Course title: **COHESION POLICIES IN THE EUROPEAN UNION**
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**COURSE OUTLINE**

**Course Aims and Objectives:**

The course will provide a detailed knowledge of the structure and content of the European Union's policy on socio-economic cohesion and the manner in which it is implemented in member countries and regions. Of particular concern for the course is the impact of the EU's socio-economic cohesion policy on levels of economic growth and social well-being. For this purpose, an extensive review of the theoretical literature will be undertaken, and reference will be made to the numerous empirical studies conducted by the European Commission and research scholars. Special attention will also be paid to the Lisbon Agenda and how since 2000 this policy has interacted with the cohesion policy in the creation of greater interaction between the Commission and member states in achieving specific social and economic results. In 2010 the Commission issued its Europe 2020 strategy that has become an important template for the formulation of the cohesion policy for 2014-2020. Material will be drawn from the studies completed by the Commission on the Impact of the Single Market on Cohesion. Attention will also be paid to (1) the impact of the Euro crisis on the Southern European countries and the emerging economies of Eastern Europe; (2) the negotiations on the 2014-2020 multi-annual budget that have determined the allocation for the period of the Cohesion Policy; (3) the new Regulations for the Cohesion Policy that define a major change in the implementation and evaluation of the policy outputs and outcomes. Analysis will be presented of the trend in regional statistics to illustrate the impact of the Euro and economic crises on the southern and eastern European regions and countries.

**Course Content:**

Theories of European integration; core-periphery theories in political science and economics; the devolution of powers in centralised states; impact of Single Market and EMU on regional disparities; operation of the Structural Funds and Cohesion Fund within the EU, member states, regions and localities; political role of the Committee of Regions: European spatial planning; Evaluation of EU policies and programmes.
Course Structure:

The course is structured over a three week period. During the first week the class will meet on the three days between March 4th and the 6th. The second week will cover the two days of March 19th and 20th while during the third week classes will be held on March 25 and 26th. The first day will be dedicated to the presentation of the essential political, institutional elements necessary for the analysis of the EU’s socio-economic cohesion policies in the less developed and peripheral regions. The second two days are dedicated to the analysis of the theoretical debates that have characterized the cohesion policy from its birth to the present day. After the first three days of lectures, students will be asked to prepare a 5-page paper on regional disparities. The second week of classes will cover During the second week of the course, lectures will concentrate on what has happened in the EU as a whole and in individual member states. The first group of members states will cover the original four “cohesion” countries—Portugal, Ireland, Greece and Spain—to be followed by a discussion of Italy and the UK. The third week of the course will look at the group of member states that joined the EU in 2004, 2007, and 2013. During the final day of lecture we will discuss the prospects of expanding further the EU into the Western Balkans, Turkey and the Ukraine. Attention will also be addressed to the new planning period, 2014-2020, and an evaluation of the changes that have been introduced to the cohesion policy both in terms of objectives as well as methods of implementation.


Course Requirements

Students have to attend all lectures prepared as indicated in the Study Plan (below) and do all oral and written assignments within the given timelines. An intermediate paper (memo; 1,500 words) and two final papers (essays; 2,500 words each) on different topics will be requested. The final papers cover the entire course material and will be completed as "take home" papers.

Course Assessment

The composition of the final course grade will contain the following elements:

Course participation: 25%
Intermediate paper: 25%
Two final papers: 25% each

Course Structure

March 4  1) Cohesion Policies in the EU: ECSC, EEC, SEA, Maastricht, Amsterdam, Nice and Lisbon Treaties.
2) Devolution in Europe: state reform and building institutions at sub-national level
March 5  1) The theoretical debate on convergence and centre-periphery theories: Political science and Economics
2) The theoretical debate: side-payments and multi-level governance
March 6  Agglomeration theories, infrastructure, human capital, FDI, innovation.
March 19 The empirical evidence relating to convergence and divergence in regional disparities in the European Union.
March 20  1) The PIGS I, Iberia (Portugal and Spain) and Ireland. Has the crisis passed?
2) The PIGS II: Greece and Italy State clientelism, private market, the public sector and social policies; budget deficits

March 25 Decentralisation of state structures in the northern periphery: Scotland and Wales

March 26 1) Enlargement accomplished: Poland, Czech Republic, Hungary
2) Enlargement: second round. Cohesion policy in centralised states, Bulgaria and Romania;
3) Evaluation, Europe 202 and Cohesion Policy 2014-2020

**STUDY PLAN AND READING LIST**

March 4th: Introduction and background to cohesion policies in the EU; Europeanization; theories of growth; centre-periphery theories; Single Market; Single Currency

Study questions:
1) The Single European Act represents the turning point in the construction of an integrated European economy and political system. Forms of market integration: free trade area, common market; and single market.
2) Cohesion policies are the product of the Single Market and Single Currency programmes. Results of the 1990s and what happened during the last decade.
3) The Single Market programme and cohesion policies have had a strong impact on the institutional structure of member states. State reform and policy reform. Principal-agent approaches to policy analysis.
4) EU cohesion policy is just another regional development policy. Differences between cohesion and regional policy. The Europeanisation of policies in agriculture, competition, transport, environment and social policies.

**Essential Readings:**


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1 Where Paper is designated, the paper will be provided through the course.
March 5a: The theoretical debate: convergence and centre-periphery theories: Political science and Economic. Side-payments, multi-level governance, social capital and learning, social policy.

Study questions:
1) Integrated markets naturally converge due to the free flow of the factors of production.
2) Integrated markets naturally diverge. The rich get richer and the poor get poorer.
3) Structural Funds represent a social policy rather than an economic one. Therefore, they represent “side-payments” for the poor in preparation for eventual economic decline?
4) What are the implications of multi-level governance for regional policy?
5) Is multi-level governance federalism under a different disguise?
6) What is the role of social capital and learning in the process of convergence?

Essential Readings:


C.J. Paraskevopoulos and R. Leonardi, “Adaptational Pressures and Social Learning in European Regional Policy: Cohesion (Greece, Ireland and Portugal) and CEE (Hungary, Poland) Countries in Comparative Perspective, Regional and Federal Studies, August 2004.


Further readings:


March 6th: Agglomeration theories, infrastructure, human capital, FDI, innovation
The pre and post-SEA and Single Market debate

Study questions:

1) Development is the product of advanced technology.
2) Infrastructure networks are essential for a developed economy.
3) The most important component of a competitive economy is a skilled work force.

Required readings:


Further Readings:


R. Leonardi, Convergence op. cit., Chaps. 6-7.


W. Molle, The Economics of European Integration, chp. on regional policy


L. Tsoukalis, The New European Economy, chp. On Regional Policy

March 19th: Convergence/divergence; the empirical evidence

Study Questions:
1) What are the implications of centre-periphery theories on the evolution of regional disparities?
2) Can dependency theory be applied to the regions in the European Union?
3) Is convergence of peripheral areas possible in large integrated markets?
4) Has the theoretical and policy paradigms in the discussion of convergence changed after the creation of the single market in 1993?
5) What has been the impact of EMU?

Essential Readings:


R. Leonardi Convergence, Cohesion and Integration in the European Union, Chps.3 and 4.

R. Leonardi, Cohesion Policy in the European Union, Chp. 4.
Further Readings:


March 20: The PIGS: Iberia and Ireland: Has the crisis passed?

Study questions:
1) Have Portuguese and Spanish regions converged as a block or separately in relation to other regions in Europe?
2) What role has democratization played in promoting regional development?
3) Has membership in the European Union proved to be beneficial or harmful for the Iberian economies?
4) What has been the impact of joining the Euro?
5) Regional development in Ireland has been predominantly an exogenous phenomenon.

Essential Readings:


Further Readings:


2) The PIGS: Greece and Italy; Structural Reforms in Southern Periphery

Study questions:
1) What have been the obstacles to economic development in southern Italy?
2) Does centralisation aid or retard development in Greece?
3) What are the prospects of strengthening social capital in Southern Italy and Greece?
4) Has the social and economic policy reforms imposed by the Euro crisis helped to reduce deficits and increased competitiveness?

Essential Readings:


E. Gualini, Multi-Level Governance and Institutional Change: The Europenization of Regional Policy in Italy (Ashgate, 2004), pp. 81-224.


C. J. Paraskevopoulos, Interpreting Convergence in the European Union (Macmillan, 2001), Chp. 4 “Greece: Restructuring Under Pressure or the Response to an External Shock”.


Further Readings:


March 25th: Enlargement accomplished: Poland, Czech Republic, Hungary

Study questions:
1) Enlargement towards Eastern Europe places into question the sustainability of cohesion policies in the EU.
2) New member states are not in a position to engage in effective multi-level governance of cohesion policies.
3) Institutional learning of how to formulate and manage cohesion policies in new member states will take a long time in being carried out.
4) The accession of Romania, Bulgaria and eventually Turkey will marginalize the role of cohesion policy in the EU.

Essential readings:


R. Leonardi, Cohesion Policy in the European Union, Chp. 6.


Further readings:


Special Issue of Regional and Federal Studies, Vol. 12, No. 2, Summer 2002 on enlargement

J. Winiecki, Institutional Barriers to Economic Development: Poland’s Incomplete Transition, Rutledge,

2) Enlargement: second round, Bulgaria and Romania, and third round, Croatia

Bulgaria, Romania and Croatia

Study questions:
1) Have multi-level governance procedures been scrapped for the management of the cohesion policy in the two new member states?
2) Participation of socio-economic groups in the management of cohesion policy represents a programme formality but not a realistic prospect in Bulgaria or Romania.

R. Leonardi and H. Heinault, 2008, SOCCOH: Chapters on Bulgaria and Romania


March 26th: ESDP, Cross-Border Networks, Evaluation, and the Future of Cohesion Policy

1) ESDP

Study questions:
1) Territorial planning is the logical next-step for the Community Support Frameworks.
2) The ESDP and Cross-Border Networks represent two ‘foreign policies’ of the EU toward neighbouring regions and countries.

Essential Reading:


A. Falludi (ed.) European Spatial Planning, Lincoln Land Institute, 2002

Further Reading:


European Spatial Development Perspective, Glasgow, 8 June 1998.

European Spatial Development Perspective, Potsdam, 10 May 1999.


EC Commission, Development prospects of the central Mediterranean regions (Mezzogiorno-Greece), 1995.

EC Commission, Prospects for the development of the central and capital cities and regions, 1996.


2. Evaluation

Study questions:
1) Evaluation is a sine qua non condition for regional policy. Without it, regional policy represents a “sidepayment”.
2) As structural and cohesion fund budgets increase, so does the need for objective, empirical evaluation.

Essential Readings:


Further Readings:

D. Diamond and N. Spence, Regional policy evaluation, 1983.


Special issue of Regional and Federal Studies on cross-border experiments. Vol. 12, No. 4, Winter 2002 in EU and candidate countries.

3) The Future of Cohesion Policy: Lisbon Agenda and Europe 2020


