly limited the inflow of foreign investment and resources to Belarus.

One can make several general conclusions from the above.

Firstly, the modern crisis in a number of EU countries is caused by a number of reasons, which destroy the platform of multilateral cooperation in Europe.

Secondly, as to the countries that do not belong to the top of economically developed European states, the least affected were those actively involved in transborder cooperation projects.



Thirdly, the formation of Euroregions is possible only under sufficient economic conditions and high industrial development of the constituent areas.

Fourthly, the post-Soviet space, unlike the rest of Europe requires the adjustment of the regional policy including the redistribution of overly centralised powers of authority. At the same time, the Euroregion concept is already believed to be an effective form of transborder integration.

Fifthly, a large number of the functioning Euroregions around the perimeter of individual states can serve as, if not a reason, at least an indicator of the immunity of the country's economy to possible perturbations.

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