



BRILL

REVIEW OF CENTRAL AND EAST EUROPEAN LAW 39 (2014) 99-101

— Review of —
 Central and East European
 — Law —

brill.com/rela

Book Review

Francesco Palermo and Sara Parolari (eds.),

Regional Dynamics in Central and Eastern Europe:

New Approaches to Decentralization

Martinus Nijhoff Publishers, Leiden, Boston, 2013, vii + 258 pp.

ISBN 978-90-04-24230-2 (hardback) € 162.60

By joining the European Union (EU), Central and East European (CEE) states have been integrated into arrangements of multi-level governance which are likely to influence their organization and, particularly, the status of sub-national levels of government. In European Studies, numerous scholars have investigated how EU integration has changed inter-governmental relations in old member states. A key finding from this literature is that the EU has empowered regions but, also, constrained their policy discretion in areas subject to competition rules governing the Internal Market. These insights from the broader scholarly debate on “Europeanization” suggest a closer look at recent developments in new EU member states and candidate states from CEE: to what extent have European integration and diverse domestic legacies affected regional institutional arrangements in CEE?

Francesco Palermo and Sara Parolari—legal scholars at the European Academy of Bolzano/Bozen—have published an edited volume devoted to the study of this question. Their book represents an important contribution to mapping and understanding the state of regionalization and regional government in CEE “beyond accession”, since it combines in-depth studies of individual country cases with well-informed analytical approaches from different scholarly disciplines. Focusing on institutional arrangements at the regional level, the eleven authors of the volume analyze the motives, procedures and outcomes of recent political and administrative reforms. The publication includes a general part with four chapters and four case studies of Romania, Hungary, Poland and Serbia, covering a range of important CEE countries.

In the first part of the book, Anatoliy Kruglashov describes the experience of regional administrative and territorial reforms in Poland, Hungary, the Czech Republic, Slovakia and Romania. He shows how the dismantling of the state socialist model of regional governance led to reforms which became “Europeanized” during the preparation for accession to the EU. The EU’s policy instruments to support capacity and institution-building at the sub-state level are investigated by Ekaterina Domorenok. She notes that “the process of ‘capacity building’ has evolved into one of ‘institution-building’ only in the countries in which the internal conditions for stronger regionalisation were favourable” (p.58).

This key finding from the volume under review also is confirmed by Sara Parolari who studies how the British Labor government in 2004 failed to win a referendum on the creation of Regional Elected Assemblies in England. According to her assessment, England and CEE are comparable insofar as the presence or absence of regional identity has determined whether functional regionalism develops into political regionalism. Gert Guri and Bruno Dallago provide an overview on the economic and policy rationales and drivers of decentralization in CEE. They argue that CEE states have decentralized because they intend to improve the accountability of local authorities, enhance the efficiency of public services, facilitate the representation of ethnic minorities and support the participation of citizens and other stakeholders in policymaking. While the global economic crisis has reinforced the need to foster competitive companies, the policy scope of local governments will be constrained by the fiscal compact among EU member states and other EU pressures for fiscal adjustment.

The four CEE case-studies provide rich empirical evidence for examining external constraints, the different national trajectories and the weak institutionalization of regional government and development bodies in CEE. Romania is perhaps an extreme example as one can claim that its decentralizing reforms in the early 1990s and in 2004/2006 did not reflect domestic choices and debates but, rather, the intention to meet conditions and expectations imposed by the Council of Europe and the EU. In Marius Suciú's view, decentralization was perceived as a "foreign policy objective" rather than as a solution to domestic problems (pp.109-110). Accordingly, the significant decentralization of expenditures and powers in the 2000s has neither entailed greater civic participation nor led to a reduction in inter-regional socio-economic disparities—or enhanced coordination of local economic development strategies. To generate the positive outcomes expected from decentralization, Suciú infers that an administratively strong state should be re-established first (p.146). Unfortunately, his otherwise very detailed chapter does not further explore Romania's ethnoregional diversity and its implications for the politics of decentralization in that country.

The other case studies indicate that Suciú's thesis about the external imposition of decentralization is less applicable to other CEE states with their distinct trajectories of domestic reforms. Despite these traditions, however, the cases of Hungary and Poland demonstrate that EU membership has not clearly reinforced or consolidated the institutional outcomes of decentralizing reforms. Zoltán Pogátsa analyzes how the conservative government of Hungary revoked the powers of counties and municipalities, describing this recentralization as an attempt to combine elements of a centralized, East Asian-type developmental state with a "domestically owned, neoliberal regime" (p.173). While Poland is the CEE state with the largest and in many respects strongest units of regional government, the voivodships, EU membership has not unequivocally strengthened them. In his analysis of regional

development bodies in Poland, Krzysztof Szczerski observes that the management of Structural Funds has enhanced the weight of voivodships in relation to districts and municipalities, but that the dominance of centrally managed Operational Programs within this policy also has reproduced “the central state logic of development policy” (p.198).

Regional institutional arrangements in Serbia are even more in flux than in the new EU member states, which is related to the recent, subsequent changes of its state framework and to the legacy of asymmetric regionalism represented by the autonomous province of Vojvodina. Legislative reforms have opened a legal space for local initiatives, as Chiara Guglielmetti and Sonja Avlijaš argue; but these reforms have not yet clarified how to establish local control over socio-economic development and how to finance new functions performed by municipalities. Their analysis of experimental institution-building activities in the exemplary region of Timochka Krajina (Eastern Serbia) shows how regional policy, regionalization and fiscal decentralization are intertwined and how local initiatives interact with central-level policies.

In view of these cases, Francesco Palermo concludes with a sobering insight that “the past decade has not been the era of European regionalism” in CEE since “significant constitutional reforms regarding the territorial distribution of power have stopped with the new millennium” (pp.241-243). He attributes this to the weakness of regional identities and the absence of other region-integrating factors in CEE which explain why regionalization has not been further advanced after the end of EU accession conditionality. In addition, CEE states have been caught in a dilemma since the ineffectiveness of non-political, “NUTS-only regionalization” (Palermo’s apt characterization of artificial regions created to comply with the EU’s *Nomenclature des Unités Territoriales Statistiques*) has made regionalization less appealing as a strategy of public sector and democratic reform (p.247).

To attain the effective, meaningful regionalization needed to address the policy challenges in CEE, Palermo rightly argues that it is necessary to conceive regional governance separately from the external conditionality and hidden secessionist agendas which, hitherto, have pre-occupied political actors in CEE. Such a new “governance approach” to regionalization may, however, contradict with the need for asymmetric regionalization preferred by Palermo as a strategy to accommodate the intra-state diversity in CEE. In the historical-discursive context of CEE, proposals for asymmetric regionalization are likely to revive the (perceived) threat of mobilized group interests contesting statehood which needs to be overcome in order to adopt a governance approach. Thus, policies of symmetric regionalization appear to be more viable for pro-regional coalition-building in the given political constellation.

Martin Brusis

University of Munich, Institute of Historiography

<M.Brusis@lmu.de>