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Local Usages of Europe – The Italian Case

The Local Governance of Social Cohesion

Work Package 5

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1. The Usages of Europe

This paper tries to analyse if, and to what extent, the EU affects the social cohesion policies at the Italian local level (see § 2).

In order to achieve this task it will be used the approach of the 'Usages of Europe' (Jacquot and Woll 2003; Jacquot and Woll 2004; Jacquot 2008; Woll and Jacquot 2010; Graziano, Jacquot and Pallier 2011). This approach has been developed as a contribution to the Europeanization approach (Graziano and Vink 2007). It confers a great emphasis on 'the study of individual action and its role in the transformation of the European political system' drawing attention to 'intentional action...to argue for a more nuanced perspective on strategic action in European studies' (Woll and Jacquot, 2010: 111).

Indeed, the Europeanization approach, by deeply focusing on the structural and institutional aspects which make it possible or inhibit the EU to impact on domestic policy structures, do not fully capture the way in which national actors make use of EU resources and constraints, and downgrade to 'mediating factors' the role played by them in bringing the Europe back in. By contrast, the notion of usages does not merely imply that actors respond to the institutional context, but also that they 'can choose and learn and thus develop agency independent of structural conditions' (Woll and Jacquot 2010: 220).

Therefore, since Europe might bring about change by providing new resources (both material and immaterial), it becomes crucial to study when, how and through which mechanisms and political games local actors use these resources or transform EU constraints into political opportunities. In this sense, the notion of usages, by departing from the micro-foundations of actors behaviour, must be referred to as the social practices through which 'actors *engage with, interpret, appropriate or ignore* the dynamics of European integration' (Woll and Jacquot 2010: 220).

This approach proves particularly interesting in exploring the role of both Europe at the local level and that of local actors in 'using Europe'. Indeed, 'concentrating on practices, and thus on usage, allows focusing on political action or political work and on the substance of *political relations*', by scrutinizing 'how actors are transformed by their relations with European policies, instruments, actors' (Jacquot 2008: 22) and the way in which these actors use Europe for pursuing their goals and interests, thus eventually creating a context of reciprocal influence. Furthermore, this approach has the advantage of allowing us to look at the actors' behaviour at the local level without taking for granted that the EU necessarily impact the local policy agenda. As a result, empirical research becomes crucial to detect the possible role of the EU at the local level.



As we said before, in order to assess the type of influence the EU may have exercised on local reforms, the usages of Europe approach ‘investigate whether, where, when and how’ *local* actors have been using EU resources, references and policy developments as strategic devices for their own strategies.

In particular, five main types of EU resources can be listed (Jacquot and Woll 2003, 2004; Woll and Jacquot 2010; Graziano, Jacquot and Pallier 2011):

- 1) *legal resources* (primary legislation, secondary legislation, case law, etc.);
- 2) *financial resources* (budgetary constraints but also European funding);
- 3) *cognitive and normative resources* (Communications, ideas, etc.);
- 4) *political resources* (argumentation, blame avoidance mechanisms, multilevel games, etc.);
- 5) *institutional resources* (committees, agencies, etc.).

To these resources correspond three main types of usages (see Table 1):

1) *Cognitive usage* refers to the understanding and interpretation of a political subject and is most common when issues are being defined or need to be discussed; ideas serve as persuasion mechanisms, helping to aggregate interests and to build coalitions of heterogeneous actors.

2) *Strategic usages* refer to the pursuit of clearly defined goals by trying to influence policy decisions or one’s room for manoeuvre, be it by increasing one’s access to the policy process or the number of political tools available.

3) *Legitimizing usage* mixes cognitive and strategic elements and occurs when political decisions need to be communicated and justified.

Table 1. Characteristics of the different types of usage

	Elements Used	Type of Actors	Political Work
Cognitive Usage	- Ideas - Expertise	- Political entrepreneurs - Advocacy coalitions - Public policy networks - Experts - Epistemic communities	- Argumentation - Framing of political action - Problem building
Strategic Usage	- Institutions - Legal resources - Budgetary resources - Political resources	- Bureaucratic actors - Decision-makers	- Resource mobilisation
Legitimizing Usage	- Public space - Discursive references	- Politicians - Lobbyists, special interests	- Justification - Deliberation

Source: Woll and Jacquot (2010)



Summing up, in this paper we will try to detect whether Europe has an *influence* at the local level, what kind of European *resources*, if any, do local actors mobilize and which *kind of usages* (cognitive, strategic, legitimizing) the local actors pursue.

2. Research Methods

This chapter is based on a comparison among three national cases, that is, Milan (Lombardy Region), Rome (Lazio Region) and Naples (Campania Region), which represent respectively high, medium and low economically performing cases in Italy (see WP4 Italian Comparative Report 2013).

The table 2 shows the amount of resources that these three regions have been apportioned as for the ESF (European Social Fund) and the FESR (European Fund for Regional Development) and clearly displays the comparatively high share allotted to Campania as ‘converging target’¹.

Table 2 – ESF-FESR Total Planning (2007-2013) in euros

	Total ESF-FESR (2007-2013)	ESF	FESR
Lombardy (high performing)	1.330.000.000	798.000.000	532.000.000
Lazio (medium performing)	1.479.590.226	738.077.550	743.512.676
Campania (low performing)	7.982.795.198	1.118.000.000	6.864.795.198
Italy (total)	59.398.762.917	15.306.052.223	44.092.710.694

Source: UIL (2011)

The interviewees were selected following both the positional method and the ‘snowball’ technique (Denzin and Lincoln, 2005) and the interviews were carried out between May 2011 and May 2013.

Table 3 – Participant organization and number of interviews per case study

Participant organizations	Milan	Rome	Naples
Local government	6		6
- Provincial government	3		2
- Municipal government	3		4
Local bureaucrats	10	7	8
- Provincial bureaucrats	3	4	2
- Municipal bureaucrats	7	3	6
Local Public Employment Service	1	1	1
National Agencies		1	
Public sector providers	2	1	1
Third sector providers	1	3	3
Third sector federations		3	
Employer’s federations	1		
Trade unions	2	2	3
Experts			1
Total	23	18	23

¹ The impact of this aspect will be discussed in the next sections.



As reported in the table above (Table 3), a wide range of actors were interviewed belonging to the governmental and the administrative levels, as well as the third sector, mainly across the provincial and municipal level. Furthermore, these actors were selected as to have a balanced picture between social and labor policies. All the actors were asked to answer specific questions regarding EU usages.

3. The Case of Milan

In the case of Milan, the European Union seems currently to play little role in the policy development at the local level. Despite the less considerable amount of money that the Lombardy region obtains by the EU (see Table 2) compared, for example, to Campania, Europe is still mainly considered as a provider of *financial resources*. Nevertheless, the dramatic shrinking of the ESF since the mid 2000s has contributed to lessen the ‘economic’ impact of the EU. By contrast, the relevance of this impact was before much more noteworthy if one considers that, especially at the provincial level, Milan was it able to build very crucial projects by using resources coming from the ESF. For example, in the early 2000s the province of Milan has equipped itself with a very sophisticated information system that has allowed to digitizing all the data relative to the workflows.

Thus, at the present day, the EU is often conceived in an instrumental way to get resources once decision-makers and bureaucratic actors are not able to find them somewhere else. Furthermore, this instrumental logic is spreading over more and more due to the economic crisis. In this sense, it often happens that, at both the provincial and the municipal level, some councillorships and/or central directions ask for the administrative or lobbying support of the offices related to ‘EU affairs’² whenever the former are willing to look for the EU calls. These calls, in turn, are frequently ‘handpicked’ more on the basis of the money they would potentially apportion than by the theme they deal with or the objective they aim at realizing.

As a result, it might emerge a somehow fragmented, random and anxious method of dealing with Europe, which implies ‘going after the EU calls through a senseless race’ rather than following an integrated plan, since the main objective is to gather economic resources rather than using EU economic resources as complementary and additional tools to better accomplish predefined political objectives or policy outcomes. To be sure, the *additionality* clause attached to the use of the EU resources is often infringed upon.

² At both the provincial and municipal level these offices are centralized (placed under the presidency and the mayor’s cabinet, respectively) so as to function as cross-sectional services along all the administrative structure. The same applies to the case of Naples. By contrast, at it will appear clearer in the next paragraph, the case of Rome is quite peculiar with respect to the organization of the ‘EU offices’.



Indeed, although most of the actors interviewed declared to have participated to European projects (sometimes even many projects), these projects remain *de facto* isolated and are not preceded or followed by a strategic plan to amalgamate them into the local policy development or to clearly make them coherent with the political objectives sketched out within a given administration. As a consequence, these projects might turn out to be ‘contingent’, thus having a negligible impact without sustainable structural consequences for the local development.

#: [The administration] should start from the objectives defined at the provincial or municipal level, and consequently set the strategic lines that have to be created. Afterwards, staff and resources devoted to EU matters should be rationally employed coherently with these strategic lines, by taking as a departure point that these strategic lines will be realized with or without the EU intervention. To going after the EU calls without a strategic plan might be valid anyway, since it is a way to familiarize with the European dimension, but it is not the best way.

##: It might happen that at a certain point the administration wakes up and say: ‘Let us participate to this European call’ when the call is already issued far-back and we have not any time to discuss quietly about the project that we might want to present and prepare it in a proper and stress-free way. [...]. We have participated to many calls but in a spot manner, without a proper logic. This implies many efforts because it is like if one had always to prepare exams, even because it is very hard to present EU projects! And then, since the objective is not always clear all becomes quite annoying and frustrating because work is highly fragmented.

The economic crisis, by reducing the transfers from the state to local institutions, has unquestionably contributed to increase the relevance of the EU financial resources. Nevertheless, the responsibility of the somehow ‘narrow’ role attributed to the EU might also be ascribed to *cultural factors*, and more precisely to the lack of knowledge that some local actors hold of the effective possibilities disclosed at the European level³.

As a result, it emerges the paradoxical situation for which the bureaucrats working in the offices related to EU affairs, at both the provincial and municipal level, can find themselves in the situation to have ‘more difficulties to cooperate with their colleagues at the local level than with foreign partners or European institutions’.

It is not a case that, the more the local actors have a background which has brought them

³ In order to overcome the distance between the local and the EU levels, the province of Milan – which is a very advanced institution compared to the other realities with respect to the European dimension – has been quite active in organizing ‘Infodays’ during which the municipalities within the provincial territory are invited, as well as universities, entrepreneurs and European parliamentarians and which are useful as exchange moments to build networks. Nevertheless, the collaboration between the province and the municipality of Milan, as well as with the Lombardy region, rests quite limited while it is more structured than between the province and the other Italian provinces (UPI – Union of the Italian Provinces).



somehow close to the EU, the more they are prone to think about the EU in a multi-dimensional way, that is, by recognizing it as a crucial political entity whose relevance goes far beyond its role as ‘money provider’. In this sense, factors related to *leadership* play a decisive role in enhancing the relationship between the EU and the local level.

Despite there is quite a strong awareness of the strategies and the guidelines set at the EU level and they are virtually referred as key from both policy makers and bureaucrats, many local actors stress the extent to which the strategic objectives and principles embedded in these guidelines or in the 2020 Strategy are seldom translated into the policies defined at the local level, thus limiting the impact of the EU *cognitive resources*. This is also due to the fact that the policies strategic objectives at the local level are often determined in a inward-looking and self-referential way, thus making it more difficult to establish a close connection with the EU guidelines.

The role of the EU appears to be especially limited with respect to social policies. Aside from cultural barriers, this inability to grasp the possibilities potentially available at the European level is mainly referred as being dependent from the paucity of the financial resources allocated to calls related to the social field against the remarkable complexity and the mammoth work required to present the projects. In this respect, many actors complain about the fact that the *bureaucratization* of the procedures makes the EU somehow ‘caged into rules’. This, in turn, contributes to its inaccessibility: a simplification of those procedures and a major flexibility would be desirable to make the European level closer to the local level.

###: Our objectives of poverty reduction are not aligned with the strategy 2020. I mean, I think there is a certain awareness at the municipal level about the EU guidelines, but then it is difficult to connect them to our interventions. This is also the consequence of a cultural problem: for us social assistance is conceived in a traditional way, that is, as assistance to people in need and we are not always able to cover and intercept new social phenomena.

####: The calls published by the EU involve a mammoth work for the construction of projects that are worth 50/100 thousand euros, which do not represent an opportunity for us, if one considers that our budget for social policies amounts to about 215 million euros. Therefore, we have an incentive to intervene just on those calls that are more profitable in terms of resources and right now the most profitable calls refer to phenomena linked to immigration.

Furthermore, the management of the EU projects, especially with respect to the bookkeeping phase, often requires some extra personnel resources, that is nearly impossible to hire in a period of economic crisis which entails a turn-over stoppage within the public administration.



As a result, the central directions might be quite discouraged to present these projects since they usually result into a huge *work overload*, which aggravate the bureaucrats with additional objectives (beyond the ordinary ones) and spending responsibilities without any monetary reward or performance reserve. In this sense, the European projects, while producing many advantages for the community, might create ‘negative externalities’ and become a burden for the bureaucrats and the decision-makers.

Therefore, despite the proactivity of the EU offices at both the provincial and local level, there might be the paradoxical situation for which, on one side, these offices might be confronted with ‘senseless races’ whenever some directions or councillorships ‘wake up’; on the other side, their ‘bottom-up’ initiative in proposing the participation to EU calls might eventually be frustrated by decision-makers and bureaucrats, due to the aforementioned reasons, coupled by the fact that, in many cases, EU projects might also turn out to be costly due to the difficulty to find the *co-financing quota*.

#####: It would have been better if the EU service at the municipal level had been placed under the direction Planning and Control because this direction is the interface of the Accounts Department and supervise the administration’s strategic objectives. In this way we could have been better acquainted with the objectives of the different directions and their budget’s constraints so as to eventually work with them to think about solutions to find the co-financing quota, which is at the present the biggest problem that the directions have to cope with.

As referred by some local actors in Milan, an interesting case of usages of the EU concerns the introduction of the *activation* concept in Italy and, consequently, at the local level.

Indeed, in the late 2000s the worsening of the economic crisis has obliged the government to make a large use of the *Ammortizzatori Sociali in Deroga* (ASDs). This is a special type of benefit introduced in order to cover with a subsidy the unemployed who are not entitled to mobility benefits or have already ended the period of entitlement to unemployment benefits. However, the budget constraints did not allow such large increase in expenses. In response to that situation, in 2009 the Berlusconi government has thus agreed with the EU to use financial resources from the ESF originally allocated to active labor market policies to pay a large amount (about 5 out of 8 billion euros) of the ASDs which are a passive labor policy tool. Nonetheless, the agreement established that part of these European resources had to be used to ‘activate’ the unemployed and funds were not intended as a mere passive measure.

This is often reported by many interviewees as the first real attempt to introduce the concept of activation at the national level, thus resulting from an impulse given at the European level. It also represents an interesting example of a *legitimizing usage*: in order to increase the political tools available the Italian government was confronted with the exigency to justify the recourse



to EU financial resources in a way that has effectively entailed the need to change the objectives linked to the use of a policy tool (from a passive benefit to a partially active benefit). Nevertheless, given that none of the actors at the local level was prepared to this activation process, the 'activation' was intended in a shallow way, consisting mainly in the obligation for the benefit recipients to attend very general training courses without shaping activation policies on the real needs of the workers.

#####: *The policy was so improvised, so little thought that activation has consisted in some English language courses or computer courses and, if the worker was an immigrant, in Italian language courses, without any result in terms of employability.*

In this sense, this launching has been clearly instrumental, the main objective being that of attracting money to pay the benefits rather than that of making the unemployed more employable. However, the role of the EU has been fundamental in order to make a first move away from mere passive labor market policies towards active ones and to push the local level to introduce training courses and to open the debate on the activation policies.

Summing up, in the case of Milan *financial resources* are by far the most important EU resources at the local level, immediately followed by *cognitive* and *legal resources*. By contrast, as opposed to the other two cases (see below), mentions to EU *political* resources are comparatively negligible.

4. The Case of Rome

The interviewing process took place in winter 2012 and early spring 2013 during the last period of the Monti Government. The overall public discourse was on the so-called Monti Agenda (*Governo Italiano* 2012). Deficit reduction, fiscal leverage, spread and spending review were the key words of the public discourse. Moreover, the general attitude of the media was indulgent on the government, promoting Europe as a scapegoat for undesired policies. In this peculiar 'zeitgeist' the local high-level bureaucrats, the non-governmental organisations directors, the trade-unions staff and every other stakeholder interviewed, mentioned Europe as the pivotal actor in economics. Europe was either depicted as a generous grant provider or as a strict (and external) constraint on local policy making. Indeed, the general attitude was to blame the national government for the progressive stiffening of the Internal Stability Pact (ISP) (*Governo Italiano* 2013). The ISP is an internal agreement between the Government and local authorities, which does not allow municipalities and provinces to spend more than a share of previous years expenditure, irrespectively of the actual resources available. Therefore, the ISP is considered to be responsible for the decreasing spending capacity of local administrations. Noteworthy most



interviewees mentioned the importance of the national political level in mediating and interpreting the European laws and rules.

#: We consider Europe responsible for the cut of the funding, we see a direct link with the austerity policies put forward by Europe, given that Italy approved the Stability Pact (SP). The SP for us is exhausting. Municipalities cannot spend money [...]. On the one hand we have to work with Europe, on the other Europe cornered us. The very fact of signing the Fiscal Compact clearly [...] allows Europe to control us today [...]. However, in most cases, actors are hiding behind 'we have austerity policies' [refrain]. The fact that austerity policies are there does not mean that the policies implemented using existing resources should not be improved.

##: For example [...] Europe asked the Italian government to explain its position on VAT [tax charged on product and services sold by social cooperatives]. The EU simply asked why the VAT on social cooperatives was not at the 20% level [as on any other product/service]. Instead of explaining its position, the Italian Government raised its hands increasing the VAT to 20%.

Once considered the public discourse on the role of the EU on Italian local policy making, it is not surprising to find the European *financial* and *political* resources to be the most impacting according to the interviewees, and the EU different constraints are perceived also as political rather than merely financial. The *legal* and *cognitive* dimensions are more disputed in their impact.

The reason for such a strong agreement on the importance of the EU *financial* resources is to be traced back, not only to the public discourse, but also to the relevance of vocational training and project development in the Roman context. For these different reasons, the EU is considered primarily as a potential economic driver for the development of *cohesion policies*. Indeed, the local administrations have various offices dealing with European project development and most stakeholders are fully aware that the vocational training implemented by the province, the municipality and third sector is fully funded by the Lazio region using ESF.

The perception of the other resources (e.g. cognitive and legal) although recognised with direct questions, rarely surface during the interview. The most notable exception is the presence of Europe as a constant benchmark as regards employability and active labour policies. Europe thus is considered as the natural landscape for employment policies, both as regarding best practises and job placement. For example, the province of Rome developed the so-called 'Porta Futuro' employment centre copying the European well-known experience 'Espai de treball Porta22' of Barcelona (Ayuntamiento de Barcelona 2013).



###: Now the European Commission has granted us a project of [European] matching which is called 'Your First EURES Job' which is basically a project where the European Commission wants to test the formula of the 'European Employment centre'. Meaning that there are some benefits for those enterprises and youth which meet on the demand and supply market, the important thing is that they have to be from different countries [...] the selection process takes place at Porta Futuro.

Generally speaking interviewees find quite difficult to disentangle the different resources previously described in the introduction. As an example the European offices are strongly perceived as dedicated tools to raise funds at the European level. At the same time they play also an important role in spreading innovation and knowledge. However this aspect is rarely acknowledged.

####: This is crucial for a regional and local institution [...]. Having an eye for Europe because from there we learn, from there you understand future trends. You may learn things that maybe nobody had ever thought to apply in Italy. This is one of the added values of what we tried to [bring to the department], and it was also a strategic goal councillor.

Analogously, the overall European project making is considered to be relevant in innovation spreading and best-practices transfer.

#####: I have no clue. [European projects] are not yet innovative because too often they are misused. I think in this region they are not very used, but those regarding training. We have to get used, we have to teach our local administration to link the monitoring of the need with policy development. Moreover the European funds may be innovative. Local administration makes a scant use of them, not sufficient [to be innovative][...] often because of a lack of internal expertise.

As regards the dedicated offices of the local administrations, it is important to clarify their roles which are very specific (and different). As regards the province it has developed a central service called 'Office for Europe and International Relations'. It has a coordinating role, given the number of department in which the province is divided. At the same time, some departments established their own 'Office for Europe', producing some duplicates that are needed in order to manage the wide variety of projects in which the province is involved. The central office, answering directly to the president, aims at promoting the economic, social and cultural development of the municipalities within the Metropolitan Area borders⁴, at developing information and supporting tools regarding EU opportunities. According to the official documents the service is an operational tool connecting EU opportunities and territorial concrete needs. Thus, it promotes the dissemination of information as well as raises the

⁴ This is a new administrative bodies scheduled to become fully operative by 2014, substituting actual Province (Governo Italiano, 2012).



awareness on European issues, it directly involves local authorities and citizenry. Moreover, it (should) has a proactive stand regarding the internal provincial structure.

As briefly introduced, some departments developed their own 'Office for Europe'. Among the others, the Department for labour policies created the so-called 'Monitoring and European project unit'. The unit has an active role within the department. It does not promote any general information flow and it is not engaged in awareness promotion. It is a fully operative service, serving the Labour policies department in scouting additional funding and developing dedicated projects.

#####: Unfortunately the problem is still the same. Up to three or four years ago, regarding European projects, there was almost nothing [...] and this is one of the tools for a public body to make some money and work better. In three - not very active years - we have developed projects worth some three and a half million euro. Initially we had a structure of only two people [...]. Now we have seven or eight people, and you may start to think in differently [...]. We have created a service that eases the other units life. Substantially, this is a transversal service because when we see something that may affect the labour sector we go to our colleagues in the other unit and try to understand if it is possible to create, to design something in that [specific] area [...]. It is important that the service is specific, and there must be a single unit monitoring the European projects. It must be closely related with all the other services, because it is the one that needs to transfer hints from service to services and design new projects.

The presence of the dedicated unit within the labour department is considered very important by all civil servants involved. The unit covers most of the project phases helping other units to manage the single project without an excessive growth in the workload. At the same time the project development is still managed at an apical level, far from the Employment Centres (CPI) scattered across the city and dealing with beneficiaries.

#####: The Unit has the project development phase, it collaborates with other services in the implementation phase, and it later has all bookkeeping and reporting duties. Other services have no extra work from European projects.

#####: The [bookkeeping and administrative procedures of the European projects] have been already centralized. [But as regards the content] we faced the [issue of directly managing the project] in some [indirect] ways via the specific office of [my colleague] that deals with European projects and planning [...]. [Projects] reached CPI as in a waterfall, without direct involvement in the project depiction and planning.

Quite interesting, the two offices, the central and the specific unit within the labour department are neither in any competition nor in bad relationships. On the contrary, the central service is acknowledged and considered by the European labour unit.



#####: *[The central Office for Europe] works as a coordinating service for the various departments. It gives us all the information about opening calls so that we avoid [extra-work], it then coordinates the [projects] presentations. [...] If the Province can only submit one project to a specific call, there may be various departments interested. You need [also this kind of coordination]. In other cases they are also operational. In other departments without a dedicated service [...] they help them in the management and implementation of the project.*

As regards the municipality of Rome, the situation is quite different. On the one side, the Mayor has a person in his own staff dedicated to the 'Relationship between the European Union and Rome', on the other, different departments (as in the Province) developed their own 'Office for Europe'. As regards cohesion policies, at least two can be counted: one staffed by the Social policies department (Europe office) and one staffed by the sub-unit Labour Observatory of the Labour policies department, the so-called 'European Project and Financed Project Unit'. These offices are not coordinated as in the province. According to the project developer for social policies of the municipality of Rome this problem is crucial, along with minor issues.

#####: *[Recently] there are not any projects of two million and a half Euro. Today we are talking about one hundred, three hundred thousand Euro on a department budget of three hundred million [...]... we never invested on a structure that would be a connection [on European projects] for economic matters [...]. Secondly, [...] the project design of that kind is perceived as a nuisance because as regards the bookkeeping, the reporting, what can be done and what cannot... it is always a complex matter to be handled.*

Given this internal problem, not surprisingly, the municipality of Rome established Fondazione Roma Solidale Onlus⁵ in 2005; later on joined by Banca Nazionale del Lavoro e BNP Paris Paribas join. Roma Solidale is - formally - an autonomous foundation, under private law, tackling social problems. Its core business is the support to people with disabilities. However its role is more that of an external agency working as project developer and network agent for the municipality of Rome for the 'integration of the personal relationships'.

The Foundation thus opens up new windows of opportunities for the municipality. On the one side, it operates 'as a prime mover strategic, as a motor of relationships in the system and between systems' (Roma Solidale 2013) on the other, it allows the municipality to access a wide variety of projects without the need of hiring new staff (which is very limited under the ISP and the regulations concerning entities under public law).

Summing up, also in the case of Rome *financial resources* are the most important EU financial resources at the local level, immediately followed by the *political resources*. *Cognitive resources*

⁵ Onlus is the Italian acronym for 'non-profit organization of social utility'.



are weakly perceived although present as in the example of 'Porta Futuro'. there is little active 'usage of Europe' in the case of Rome.

5. The Case of Naples

Also in the case of Naples, the *financial resources* are those which are usually listed as being the most significant kind of resources deployed by the EU at the local level. As already stressed for the case of Rome, these financial resources are both direct (e.g. EU funds) and indirect (e.g. budgetary constraints, EU monitoring procedures).

Indeed, on the one hand, Europe is recognized as a crucial actor for its deployment of economic resources but also for contributing to create receptivity and awareness on the importance of the nexus between spending and the achievement of concrete results. In this sense, the EU becomes a key vehicle for spreading the ethos of transparency and 'the correct use of the planning tools', also through the employment of infraction and monitoring procedures, the blockage of funds, and the monitoring mechanisms related to ESF and FESR.

As a result, financial resources might turn out to become *institutional resources* since the former come with a set of constraints regulating their employment that strongly impact on the rules and procedures that must be followed to apportion them.

For example, at the regional level, the strategic plan set by the *Campania* region for the period 2007-13 finds its programmatic frame within the National Strategic Framework and the EU Development and Social Cohesion Policy, in particular with respect to the principle that the strategic objectives towards which the available resources must be directed have to be coherent and unitary rather than fragmented. In this sense, the *concentration of the resources* is recognized as an essential tool to ensure the effectiveness of the interventions to be implemented. Accordingly, three main strategic axes have been defined to guarantee a unitary use of the structural funds within the Operative Regional Plan (POR): sustainable territorial development (POR FESR), achievement of the occupational objectives set by the Lisbon Strategy (POR ESF), rural development (PSR). Therefore, Europe has had a role in the 2007-2013 regional planning to avoid the fragmentation of the funds along different and conflicting programmatic lines. That was guaranteed since the EU set a minimum spending threshold on infrastructures over the European FESR, and has bound the spending on the achievement of the objectives defined within the strategic axes.

#: The previous strategic plan did not bind the spending on the strategic axes. Furthermore, it had failed to individuate specific and well-defined objectives. Emphasis was placed on procedures: once papers were ok, all the work was done! Instead, the



spending relative to the strategic Plan 2007-13 was tied to the achievement of clear-cut objectives within the strategic axes.

Furthermore, as for the EU *institutional resources*, Europe is also referred as a crucial actor, above all with respect to its ability to determine multi-stakeholders integration, especially at the regional level, through the tool of the ‘partnership’ which is included in many European calls, and the consequent promotion of coordination mechanisms (e.g. the Workgroup for the Economic and Social Partnership at the regional level – PES).

On the other hand, many actors blame the Stability Pact as a constriction which impacts negatively on the ‘spending ability’ at both the national and local level, thus worsening the economic recession. In this sense, albeit conspicuous, the EU’s budget constraints make it difficult to effectively access to the EU resources and there would be a paradoxical situation for which ‘Europe gives with one hand and pulls back with the other hand!’ and ‘We are like people with diabetes but without insulin: such persons are fated to die in a sea of sugar!’

Also the national level is often blamed for the progressive stiffening of the ISP over the time, which is responsible for having dramatically decreased the spending capability at the local level. An interviewee underscores that, as a consequence of the Stability Pact and the need to cut the ordinary spending at the national level, the Italian government would have diverted some of the national Funds for the Underdeveloped Areas (FAS)⁶ and the ESF from the strategic axes they had originally been devoted to, to other targets. This, in turn, coupled with the inefficiencies at the regional level, would have contributed to the violation of the ISP that the region Campania has operated in 2009 under the Junta Bassolini.

##: The Prodi’s government had covered the co-financed expenditure required for the European funds. Then, the Berlusconi government took away the FAS funds, directing them to other complementary actions. Basically, the operation resulted into the lowering of the national co-financing quota and the increasing of the European one. Practically, this has implied the decreasing of the available resources assigned to the region – resources which had already been allocated! – with the paradoxical consequence that the European co-financing quota has increased disproportionately only because the national one was dramatically reduced! The reality is that the ESF for the ‘Mezzogiorno’, due to the spending cuts at the national level, have become a substitute for the ordinary funds.

⁶ The Fund for the Underdeveloped Areas (FAS) (Laws 289/2002 and 296/2006) is the financial instrument of the Italian Government for promoting the growth of the underdeveloped areas of the country. It collects additional national funding, which are added to the ordinary national and European resources. Since the 2003, the FAS is the national tool of the Italian government for regional policy to promote the recovery of competitiveness and productivity in the target areas.



Some actors also recognize the responsibilities of the region, under the Junta Bassolini, for having exceeded the ISP due to an inefficient management and a clientelistic outflow of the resources which has also determined a dramatic delay in the 'expenditure certification' of the European Funds and their consequent blockage.

Indeed, as for ESF and FESR (UIL, 2011) the expenditure in Campania for the period 2007-2013 has been of just 555 million euro till May 2011 out of a total of 7.9 billion euro, while legally binding expenditure commitments amount to 27.1% (EUR 2.1 billion), up from 18.1% in December 2010. By just considering this year (2013-2014), the region has to re-program the expenditure of three billion euros.

So far, it should appear clear the extent to which in the case of Naples clearly emerged the massive deployment of *political resources*, especially with respect to blame avoidance mechanisms and multilevel games. Indeed, as stated before, on one side, some actors hold responsible the EU for operating as a massive constrictive power that *de facto* impacts negatively on the local spending ability. On the other side, other actors blame the Italian Government for being 'subjected to EU's decisions' without being able to negotiate more 'advantageous conditions' which would eventually make it less hampering the ISP. In fact, some interviewees also recognize that Europe might become an 'easy scapegoat' and admit the responsibilities that local administrators hold but, even in these cases, it is never denied and, rather, always underscored that 'the Stability Pact contribute to make things worse'.

Therefore, in the case of Naples, it clearly appeared that not only politicians, but also bureaucratic and third sector actors, strongly perceive Europe as playing a both relevant and controversial role – positive for the amount of EU financial resources, negative for the EU spending constraints – in determining the spending ability at the local level and make several references to that.

The slippage of the ISP in 2009 further confirms the relevance that the European financial resources keep at the local level. Indeed, due to the consequent blockage of the economic resources, the municipality of Naples found itself in a very severe shortage of funds. As a result, some decision-makers and bureaucratic actors at the municipal level have started legal and mobilisation campaigns with the region in order to unlock the funds and they have become more and more aware of the need to establish *direct funding channels* with the EU rather than depending exclusively from the EU financial resources provided by the region (through the POR) or the national level (through the PON). For example, within the regional planning 2007-2013, had been financed 13 projects on Equal Opportunities at the municipal level, for an amount of 18 million euro. The blockage of the EU funds has constituted an important occasion for activating a resource mobilisation process. Indeed, the Councillorship for Equal Opportunities of the municipality of Naples started a political battle with the region, thus obtaining to unlock



some financial resources, for an amount of 8 million euros, which must be spent by the end of 2013, while only 5 projects out of the 13 initially planned may have been launched so far.

Nevertheless, generally speaking, *strategic usages*, and the related possibility for the local level to directly influence policy decisions at the super-ordinate level (e.g. co-determining the regional planning related to European resources), are usually made difficult by the fact that the EU does not recognize the provincial, and more importantly, the municipal level as a direct interlocutor and the region rests the main decision-maker about how to allocate the EU funds at the local level. This appears as a major criticality, especially because Campania belongs to the regions of the *obiettivo convergenza* (converging target) and, coherently with that, it obtains extra EU funds (see Table 2).

In this sense, many politicians, bureaucrats and decision-makers at the local level often perceive Europe as 'far away' since they get into contact with it, and receive the European funds, mainly through the intermediation of the regional and national levels. This implies that the subordinate levels (municipal and provincial) are bound to the quality of the national and regional planning, the room for manoeuvre in controlling which are quite limited, and have to respect the objectives set within these levels. As a consequence, the subordinate levels might 'end up doing things that if they had had the possibility to talk directly to Europe they would not have chosen to do, since those things do not always grasp the real local priorities'. It is not a case that, in order to counterweight this difficulty the municipality of Naples has presented its candidacy to become eligible of a *PON Città* within the 2014-2020 planning which, if it were won, would allow the city to be an intermediary organism to directly manage EU funds for the local development.

Furthermore, as already underscored for the case of Milan, while the European funds which arrive at the local level through the national and regional level are considered as a 'breath of fresh air', the funds the local level is able to collect by participating directly to EU calls are both insufficient and difficult to gain. Indeed, while the interviewees often refer to the EU as an unique opportunity to grasp some financial resources and potentially overcome the structural deficit, the difficulty in finding the *co-financing* quota which is required to participate to EU calls does not allow to exploit these resources, thus perpetrating in fact the structural deficit and making the EU an almost 'inaccessible entity'. So far, the paucity of economic resources at the local level often turns into an 'inability to grasp' potentially available resources at the EU level, and into an 'inability to spend' exploitable resources due to a lack of investment capacity.

It follows that, despite the local level would necessitate of a more direct interaction with the EU in order to eventually pursue more active *strategic usages* without the region's filter, the EU projects are far from constituting an avenue to get closer to Europe because due to both the lack



of money (and co-financing quotas) at the local level and the scarce resources that would be gathered by directly participating to the EU calls.

In addition, the bureaucratic complexity of the application processes related to EU calls coupled with their 'economic irrelevance' operates as a further discouraging factor for the local actors to get involved.

###: Participating to EU calls for projects, especially those related to social matters is not that good for us. I will not even mention the bureaucratic aspects, which are unbelievable! But then, you gain some 'loose change'. In addition, if you are the leader of the project, you have to report for everybody. Also, the EU finances up till 75%, but we often do not have money to co-finance the remaining 25%: I'm talking about 30.000 euros, but more often than not we do not even have such small amounts! So, you have to co-finance by taking money from the employees expenditure, which becomes the co-financing tool. I mean, these projects are important because you can exchange best practices, you can learn new things, but they do not have such a relevance and you spend a lot of time and resources, while you do not get any money.

It is also worth underscoring that, even if the EU projects are recognized as relevant *cognitive* tools to get familiarized with new practices and ideas and are said to be an important vehicle to learn, they are mostly conceived of as means to gather financial resources. Therefore, it clearly emerges that, *cognitive resources*, rather than being actively looked for, are often acquired as a by-product of the exploitation of the economic resources eventually collected. Additionally, the EU projects, are often referred as being limited in their effects since they would not allow to carry out structural actions. As a result, it might happen that 'if there are 100 projects, when these projects are closed, there will be 100 deserts!'

It is worth drawing attention to a striking difference which emerged in the case of Naples as opposed to that of Milan. Generally speaking, while in Milan the offices concerned with the 'EU affairs', at both the provincial and the municipal level, are particularly overloaded by their rush behind the EU calls, this did not emerge in the case of Naples. Indeed, due to the large amount of the EU financial resources that the Campania region collects as 'converging target', the offices devoted to EU affairs mainly work with these conspicuous regional funds and, as a result, are not particularly troubled by that exigency to participate to the European calls in order to get money, an exigency which clearly appeared in the case of Milan. In this sense, *strategic usages* linked to resource mobilization processes related to the EU calls, are comparatively less cogent in the case of Naples as opposed to that of Milan. By contrast, these resource mobilization processes are mainly associated to the relationship between the municipality of Naples and the region, as clearly occurred for the above mentioned battle between the region and the municipality of Naples to 'unlock' EU economic resources.



Summing up, in the case of Naples *financial resources* and, as a by-product the *institutional*, are by far the most important EU resources at the local level, immediately followed by the *political*. *Cognitive*, and to a less extent, *legal resources* are almost unanimously recognized as important but many actors have difficulties to provide precise references to them (see also below).

6. The ‘Local Usages’ of Europe

Table 4 summarizes the main types of EU resources which are deployed at the Italian local level. From the analysis which has been made so far it clearly emerged that the EU *financial resources* are by far deemed to be the most crucial EU resources at the Italian local level, with the result that Europe is often mainly considered as a ‘money provider’.

Table 4. Impact of the EU resources at the local level

Resources \ Case	Milan	Rome	Naples
Financial	Very high	Very high	Very high
Political	Medium-low	High	High
Cognitive	Medium	Medium	Medium
Legal	Low (direct)	Low (direct)	Low (direct)
	Medium-high (indirect)	Medium-high (indirect)	Medium-high (indirect)
Institutional	Low	Low	Medium

It is worth emphasizing that, especially where the EU financial resources appear to be more consistent, as it is in the case of Naples, it clearly emerged a clear *mismatch* between the amount of the resources allotted to the local level and the corresponding *strategic usages* that the local level is able to effectively ‘activate’ directly with the European level.

Indeed, local actors at the subordinate levels (municipal and provincial) are not always able to *strategically* influence political decisions at the EU level due to the fact that the super-ordinate levels (national and regional) are often the main ‘interlocutors’ of the EU. As a result, the municipal and provincial levels, as ‘indirect’ resource recipients from the super-ordinate levels are mostly involved in receiving and spending these resources coherently with the objectives and the strategic lines set into the regional planning and without also necessarily having a say into it. Indeed, the margin for manoeuvre to influence the regional level are often demanded exclusively to the goodness of the relationships between political levels. Therefore, generally speaking, the possibility that local actors have to control policy decisions related to EU funds remains quite negligible. The fact that the region acts as a *gate-keeper* of the EU financial



resources, by also setting the strategic lines along which to allocate them, might contribute to further amplifying the *power asymmetry* between the regional and the municipal level.

As already said, the most striking example in this sense is provided by the Campania region where the regional intermediation with respect to EU funds has become particularly constraining for the city of Naples. By contrast, on the other side of the continuum, Rome, due to its major strategic relevance as Italian capital city, seems to suffer less of this mismatch, thus keeping more direct relationships with Europe which strongly impact especially on employment policies (e.g. 'Porta Futuro')

The strong amount of EU *financial resources* granted to the Campania region also determines an important difference with respect to the other two cases. While in Milan the offices concerned with the 'EU affairs' are particularly overloaded by their rush behind the EU calls, and in Rome there is even a duplication of EU offices (operating not only at the central but also at the departmental level), which also witnesses the importance conferred to intercepting EU funding opportunities, this did not emerge in the case of Naples. Indeed, in this case, the EU offices mainly work with the conspicuous regional funds and, as a result, are less troubled by that exigency to participate to the European calls in order to get money.

In this sense, in Rome and Milan, *strategic usages* related to resource mobilization processes referring directly to the EU seem to be more consistent than in the case of Naples, where, by contrast, these processes mainly concern the relationship between the local and the regional level.

Political resources emerged as the second most important EU resources both in the case of Rome and in that of Naples. Apart from the particular historical juncture in which most of the interviews have been administered (Monti government), the continue references to blame avoidance mechanisms and multilevel games in these two realities⁷, which, by contrast, did not emerge in the case of Milan, is likely to depend on the intensity with which the crisis has struck these more fragile economic contexts as opposed to that of the 'richer' Milan.

Therefore, *ceteris paribus* the historical moment, it is plausible to infer that the worse the economic situation and the shortage of economic resources at the local level, the more significant the EU political resources, and Europe might be effectively perceived or instrumentally referred to as a 'butcher'.

Detecting the extent to which these political resources are effectively translated into *legitimizing usages* on behalf of local politicians (during their electoral campaigns or their public discourses along their mandate) in order to orient their constituencies and show the electors

⁷ To be sure, the slippage of the ISP in the Campania region is another reason that has contributed to further inflaming the discursive references to the role of the EU.



the boundaries within which they would be compelled to operate goes beyond the goals of this paper. Nevertheless, it appears clear that discursive references to the EU, as well as to the Italian government, as weighty constraints are quite spread at the local level in these realities so as to become 'political tools' to be eventually used in the public space.

To be sure, what has been told so far does not imply that at the local level reigns a negative attitude towards EU. Indeed, local actors clearly distinguish the EU 'political' from the EU 'cognitive' role. In all the three cases Europe is likewise referred to as an entity from which 'we can and should learn many things!' and as a real 'opportunity to polish and overcome the negative peculiarities entrenched in the Italian culture'.

Indeed, actors at the local level are virtually fully aware of the relevance that EU *cognitive* and *legal* resources hold. While they are not always concretely able to effectively make precise references or provide specific examples for these EU resources, many of them are perfectly conscious of the fact that this might stem from the fact that these resources are so entrenched (especially in the legislation) to 'make it difficult to effectively disentangle what is European from what is not' because 'so much is European!'

EU cognitive resources have a relevant impact for the employment policies at the local level (especially in the case of Rome, and more generally, as a by product of the EU directives and guidelines adopted at the national and regional level). By contrast, especially with respect to the social field, there seem to be more difficulties in translating the EU guidelines into the policies developed due to the still quite 'traditional' way to conceive the welfare state in Italy and/or to the fact the EU is somehow perceived as being 'too far to correctly interpret our local realities'.

The other main way through which the local actors 'absorb' EU cognitive resources is by participating to EU projects, despite many of them complain about the difficulty to make durable the effects of the *know-how* eventually acquired due to the 'contingent' nature of these projects. Nevertheless, it is worth underscoring that since the national and regional levels are the main 'legislation-makers' and 'decision-makers', also the *cognitive usages* mainly occur at these levels and the biggest portion of EU *cognitive* and *legal resources* is handed over the local level via a top-down 'legislative' transmission bell or through the 'policy windows' which are opened in the national arena by EU ideas, policies, strategies and guidelines.

To conclude, it is worth summarizing the main barriers to the 'usages of the EU' emphasized by the interviewees at the local level:

- *Cultural barriers* and related to this, it clearly emerged that the more the local actors have an 'European' *background*, the more it becomes easier to 'use' Europe.



As a policy prescription, many local actors have emphasized the extent to which it would be useful to invest more on training in order to get acquainted with the effective possibilities disclosed at the European level.

- *Excessive EU bureaucratization* for which applying to EU calls, and eventually managing EU projects if calls are won, result into a huge (and unpaid) *work and responsibilities overload* for bureaucrats. EU procedures are almost unanimously perceived as too rigid, cogent, prosaic and pedestrian with the result that ‘rules and procedures are more important than results’.

As a policy prescription, many local actors said that if they had the opportunity to ‘talk to Europe’ they would certainly ask procedures streamlining and simplification.

- *Planning deficit* at the local level. As a result, EU financial resources rather than being conceived as *additional* to local resources for contributing to realize already predefined strategic objectives, might become a substitute. From this it follows the above mentioned phenomenon of the ‘senseless race behind the EU calls’ with the consequent that many EU projects, being not linked to a strategic vision to pursue at the local level, often do not have durable effects.
- *Financial constraints*: in a period of crisis and resources shortage the local level might have many difficulties to cover the ‘co-financing’ quota required to participate to EU projects. This fact, in turn, coupled with the already mentioned complexity of the EU calls further contribute to making Europe far away from the local level.

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The Local Governance of Social Cohesion: Polish Report on the Europeanisation of Local Social Cohesion Policies

"Local Worlds of Social Cohesion. The Local Dimension of Integrated
Social and Employment Policies"

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Acronyms:

CEE	- Countries of Eastern and Central Europe
ESF	- European Social Fund (Europejski Fundusz Społeczny)
PUP	- Powiat Labour Office (Powiatowy Urząd Pracy)
ROFES	- Regional Centre for the European Social Fund (Regionalny Ośrodek EFS)
WUP	- Voivodship Labour Office (Wojewódzki Urząd Pracy)

1. Introduction: Europeanization in Eastern and Central Europe

The year 1989 marks the precise beginning of the Europeanization process in CEE countries and in Poland specifically. It was when the countries of Central Europe, liberated from the Soviet domination, started their political transformation. From day one, their objective was the accession to the EU. The process first took shape once specific conditions had been defined in Copenhagen in 1993. Two years later, in 1995, Helmut Kohl promised that Poland, Hungary and the Czech Republic would become EU members in 2000. That statement was significant insofar as it established for the first time a division of CEE into those that would be admitted first and the remaining ones which did not meet the necessary conditions. That was confirmed in 1998 when the official negotiations started with five countries: Poland, Hungary, the Czech Republic, Slovenia and Estonia. The whole process concluded in 2004 when these countries joined the European Union.

The Europeanization process is a fairly well defined field of study of influence of European Union on the old members' countries (Featherstone, Radaeli 2003). Research on Europeanization in Central Europe triggers new problems in this field (Schimmelfennig, Sedelmeier 2009). This is due first of all to the specific features of this process in countries from behind the Iron Curtain. The accession process has long drawn the attention of scholars interested in Europeanization. For the researchers it was an excellent opportunity to test many hypotheses about Europeanization in a new context of post communist countries. The experience of CEE proved particularly interesting to researchers concerned with the impact of EU enlargement (Jacoby 2004, Cirtautas & Schimmelfennig 2010) and its influence on public policy (Sissenich 2006).

CEE were subject to much greater pressure for adaptation and convergence than were countries applying for membership earlier (Schimmelfennig, Sedelmeier 2009). It was due to the simple fact that integration was much less advanced at the time. Needless to say, it was the 90s that saw a common market, the free-movement Schengen zone and a common currency. That means that CEE had to meet much more conditions than for instance Mediterranean countries joining the European Union in the 70s. At the same time, these conditions became a tool enabling the EU to exert much more influence than it did before. Thus, for instance, CEE had limited possibility to negotiate transitional periods and derogations. As Grabbe puts it: "The European Union is applying the accession conditions for CEE in a way more similar to the Maastricht convergence criteria for monetary union than to its approach in previous enlargements. The conditions are set in advance and national governments have to meet them before they can join – as with the convergence criteria" (Grabbe 2003: 305).

The asymmetric relation between the European Union and CEE made it possible for the EU to attach conditions to the admission of new member states. In fact, this was the case for instance with administration. Human rights, liberal democracy, and rule of law are the fundamental rules of legitimate statehood in the European Union. They are the core conditions that states have to fulfill before they are allowed to enter into accession negotiations and are expected to adopt the specific rules of *acquis communautaire*. Political conditionality is the core strategy of the EU to promote these fundamental rules" (Schimmelfennig, Engler, Knobel 2005). This gave the Europeanization process in CEE quite a different character, which brought about heated debate

on 1) the definition of Europeanization and 2) the impact such Europeanization might have on CEE.

There are two ways of defining the Europeanization process in CEE. There is a minimalist and a maximalist approach and a continuum in-between. The maximalist approach considers all the changes after 1989 to be instances of Europeanization (Haggard et al. 1993) or at least assumes a far-reaching connection between Europeanization and democratization (Pridham 2002). However, most authors disagree with such a broad scope of Europeanization. They point out that such an approach assumes that it was the European Union and countries of Western Europe that stood behind all the changes in CEE (Dimitrova 2005). It is important, however, to distinguish between changes that took place right after the fall of communism, when most of new democratic institutions were established, and changes in which the European Union was directly involved. In the initial period of two or three years, the European Union did nothing but react to what was happening in the countries of our region. Needless to say, it was also the United States that made great impact on the transformation process as it controlled international financial institutions and had considerable authority. However, even in this case we cannot speak about the Americanization of CEE. The changes that took place had their immediate origin in CEE and in their experience from the communist rule (Vachudowa 2004).

The minimalist approach is based on the assumption that the difference between democratization and Europeanization corresponds to the model of systemic transition in which we can distinguish transformation and consolidation (Agh 2002). The systemic transition starts with certain constitutional solutions. Then, structural changes result in economic changes. It is only once they have been concluded and particular countries have reached the consolidation phase that the Europeanization process becomes of key importance.

Such a minimalist approach is presented and used as a starting point for a series of studies in the book "The Europeanization of Central and Eastern Europe" edited by F. Schimmelfennig and U. Sedelmeier. "We define 'Europeanization' as a process in which states adopt EU rules. (...) The 'rules' in question cover a broad range of issues and structures and are both formal and informal. To name just a few, they comprise rules for regulation and distribution in specific policy areas, rules of political, administrative, and judicial process, and rules for the setup and competences of state and sub-state organization. 'Rule adoption' is generally compatible with the explanandum of Europeanization and international socialization literature. (...) By analyzing rule adoption, we focus in the institutionalization of EU rules at the domestic level – for instance, the transposition of EU law into domestic law, the restructuring of domestic institutions according to EU rules, or the change of domestic political practices according to EU standard" (Schimmelfennig, Sedelmeier 2009: 7).

In works on CEE, the unfolding of Europeanization is understood in three ways (Schimmelfennig, Sedelmeier 2009). The first one is the external incentives model which takes the concept of rational choice as a starting point. Thus, the Europeanization process is seen as driven by a system of reward and punishment (Hix, Goetz 2000). Countries (or institutional actors) make a choice guided by the rational cost-benefit calculation. Of particular significance in this approach is the asymmetry between CEE and the EU mentioned above, which determines the nature of reward and punishment in the whole process. The main reward is the admission to the EU and the benefits derived from it. The indirect reward is financial, expert and institutional support. The main punishment is non-admission to the EU which may be imposed for failing to

comply with certain conditions. The analysis of the whole process starts with specifying initial conditions, often referred to as “goodness of fit”, i.e. the extent to which the existing solutions comply with EU standards. Thus, the Europeanization process means increasing “goodness of fit” by means of “conditionality” (Sedelmeier 2012).

The second model of how the Europeanization process unfolds in CEE is the social learning model. This theory is based on social constructivism. In this approach, the European Union is an institution whose shape and way of functioning stems from its identity and specific set of values, norms and principles shared by its members. In this perspective, CEE are perceived as countries with a different identity derived mainly from the communist legacy (Checkel 1999).

Adopting EU rules means accepting them. In other words, a country undergoes Europeanization if it has been convinced that the rules are appropriate for it. That is why, according to the social learning model, it is persuasiveness that is crucial, based not on conditioning but on the legitimization of rules and values. In this approach, the focus is on the process of communication with the government and the political elites of a given country as well as broadly understood public opinion, with particular emphasis on various groups which are important from the point of view of Europeanization.

CEE are especially interesting from the point of view of the social learning model because in their case it is expected that a country will adopt some rules even though it was not involved in establishing them. Hence, there is a danger, a real one and confirmed by research, that the rules will be perceived as imposed from without. This is a serious impediment to the process of Europeanization (Dimitrova 2010). From this vantage point, the more the EU and the countries that form it are perceived as an “aspiration group”, the more susceptible non-member states are to arguments from the EU to accept its norms. The situation is somewhat paradoxical because it is countries that consider themselves entitled to join the EU that adapt to its requirements. In other words, a country needs to be already Europeanized in order to undergo Europeanization. This phenomenon is referred to as “resonance” (Checkel 2001).

The third model of understanding the Europeanization process in CEE is the lesson-drawing model. It describes a rather peculiar case of using EU rules without any encouragement to do so on its part. This happens first of all in the area of policy when the knowledge about EU rules is used to develop a country’s political system.

The lesson-drawing model is applied to describe the Europeanization process mainly in CEE unlike the two models discussed above which serve to analyze the Europeanization process also in Western countries. It stems from the fact Goetz speaks about: In Central and Eastern Europe, Europeanization could have been expected to have been more immediate than in other parts of the EU. Oft-cited reasons include, inter alia, the weakness of institutional ‘cores’ in the post-Communist states – notably those that only came into being after the fall of Communism – which are less likely to offer resistance to ‘adaptive pressures’ than the deeply embedded state institutions of Western Europe; evident crises of performance and legitimacy of domestic institutions, which encourage policy transfer and learning from foreign experiences; and the existence of institutional and policy ‘voids’, so that Europeanization involves not so much adaptation, but rather the ab ovo creation of new actors, institutions and policies.” (Goetz 2006: 13)

The lesson-drawing model's starting point is the assumption about the lack of legitimization of institutional solutions derived from communism and about the pursuit of reforms. And what is the most important, the source of the motivation is domestic. From that point of view, the European Union is a set of solutions that can be used in the reform process.

This short reconstruction of approaches to the Europeanization process in CEE shows that it is viewed one-sidedly as an top-down process whereby various solutions are transplanted to CEE; the focus is on state, administration and law. The main research question is what makes CEE adapt to EU rules and what the pace of this process depends on (f.e. Zubek 2011). From that perspective the theory of Europeanization concentrated on the "Usages of Europe" seems very interesting and valuable. First of all, it can complement the dominating theory by more agent base perspective. Secondly, it can show the boundaries of top-down approach showing how local actors can develop agency independent of structural conditions' (Woll and Jacquot 2010: 220 quote in "WP5 theoretical framework": 3). The analysis of empirical material will concentrate on the tension between structure and agents to show, what is the role of local level in the Europeanization process and how local actors react to the conditionality to which they are submitted.

2. Research method

Each respondent was asked about European Union. Very often respondent spontaneously spoke about European money or European projects. In effect the analysis combined all interviews conducted in selected case studies. The detailed list and description of selection criteria of interviews are describe in "Polish Country Analysis".

Five respondents from each city were asked to fulfill the questionnaire. Due to the change of the questions in the questionnaire respondents from Slupsk got a bit different set of questions. Taking into consideration that we were free to fulfill the questionnaire instead of respondents, we "translated" the answer from one to the second questionnaire. The result of this small survey are presented in annex 1. We should be very wary of interpreting the results because respondents had a lot of problems with matching their experience with quite abstract and sophisticating questions.

3. The Usages of European resources

3.1 Cognitive usage of European Union

I will start the reconstruction of the cognitive usage of European Union with describing initial expectations and first experiences of officials in regard to execution of EU projects. Poland's accession to the EU in 2004 was preceded by carefully planned preparations. Preparing local governments to operate within the EU in principal was executed in two ways. Firstly, several large training programmes were conducted. Members of local governments became acquainted with the complexity of EU institutions, basic directives, and methods of funds management. Part of the respondents participated in these trainings. Secondly, projects were executed within the PHARE programme, which constituted a specific experimental field in using EU funds.

Respondents spontaneously described their first contacts during the pre-accession period, talking about their various concerns and hopes. Concerns were mostly connected with bureaucracy and difficult procedures; however everyone was hoping that Poland's accession to the EU will open new opportunities. Officials recall their contact with reality as a cognitive challenge; it required learning many new things.

"We were all learning, there were heaps of documents to complete, it was very time-consuming; the structure of applications was very complicated but it seemed interesting and necessary on the job market, so innovative and creative, so that's where I started"

In memories of officials concerning first contacts, positive experience of novelties is often combined with initial concerns.

"Some time ago, when I was encouraging our centres in 2006 and 2007 to actually join project, people didn't want to do it, they are afraid of changes, it takes huge effort to prepare a project"

In spite of various preparation programmes in place, the time of preparation was short. One could say that on 1 May 2004 (the date of Poland's accession to the EU) the officials basically found themselves in a new reality on the next day. The won accession referendum and general social acceptance of the European integration process resulted in much larger engagement of officials in various projects, which became available after Poland's accession. However, this meant the need to very quickly learn many new things. An example referred to in the above quote is the system of project work. For an average official, used to work according to strictly defined procedures, project execution meant the need to undertake activities far from typical habits formed during the previous years of work in local governments.

Solutions implemented along with accession, in particular project-based manner of work, did not raise equal enthusiasm for all. One of the respondents recalls *"My approach was actually very sceptical; trainings such as "ABC of Entrepreneurship" do give us something but short-term only, and we could not reach this effect on permanent basis, in regard to employment."* In the opinion of some respondents, the manner of work required for EU projects was lacking clear guidelines, left a large margin of freedom in execution of planned goals without determining specific requirements towards officials. This vagueness introduced to the work of officials raised their concerns, leading to scepticism towards the method itself.

Respondents admit that during almost 10 years from Poland's accession they learned a lot. They understand much better all the conditions relating to the operation of EU institutions and the logic of guidelines from Brussels. They no longer have problems with project-mode work. Their general acceptance of the EU does not, however, result from the learning process, which brought better understanding of the rules of operation of the European Union. The basic factor affecting the positive evaluation of the EU are the visible effects of undertaken activities. As openly admitted by one of the respondents, if the funds were not there

"it would have been worse, because we could not help all these people, and of course we can now talk about how many thousands of people completed their participation in projects, how many started business activity thanks to the funds from the programme. Evaluation of the results is a different issue. Although we did have a survey recently it turned out that more than a half of the firms established with support of ESF already when the so called

'small ZUS' finished – this was the actual verification indicating that more than half of them continued operation on the job market."

Officials accept the European Union, as they can see direct effects of the funds, from which various activities are financed. However, the European Union itself is simply associated with bureaucracy. A statement of one of the respondents is particularly distinctive:

"Bureaucracy is huge - and huge is an understatement. For me, this simply makes my work much harder; constant change; it is not, like, we agree on something today and stick with it. My people have to learn this, but what's most important in my opinion is that there are now companies, which prepare very good applications in technical and substantive terms; they are here, amongst us, but very often it happens that we have an excellent application, people are doing amazing things but we can't assign them with funds because of some formal errors, so due to the system they are immediately on the lost position"

Implemented management methods were acquired by officials and representatives of NGOs operating based on obtained EU funds. However, the respondent who fulfils an important role in the process of managing the allocation of EU funds, distances himself from performed activities. They are described by the respondent as something external, with which he basically does not identify himself, seeing various negative consequences of his activities. Based on this example, specific double thinking can be observed and a division – “we – them”.

The “we – them” differentiation was characteristic to the statements of most respondents concerning the European Union. And only one respondent presented a different interpretation of bureaucratization of procedures, indicating internal mechanisms. It is worth quoting this longer statement of the respondent, as it reveals an interesting fact .

"the reason is... paradoxically ... people's ability to learn. When people learn something, they want to share the knowledge so they expand formal procedures concerning the spending of public funds. In addition, this leads to a sort of a closed paradox circle, and the more formalized the procedures the more people are needed to process documents. This means that we have less time for one-on-one talk with the client, to recognize his needs and address aid. This is what I call sucking out on first contact. And then everyone is surprised that people are so bureaucratized. And then an unemployed comes to a labour office and has no one to talk to. Everyone is sitting there looking through EFS documents. In terms of learning – when the first PHARE procedures were established, we couldn't fit them in one book. During the first programming period, the book was about 1.5 cm thick. Today, a woman with a book of WUP procedures we are working on ... it had about 6 cm... like this! And all this is because in the beginning, in the pre-accession period, there were only a few people who knew what the EU means by these procedures. So, when these few people issued opinions on these documents, then how many remarks could there be - five, six? As many as those, who were in the know. At the moment, there are thousands of insiders, and when a document is created it is a matter of honour for everyone to add something smart. And everyone adds their comments to the draft application, we have a thick book, and then everyone has to observe all provisions and they have no time to talk to people and recognize specific needs."

Vivid example of a thickening book with EFS project guidelines, as indicated by the respondent, well presents the problem faced by officials at the local level: there are no mechanisms

coordinating the management of the social policy, executed from EU funds. Every institution engaged in the process of allocating EFS funds adds solutions that suit this institution, without verifying the consequences of such solutions for other partners. The observed jumping increase of bureaucratic procedures is an effect of institutional logic. There are no autoreflexion mechanisms included in the operation of Polish offices. The respondent notes that officials miss the paradox, that they themselves are largely the source of numerous regulations, the fulfilment of which constitutes additional, often useless work for them. A project management system, identified with the EU, was implemented without seeing own authorship of the criticized bureaucracy.

EU funds had a deep effect on the way of thinking of officials responsible for social policy. Firstly, the obvious influence should be mentioned, in the form of an increase of competences of employee responsible for social policy thanks to the huge number of trainings and course. An example of such change is well illustrated in the below statement:

"I reckon that this was the Polish thinking, but there were no possibilities to ahead with it; who would think about organizing such educational and corrective programmes for violence offenders etc. People were thinking that offenders should go to jail, and now there is a different way of thinking about a person who hurt another, this person is given a chance instead of just jail; jail is the final measure; of course we need someone there to keep on putting this person on the right track so that the history doesn't repeat itself."

Less obvious and harder to notice is the change of operation of various institutions as a result of an increase of competences of their employees. One of the respondents, when asked about this aspect of the change, stated:

"A change is definitely visible in the operation of centres; people started to think in a project-oriented manner, you know, this was not the case in the social support sector; we could not think like that, we were forced to do this; it is worth noting that almost all centres - I would say all centres and PCPR - participate in system projects, which is a sensation in the scale of the country - all of them; we have 5 centres in 144 - 4 or 5 did not join the project, so yes, all, 23 PCPRs, including poviat towns; therefore, we are all moving step by step so we can talk about a certain change, we can say that people have undergone an 'upgrade', there were also funds to give people skills and a possibility to execute the project"

Respondents were also asked if they can see a direct influence of EU institutions on their work. In general, officials working on the local level had a problem with indicating a direct connection, and denied such influence, indicating the dominating role of the state in the creation of social policy. A certain exception were the representatives of institutions operation at the regional level, in particular officials working in Voivodship Labour Offices. From their perspective, the European Union is a source of various guidelines, in regard to which one must take a standpoint.

"Maybe not cooperation, but we do consider certain guidelines from the Commission or provided in strategic document, whereas we always make sure that they do not concern issues which either do not occur in our region or occur in a limited scope, so that we can meet the most important needs. And we had a big battle about persons dismissed from a workplace, because when the problem occurred the managing body put some pressure while at the time the scale of the problem was not growing and this could not have been a reason to allocate such large funds. So, yes, we do take this into consideration, but we

always try to be rational. – Is there room for negotiations? – Yes, the outcomes can vary but in general comments are welcome."

Officials at a regional level are included in the process of consultations and arrangements on action plans. As an effect of their experience, the European Union is mainly a source of regulations.

"This is transposed to assumptions connected with actions plans, and yes, on the one hand we can conduct discussions and we are obliged to look at the problem, and if don't see why then we can always come up with some arguments, but like I've mentioned these are problems that happen often here. And this matters. Anyhow, we receive comments of EC representatives to each plan. And opinions on our action plans as well as coordination are in place. – How do you assess these comments, are they substantively justified, good? – This always depends on the person and who gets them; sometimes the comments are substantive and grounded and sometimes it's like ... "aaa... the Commission". But .. this depends. In general I think that comments are always from a different level and perspective but ... in most cases they are justified."

Analysing the influence of the European Union on cognitive process, one more important aspect should be considered. Many statements of respondents indicate that they see the European Union firstly as a supra-national institutional formation, and secondly they identify the European Union with Western countries. That is why the respondents, when asked about the EU, often provide examples from different West European countries. Most often, the point of reference and the source of positive practices is Germany. This does not have to be a result of any particular recognition of German solutions in the area social policy. It is simply a country, which is often visited for studio visits, or the origin of an institution with which a Polish unit cooperates.

3.2 The strategic and legitimating usage of European Union

In the perception of respondents, the strategic usage of European Union equals EU funds. Asked about the influence of the EU on the social policy, officials almost without exceptions firstly indicate the increase in funds for activation operations.

"no doubt, thanks to this money we can activate unemployed on a large scale and these are projects concerning various groups (...); that is where the opportunities are in terms of projects and trainings, refunds and internships as well as upgrading work stations, and funds for own business activity."

"there was no institution that would offer a trade-off; so, yes, you get a benefit but you have to come here every day and do something; there were no such institutions so I think that without this money they would not have been established, because unfortunately municipalities do not have unlimited funds to create such units; often this is an aid centre, labour office, and that's it; so the fact that such institutions were established, it was only basically using these funds [EU], institutions established from the funds of municipality or the marshal can be counted on the fingers of one hand, so I think this would not happen at all , and just the mere fact that thanks to these funds our participants have more than

would have been assigned pursuant to an ordinary statute, proves the granted protection, protective clothing, one meal a day, of course employees, administration, but due to the execution of these projects there is financing for travel, various forms"

The amount of available funds is different in different cities. Funds are allocated in a project mode according to a complex mechanism, described in more detail below. The amount of obtained funds depends on the decision of political local government bodies, competence of officials, and ability to define the purpose for allocation.

Among the areas analysed within the project, the largest funds are available in the employment policy area. The second area in terms of allocated funds is social assistance. In other areas, EU funds play a marginal role.

The availability of EU funds means a jumping increase of obligations for institutions. As described by one of the respondents *"there is a really enormous amount of issues that we have to take care of, and huge money, with which we had never dealt before (...) also responsibilities; implementation of this priority required a development of the centre, both in terms of human resources, and all instruments required to perform the work."* In the opinion of respondents, additional funds did not change the activities of employment units, their location in the social environment, functions etc. From the officials' perspective, they are doing the same things as before, but they have more funds at their disposal.

"I still see this in the same way; we absolutely have to help the unemployed, regardless of who it is, make all effort to help, not necessarily through financing, also in other ways, and the dream is to find work"

In other words, money from the EU did not change the strategic goals of institutions operating at the local level in the social policy area. But the scale of performed tasks expanded, just like the group of offered services. The quantitative change did, however, significantly affect the relations between and inside institutions.

Some of the respondents, who work mainly in institutions operating at a regional level, observe the influence of Europeanization on a level deeper than just finances. In particular, they can see that additional EU funds redefined the relations between institutions. As stated by one of WUP employees:

"we have an important instrument and funds, so I think that our significance certainly increased. Looking at our other tasks, we definitely wouldn't be in a position we're in today."

In particular, the importance of middle level institutions increased, at the poviats and voivodship level. As described in detail in the wp2 report, the decentralization process in Poland was occurring in two steps. Firstly, municipalities were created and equipped with numerous competences and funds. Only a few years later were poviats and voivodships established. From the very beginning it was noted that poviats and voivodship institutions are weak; they have few competences and, as a consequence, not much funds. Their functions were largely limited to control and regulation. In the light of a lack of direct power over municipalities and small funds, even these tasks were not fully realized.

In line with adopted solutions, EU funds are provided by central and voivodship institutions, and their allocation is performed by voivodship and poviats institutions. The appearance of a larger

amount of funds at the disposal of PUP, WUP, and the Marshall affected their political position in comparison to municipalities and, in general, within the power structure in Poland.

The subject of political tenders is the division of the so called Priorities. The entire EFS is divided into 9 priorities, i.e. areas where EU funds are allocated. From the point of view of the Localise project goals, significant are priorities 6 and 7, respectively: job market and social integration, as well as 8 and 9 i.e. entrepreneurship and education. The division of respective priorities between institutions is slightly different in analysed cities. For example, in Toruń, they were divided as follows:

"we are in the area of the job market, ROPS, and social policy; whereas priorities eight and nine are assigned to the Office of the Marshall; generally they have a department of education in their structures, so let's say that this educational policy is created in the region. Sorry, nine is also education, and they also left priority eight for themselves, so this is like support for employees, cooperation with enterprises for strategic reasons."

The rules of division of respective priorities between institutions is quite unclear. In the surveys, respondents presented an optimistic version. One of respondents claimed *"This division is introduced because during preparations to the new perspective the assumption was that everyone will deal with what they know best and what they were dealing with to date."* In the view of such opinion, certain distance must be kept, because other statements indicated that in Torun there is a certain tensions between city and voivodship institutions. In other towns we did not observe similar tension, but for example in Słupsk there were opinions about marginalization on the side of the voivodship. Both towns are specific and conditions of such tension vary. However, it is visible that EU funds are strategically played between institutions. Institutional tension was also observed at the local level and it resulted from the process of assigning funds. The nature of the process of allocating EU funds is well illustrated by the below statement:

"Over here it looks like this: every year, after defining by us the amount available for activation of the unemployed, PUPs present their applications for execution of a project on forms consistent with POKAEL requirements. We verify these applications and, if we do not agree with any provisions, they are subject to further consultations until we agree on the final structure of the project, which we then accept for financing. Then we sign the contract or even an annex, since this is the so-called system project and it has been going on since 2008, so after signing an annex to the framework agreement we prepare the Marshall's request for funds addressed to the Minister of labour and social policy; such request is submitted, the Minister assigns funds."

During the first recruitment in 2008 and 2009, we did not define in details what the projects are supposed to look like, that is: there is an application, and all content can be read from instructions. I.e. PUP presents to us the forms of project, where the support is needed. And generally in the first few years we did not interfere much with what PUPs wanted to do in their poviats. – Did you trust them? – We did, yes, you can say so. Whereas since 2010 we started to put emphasis on groups that are significant from the voivodship level, because after analyses we decided that these are groups in a difficult situation. These were young people, but we also put emphasis on persons aged over 50 and the disabled. – But did this result from the priorities defined at the EU level? - Also. The European Union had its priorities, for some time strong emphasis was placed on activation of older people, now we have young people and the disabled. This was also a part of our regional issues so we didn't particularly battle with the managing body as to the proposed criteria."

The respondent's statement directly indicates a fact confirmed by others indirectly – institutions which allocated EU funds are tightening the procedures for allocation of funds and attempt to affect, to a larger extent, the financed goals. Initially, control was limited to formal aspects, but with time voivodship institutions refer to EU requirements to steer the expenditures of EU funds and indirectly increase their importance. A problem of trust appears in relations between institutions not without a reason. WUP does not have direct power over PUPs. Apart from that, WUP supervised the spending of funds, which come directly from the centre; its scope of responsibility was limited. The appearance of EU funds resulted in WUPs being politically responsible for the effectiveness of allocation, but not having direct control tools. WUP can only hope that the funds are spent effectively. And since trust is limited, WUP won control tools, referring amongst others to EU requirements. These consist, for example, on imposing allocation goals, multiplying tasks and indicators. This leads to stiffening spent funds – a goal defined once, and indicators established once are hard to change. This is a subject of general complaints by institutions that execute projects. The European Union appears as an excellent justification to strengthen control. We can always indicate EU bureaucracy as the factor responsible for all formal restrictions and the respondents are missing the fact of institutional games.

Until now, we analysed the strategic usage of European Union between institutions. In an equally important manner, the integration affected relations inside institutions. The appearance of EU monies meant implementation in Poland of new quality administrative solutions, i.e. introduction of a project method within the organizational structure of employment services and social assistance, which operate at the local level. This fact was indicated by many respondents.

"we try to change something and I think that the European Union will give us this opportunity. What are these opportunities about? Mainly about the projects that we execute"

EU funds are assigned and spent according to principles different than funds allocated from the budget for contracted tasks. According to adopted system solutions, respective local government entities have defined contracted tasks which are financed centrally. A good example are social assistance funds. The social assistance law defines several situations that entitle to financial and material aid. Individual cases are described in detail in statutes and ordinances. The Government is obliged to finance these benefits. On the one hand, such mode of financing enables central steering of social assistance and its financial control. On the other hand, it is not flexible enough. Benefits are defined through attributes of entities, administered locally, but control over the entire process remains with the centre. Steering complex social policy problems from the centre will force significant simplifications, which at the local level are deemed as implementation of activities tailored to the needs. One could say that solutions adopted in Poland are within the classical model of bureaucracy, disclosing all practical weaknesses of this solution.

EU funds place numerous new unknown challenges before administering local officials. As claimed by one of the respondents:

"now we must have a concept as to how to dispose of the funds, and it turns out that to have the concept we have to perform a recognition, analyses, tests and think what's next"

New tasks challenges mentioned by the respondent, facing local officials after Poland's accession mainly result from the fact that the principal tool for allocation of EU funds is the project method. Firstly, a project has to be created. Justify its need in the categories of the needs of

residents. These have to be recognized. Prepare a plan of project execution through setting goals and indicating the measures to reach them. Prepare the project budget. The listed challenges posed a problem at the level of competences of officials working in the local government. That is why, already a few years before Poland's accession to the EU, several programmes for training officials working in the project mode were implemented.

Shortages at the cognitive level of units could have been fixed easily. It was enough, at the beginning at least, for one or two persons competitive in preparation of applications to work in the given office. A much more serious problem occurred when project execution was starting. The logistics of project execution – a group of tasks within a separate budget, clearly defined time horizon and specified goals – are hard to reconcile against a bureaucratic organization of the management of the Polish local government. A simple example well illustrates the problem of execution of European projects through a hierarchically organized local government administration: for project execution purposes, delegated are officials, who are usually not released from their daily tasks. From the point of view of an official, an EU project means additional obligations without additional remuneration. It gets him away from his normal work and usually does not influence promotion.

A worry of EU projects, complained about by both officials and employees of NGOs is the impermanence of their effects. Along with the end of financing with EU monies, a problem occurs as to how to find funds to continue activities. Projects, which function somehow next to bureaucratic structures do not have adjacent points with the current activity of employment and social assistance institutions.

The project method also has its positive sides. Although, in an impermanent way, EU funds force coordination between various institutions. Some respondents note this fact and appreciate it.

"I think the funds helped in coordination (...) i.e. the policy is actually created at the region level, and before all these institutions did this with their own money"

The project method forces cooperation between various institutions – employment institutions must cooperate with institutions operating in the social policy area, local government organizations with NGOs. Therefore if we observe elements of multilevel integration and multistage holders at the local level, then this largely results from the project method of allocation of EU funds.

After the first years, when we were still learning to work pursuant to the project method, observed were difficulties in combining the hierarchical, bureaucratic system of administration and elements of open method of coordination. As stated by one of respondents:

"One of the most significant reasons of failures is the sectoral structure, division of approaches, not seeing one another ... what was noticeable in case of e.g. the European Social Fund and the Regional Development Fund. It is as if two systems did not see each other at all. I.e. investments were created when people are not really needed for construction, and, after activation, people are not needed to operate the investment. We have thousands of projects where we introduced a criterion that if this is a RPO project (not only in our voivodship) then additional points will be granted ... only one project included such relation plus it was actually faulty."

The sectoral feature of Polish administration is reproduced within the EU funds system. It reaches so deep that, as indicated in the above statement, coordination of activities from two EU

Funds was not successful. All this contributes to the scepticism, visible in some statements, towards the entire idea of financing additional activities from EU funds.

"This is my private opinion, and I think that our accession to the European Union, in every day work – i.e. the Office, did not help in any way, but I'm actually talking about something else. I am very sceptical about European projects, although we are executing one in spite of this or maybe because of this. I wish that once someone would check how much money was spent on projects; let's say there is a defined task, activation of the unemployed. And for many years huge number of projects were performed within this task, right? What is the actual dimension, how many unemployed actually made it and started to do something in a sensible manner. In other words, in how many cases did it work. Because I'm afraid that in case of an assessment it would turn out that if this spent money was simply given to us and we would just give it to these people, the effects would be identical. I have a feeling that many EU projects are realized only for the sake of it so that, I don't know, institutions that execute these projects can prove it, employ coordinators. I think that there is not much profit from this. From these EU projects – I am not talking about certain projects that gave us roads, but rather those soft ones; I feel they do not contribute as much as they should."

There are many tests, demanded by the respondent, verifying the effectiveness of EU projects. This is not about tests but about frustration expressed in a criticism of the European Union. Initial expectations of deep change in social policy were not completely fulfilled.

4. Summary

The European Union spontaneously appears in statements of most respondents. Practically, everyone had indirect or direct contact with EU projects. However, knowledge about the operation of the European Union and its implementation of strategies is very limited. The EU, for most respondents, means additional financial means allocated in accordance with centrally established mechanisms. Everybody can see the effect they have on practically every aspect of life, social policy in particular. However, the effect of European monies is not clear. On the one hand, this brought new opportunities, which the institutions that realize the social policy did not have before, and on the other hand spending the funds does not solve any problems, as officials start to see. It turned out that the argument about insufficient funds to realize active social policy, repeated for many years, was not completely true. Administration mastered the complexity of project technique and managed with spending of funds. However, a problem occurred at the cognitive level – there were not good ideas as to how to effectively use granted funds. This was honestly admitted by one of the respondents:

"Accession to the EU resulted in having more funds, and more funds mean more people required to deal with distribution of these funds. Hence, some problems, during a period when we have a deficit of jobs Therefore, circumstances frustrating for all occurred, from the unemployed to politicians; everybody is unhappy since more monies appeared along with more opportunities, and effects ... are very limited. They must be limited, because the money itself does not solve problems, because there is a deficit of jobs and so these instruments do not develop the economy. So frustration occurs ... so what that we spent so much money, if there are still so many unemployed. So in terms of an even higher level of planning, perhaps we should think about how much funds there should be, and how much hard measures. Everybody is already complaining that there are not enough hard

measures, because there are e.g. too many opera facilities. It looks like our only problem is that we have an insufficient number of jobs in operas and concert halls."

The money itself did not solve problems. Respondents rarely see the source of problems in their limited competences. Also not many are willing to look for an explanation in the mechanisms of operation of the administration in Poland. The European Union turned out useful for comfortable legitimization of the status quo. The EU is generally indicated as the source of bureaucratization and the cause of all problems.

Analysing the cognitive usage of European Union one can observe a paradox resulting from the EU funds implemented in the social policy system at the local level. The European Union, treated opportunities – apart from finances – constitutes a significant element in the formation of relations between institutions responsible for the social policy. On the other hand, the EU is treated as constraints – it is generally referred to as the source of bureaucratic problems and serves as explanation of failures.

Annex 1

1. In your opinion, at which level is integration of social cohesion policies most present? (European, National, Regional, Local)

	1	2	3	4	N/A
European		9		6	
National	12	3			
Regional			9	6	
Local	3	3	6	3	

2. In your opinion at the local level, which of the following type of integration of social cohesion policies is *implemented* the most?

	1	2	3	4	N/A
European	3	9			3
National	9	3			3
Regional				12	3
Local			12		3

3. Could you rank the degree to which each kind of integration of social cohesion policies is implemented at the local level?

	1	2	3	N/A
Multi-level (between territorial levels)	15			
Multi-stakeholders (e.g. trade unions third, fourth sector, etc.)		9	6	
Multi-dimensional (e.g. between departments at the same territorial level)		6	9	

- 4a. Which *European resources* you (as a politician, bureaucrat, stakeholder, expert, etc.) consider as the most important for your work (cognitive, legal, political, economic, etc.)?

	1	2	3	4	N/A
Cognitive				3	6
Legal		6	3		6
Political		3	6		6
Economic	9				6
Other					

4b. Which is the level your organisation is cooperating the most with
(European, National, Regional, Local)

	1	2	3	4	N/A
European				15	
National		9	6		
Regional	3	6	6		
Local	12		3		

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Europeanisation French National Comparison

(Work Package 5 – French national comparison)

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1. Introduction

Academic researches have investigated the impact of Europe on national policies. It has revealed that it has a relatively weak influence (Graziano, 2012). The impact of the EU on local policies has been less analysed. Yet, in a context of an increasing interest of the European public authorities on subnational levels, this question appears important to address (Zimmermann, 2013). How does Europe impact – or not – subnational levels?

In this paper, we aim at analysing the “*mechanisms* through which the EU might affect more or less consistently the social cohesion policies of its member states, primarily at the local level” (WP5 theoretical framework). We will hence focus on the impact of Europe on the local level and we will try to explain that it “is not exclusively the EU impact on single policy fields but mostly whether and the extent to which organizational changes have occurred across various policy fields which go under the broader label of social cohesion” (WP5 framework).

When questioning local actors on Europe, we often noticed a lack of knowledge and of interest. The idea these actors have of Europe is blurred, complex, and leads to an attempt to avoid the issue. Yet, the need for European fundings and the awareness of its impact on the policies they are to implement and/or deliver constrain them to maintain certain knowledge on it. The main findings reveal that the influence of the European level on subnational levels varies according to several variables:

- The levels of public action: on policy development (national level), implementation (mostly regional), service delivery (local)
- Actors' positions: elected representatives, case managers, street level bureaucrats, etc. All have different stakes and belong to a different professional culture that may impact their perception of Europe and the way they use it or not.

In order to understand the different usages of European resources by local actors, we will first clarify the landscape by defining Europeanization, and setting it up in the French context. Then, we will address the usages in terms of policymaking, and of implementation / service delivery. The impact of Europe on local policies will be analysed. And to conclude, we will discuss the findings.

2. Europe and the local levels

This paper takes up the debate on the specific usages of European resources. The notion of usages is here understood as the social practices through which “actors *engage with, interpret, appropriate* or *ignore* the dynamics of European integration” (Woll and Jacquot 2010: 220). Hence, the notion of usages does not only refer to the institutional context, but also to actors' ability to “choose and learn and thus develop agency independent of structural conditions” (Woll and Jacquot 2010: 220). Thus, we do not only take into account policy instruments'

changes, but also the discursive, procedural, and cognitive dimensions of the change (Conter, 2012).

The French case highlighted a highly strategic usage of Europe, conceived as a mean to finance projects and/or organisations. This main usage is however not the only one. Indeed, other cognitive or legitimizing usages can be found, yet to a lesser extent and often related to fundings.

In this part, we will clarify the landscape through an analysis of the usages and resources of Europe at each level of public action (national, regional and local). It will enable us to grasp the institutional context in which interpretation, appropriation or refusal occurs (Woll and Jacquot 2012: 220).

Prior to describing the national (and infra national) context and to presenting the different kind of resources available, the concept of Europeanization should be defined. Increasingly used in the literature, it has been defined in several ways. Radaelli defined it as “a process of (a) construction, (b) diffusion, (c) institutionalization of formal and informal rules, procedures, policy paradigms, styles, ‘ways of doing things’ and shared beliefs and norms which are first defined and consolidated in the making of EU Public policy and politics and then incorporated in the logic of domestic discourses, political structures and public policies” (Radaelli, 2000: 4). Barbier explained that this concept usually does not enough take into account the cross influences and suggests defining it in the following way: “We shall consider “Europeanization” as the process by which national (and local/regional) politics, policies, polities, but also political cultures, discourses, ideologies, governance and government practices tend to lose their distinct national characteristics to new hybridized (=European) equivalents (politics, policies, etc.). This includes the impact of the EU policy process but goes beyond. In the domain of labour markets and social protection, the process of Europeanization tends to make these similar, resulting in the gradual construction of a “Europeanized” new common type. The counterfactuals of the new hybrid in construction lie in the existing national variety, a variety that has been commonly classified into “welfare”, or “labour market” “regimes”, or “varieties” (Esping-Andersen, 1990; Hall & Soskice, 2001). Because cross-influences are increasingly pregnant in Europe, among countries, and not only coming from “the EU policy process”, the assumption can be tested according to which these multiple cross-influences are gradually producing a new composite breed of policies, practices, values, norms and institutions” (Barbier, 2010). Finally (but not exhaustively), Graziano and Vink defined it as “domestic adaptation to European regional integration” (Vink and Graziano 2007: 7).

2.1 A comprehensive top down governance organized by levels of public action

Since the Lisbon European Council (2000), European strategic documents of the European Commission put the emphasis on the need to strengthen a strategic approach of social cohesion policies in order to foster a better integration of community priorities into national

and regional development programmes. This strategic approach of the European Commission is presented at both the European level (in community strategic guidelines on cohesion – CSG) and the national level (with the national strategic reference framework – NSRF) (Europact Operational Programme, 2007: 4). *“Good governance is essential at all levels for the successful implementation of cohesion policy. These strategic guidelines should take account of the role of a broadly drawn partnership in the elaboration and implementation of development strategies which is necessary in order to ensure that complex cohesion strategies can be managed successfully and of the need for quality and efficiency in the public sector”* (CSG, Official Journal of the European Union from 21.10.2006, (16): 12).

European guidelines and funds are structured in a way that covers many of the facets of the policy as illustrated by the European Social Funds’ example: principles of intervention and mode of selection, managing authority, indicators, budgetary envelop, monitoring and evaluation procedures, etc. It results in a hierarchical chain of guidelines documents (as mentioned in the CSG *“taking account of these strategic guidelines, each Member State should prepare its national strategic reference framework and the resulting operational programmes”* (CSG, Official Journal of the European Union from 21.10.2006, (17): 12)). These document are defined per level and always include several actors:

- **At the European level:**
 - o **Community Strategic Guidelines**, Official Journal of the European Union (2006)
 - o **Council Regulation**, Official Journal of the European Union (2006)

- **At the national level:**
 - o **National strategic reference framework** (2007): *“For 2007-2013, French authorities must, according to community regulations on cohesion policy, establish a National strategic reference framework for the intervention of the Funds (ESF and ERDF). This framework must define the strategic orientation in order to contribute to the social and economic cohesion policy and shall constitute an instrument of reference for preparing the programming of the Funds. The strategic orientations from which national and regional operational programme will be framed, are defined in the NSRF considering community orientations and obligations as well as local, regional and national policies”* (NSRF, 2007, p4) ¹
 - o **The National Reform Programme NRP** (programme national de réforme, PRN) is drawn up by each state. It relies on three principles: (1) the principle of diversity and subsidiarity, (2) the principle of reconciliation of the European strategy with growth and employment and (3) the principle of appropriation of the concrete progress in Europe. NRP are supposed to represent the way each

¹ <http://www.europe-en-france.gouv.fr/Centre-de-ressources/Ressources-reglementaires-et-strategiques/Cadre-de-reference-strategique-national-CRSN> (accessed march 20th 2013)

state will implement European strategies and recommendations into the national policies².

- **Regional or national:**

- o **Operational Programme:** managing authority's strategic document (2007-2013 mentioned by Article 32 du CE n°1083/2006).

Yet, the European Union does not have any legislative power on these issues: *“these strategic guidelines represent a single indicative framework which Member States and regions are invited to use when developing national and regional programmes, in particular with a view to assessing their contribution to the Community's objectives in terms of cohesion, growth and jobs”* (CSG, Official Journal of the European Union from 21.10.2006, (17) p12).

The development of these national and regional programmes relies on a complex multi-level stakeholders coordination process. For example, the national strategic reference framework, whose guidelines will affect both national and regional operational programmes, is based on an extensive consultation conducted by the Interministerial Delegation for Territorial Development and Regional Attractiveness, the former General Delegation for Employment and Professional training, the Ministry of Agriculture and Fishing, and the Ministry of Overseas Territories. The Interministerial Delegation for Regional Planning and Competitiveness and the General Secretariat for European Affairs set up a reflexion group with the related ministries, organisations of elected members and representatives of the Regional and General Councils (NSRF, 2007: 6-7). The Ministry of Finances, Economy and Employment established a special commission on the “employment package”³. This specific group gathers State representatives, Regional Councils, social partners, and organisations of elected members, heads of national NGOs network, and relevant representatives consular chambers (NSRF, 2007: 6).

As one can see, such framework relies on many instances and actors, which results in a complex coordination framework.

Europ'Act is a tool, financed by European funds, which purpose is to facilitate the implementation of such governance and the strategic management of social cohesion policies in France for 2007-2013.

The next European programming period (2014-2020) relies on three main dynamics⁴:

² <http://www.tresor.economie.gouv.fr/Programme-national-de-reforme> (accessed march 20th 2013)

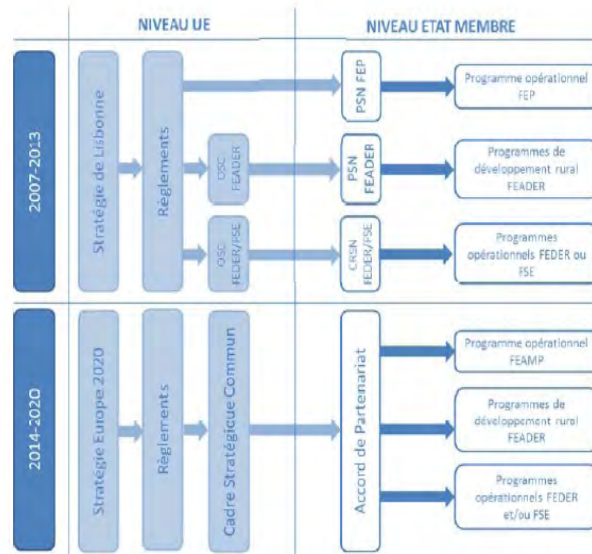
³ “The Employment package (launched April 2012) is a set of policy documents looking into how EU employment policies intersect with a number of other policy areas in support of smart, sustainable and inclusive growth. It identifies the EU's biggest job potential areas and the most effective ways for EU countries to create more jobs”, <http://ec.europa.eu/social/main.jsp?catId=1039&langId=en>

⁴ <http://www.partenariat20142020.fr/organisation.html> accessed le 22 mai 2013

- **A simplified organisation between European and National levels:**

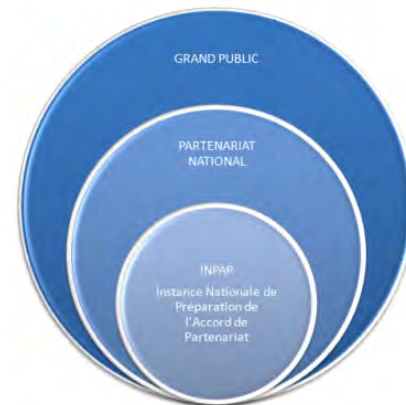
The coordination of the different policies occurs at three different levels:

- European: The common policy framework (Cadre Stratégique Commun - CSC) specifies the general strategy orientations, the Structural Funds' spheres of action and their coordinations;
- National: the partnership contract defines the common framework for the structural funds (ESF, ERDF, EAFRD and EFFMA)
- Programmes: promotion of operational synergies.



- **A policy coordination fostering multilevel coordination.**

However, even though a multi level dynamic is promoted, it falls within a framework characterized by a very large number of actors that may impede it (the national body for preparing the partnership agreement gathers 71 actors).



- **A more integrated approach** putting the emphasis on multi-level integration (as fostered by the article 5 of the draft of General Regulation – see below -, which refers to partnership and multi-level governance in all stages of design, implementation and monitoring of activities).

Article 5 of the draft General Regulation on partnership and multi-level governance⁵

For the Partnership Contract and each programme respectively, a Member State shall organise a partnership with the following partners:

- (a) Competent regional, local, urban and other public authorities;
- (b) Economic and social partners; and
- (c) Bodies representing civil society, including environmental partners, nongovernmental organisations, and bodies responsible for promoting equality and non-discrimination.

2. In accordance with the multi-level governance approach, the partners shall be involved by Member States in the preparation of Partnership Contracts and progress reports and in the preparation, implementation, monitoring and evaluation of programmes. The partners shall participate in the monitoring committees for programmes.

⁵ <http://ec.europa.eu/esf/BlobServlet?docId=233&langId=en> accessed June 3rd 2013

3. The Commission shall be empowered to adopt delegated acts in accordance with Article 142 to provide for a European code of conduct that lays down objectives and criteria to support the implementation of partnership and to facilitate the sharing of information, experience, results and good practices among Member States.

4. At least once a year, for each CSF Fund, the Commission shall consult the organisations which represent the partners at Union level on the implementation of support from the CSF Funds.

Source: <http://ec.europa.eu/esf/main.jsp?catId=67&langId=en&newsId=7956>

2.2 The regional level, the key level of the hourglass

A large part of the implementation process of both national and European guidelines occurs at the regional level. As described in the national strategic reference framework (NSRF), implementation requires coordination and partnership with local authorities: *“Partnership with local authorities is of paramount importance and shall be developed in the context of their new responsibilities and competences. This partnership covers the elaboration and the assessment of the national strategic reference framework as well as the elaboration, implementation, assessment of the operational programmes. All partners must be involved, especially the Regions, at every stage of the programming, as well as the State services, local authorities, social partners, consular chambers and NGOs. The operational setting of these partnerships will be defined in the operational programmes.”* (NSRF, 2007, p90)

What makes the regional level so meaningful? This can be explained by different variables that are shaped in an hourglass scheme: the regional level is a strategic level allowing the circulation of the guidelines and fundings between the highest levels and the local one. Besides, its importance has been reinforced in the recent debates about the management of European funds at a local level⁶ (April 2013).

- **Regional instances are the regulating authorities.** The Regional level is often perceived as the level responsible for the employment policies' implementation. Between 2006 and 2013, 85% of European Social Funds were though under the responsibility of the regional state representative (Préfet of Région). *“From the decision of the Inter-ministerial committee for territorial development and competitiveness of March 6th 2006, the national programme is “déconcentré”. This déconcentration results from: on the one hand an increasingly territorialized employment policy, and on the other hand the extensive competence devolved to local authority”* (PO FSE, 2007-2013: 8).

- **Operational multi-stakeholder integration at the regional level.** Indeed, the regional level is very often the operational level where programmes / projects / actions / steering committees and so on take place (for example, the territorial diagnosis that precedes the NSRF (NSRF, 2007: 8), the state-region contract⁷, regional planning committee with

⁶ http://circulaire.legifrance.gouv.fr/pdf/2013/04/cir_36859.pdf accessed le 22 mai 2013

⁷ <http://www.datar.gouv.fr/cper-20072013-orientations-et-domaines-de-contractualisation> and <http://www.datar.gouv.fr/contrats-etat-regions> accessed on March 20th 2013

thematic technical subcommittees, and regional management / monitoring / evaluation committees (PO FSE, 2007: 118)).

2.3 A strategic local level?

At the local level, our interviews shed light on almost exclusively strategic usages and resources of Europe. When talking about Europe, the emphasis was almost always put on European fundings.

As WP2 and WP4 demonstrated, the local level is mainly dedicated to implementation and service delivery and to a lesser extent to policy development. At this level, strategic resources and more often identified than cognitive ones that are mostly perceived as concerning the national level. Indeed, the impact of Europe on the local level is assimilated to either the fundings, or its side effects (evaluation, monitoring, etc.).

However, European policies generate concrete and symbolic resources, etc. (Conter, 2012). These elements are interpreted, selectionned by the different actors involved. It leads to the necessity to take into account the “political work” realised by these actors within the European construction process (Jacquot et Woll, 2004: 7). This “political work” concerns the translation of actors’ social position (institutional position, interests, values) into their practices (discourses, negotiations, decisions), even though some actors have only little discretion (Conter, 2012). Thus, even though the room for manoeuvre of local actors remains limited, they do not only have an executive role (Lipsky, 1980, Pressman/Wildavsky 1984). The decision-making facet of implementation and service delivery calls for a deeper analysis of Europeanisation of the local level. Indeed, they deal with national services that are impacted by European regulations. Hence, they are also impacted without always knowing it. These impacts are what the following empirical analysis aims at understanding.

3. Strategic usages of European resources

As already stated, one of the main issues addressed in this paper is the usage of European resources at the local level in France. The centralisation of employment and social cohesion policies (WP2, WP4) results in broad outlines in the following share of competences: policy development is mainly a national competence, and policy implementation and policy delivery are respectively a regional and local issue. Hence, one may wonder to what extent do the usages of European resources differ according to the policy phase. Policy development covers a much broader spectrum of usages than policy implementation through a strong impact of cognitive dimensions. Besides, our case studies showed strategic usages of European resources in both policy development and policy implementation, that is to say at the national, regional and local levels.

When addressing the question of the usages, we should remind the three main categories that were distinguished by Woll and Jacquot (2010):

(1) Cognitive usage:

- Ideas, expertise used by political entrepreneurs, advocacy coalitions, public policy networks, experts, etc.
- Cognitive resources aimed at influencing both political élites and the electorate/stakeholders

→ It corresponds to the persuading and interpretative contexts. It firstly seeks to facilitate the understanding and interpretation of a political issue. It also favours the spread of the concepts in order to reach common understandings of mutual stakes (Conter, 2012).

(2) Legitimizing usage

- Institutions, legal resources, budgetary resources, political resources used by bureaucratic actors and decision-makers
- Political resources aimed influencing the electorate/stakeholders

→ This approach aims at reinforcing the political legitimacy (Conter, 2012).

(3) Strategic usage

- Discursive reference to EU as a course of legitimation used by politicians and lobbyists
- Legal, financial, institutional resources aimed at influencing political élites

→ Such usage refers to the idea of taking advantage and transforming resources into political practises (Conter, 2012).

Table 1. Characteristics of the different types of usage

	Elements Used	Type of Actors	Political Work
Cognitive Usage	- Ideas - Expertise	- Political entrepreneurs - Advocacy coalitions - Public policy networks - Experts - Epistemic communities	- Argumentation - Framing of political action - Problem building
Strategic Usage	- Institutions - Legal resources - Budgetary resources - Political resources	- Bureaucratic actors - Decision-makers	- Resource mobilisation
Legitimizing Usage	- Public space - Discursive references	- Politicians - Lobbyists, special interests	- Justification - Deliberation

Source: Woll and Jacquot (2010)

3.1 Policy development process

Throughout the policy development process, European resources are mobilized by national and to some extents regional actors, but more rarely by other subnational actors. Addressing the usages of European resources in the policy development process by national actors will give some insights about the type of resources that are available and the way they are used.

We will address this issue with a set of questions:

- What kind of European resources, if any, do actors mobilize with respect to social cohesion and employment policies?
- For which purpose are these resources mostly used (organizational and/or policy change)?
- What kind of use is made ?

Funding, framing, regulation

As already mentioned, a broad-spectrum of resources⁸ are mobilized at the national level. We observe that the first set of resources falls under the scope of ‘ideas’ (such as targets, themes, criterion, etc.) and the changes of ‘framing of actions’ (the choice of the main level of action, the market-based approach, etc.). The comprehensive and hierarchized governance scheme previously presented represents an explanatory factor to explain these cognitive

⁸ Types of resources (Jacquot and Woll 2003, 2004; Woll and Jacquot 2010; Graziano, Jacquot and Pallier 2011):

- legal resources (legislation, case law, etc.),
 - financial resources (direct such as EU funds or indirect as budgetary constraints);
 - cognitive resources (ideas, communication, etc.),
 - political resources (blame avoidance, legitimation, etc.) and
 - institutional resources (committees, agencies, etc.),
- (WP5 theoretical framework, Oct. 2012)

usages of European resources as it helps the setting of a strong cognitive framework. The comprehensive strategy indeed facilitates the diffusion of a defined cognitive framework.

The second set of resources - as important as the first one - is the budgetary and legal resource. Indeed, most interviewees explained that these were the main reasons why they would 'use' Europe. One can thus assume that the change in the framing of actions and ideas is the result of European fundings. It would thus mean that it is a side effect of the strategic usages of European resources.

Using resources to change policy

Two kinds of changes can be distinguished: on the one hand, there are organisational changes, and on the other hand, there are policy changes. It appears that the ones we encounter the most are focused on the policy itself (its paradigm, and so on), while organisational changes are more often the consequence of the policy change than the main goal.

Policy changes imply that *the guiding principles, targets and thematic* may have slightly evolved at the local or regional level following national changes. The cognitive usages of resources such as ideas or expertise impact the way of framing issues and/or actions. For example, principle of complementary action and funding and subsidiarity impact the framing of *Pôle Emploi* actions at the regional level, but also its organisation (*Pôle Emploi*, regional level). With regards to target groups or areas (such as youth or seniors, leaving in specific areas called '*quartiers prioritaires*' - priority neighbourhoods), themes or principles of actions, interviewees observed a convergence between national / local resources and European ones: "*the European Union defines its objectives, which we find later... we find them in the orientations and priorities of actions financed through the ESF, so they appear through the objectives of ESF... So for some of the themes, priorities converge*".

For example, even if European objectives and directives « *result in our action but through national directives of our direction* », it really depends on interactions and relations between the national and the European level, and it impacts service delivery at the local level. "*For instance the exemption of unemployed senior citizens from the requirement to seek employment has been phased out with the European objective of an increased employment rate of seniors, or new action plan on seniors have been implemented on seniors citizen and that is what clearly is a European policy*".

Nevertheless, European objectives may also help to address new issues by focusing on specific / new principle and criterions. « *It is not only about fundings because they are thematics, targets or issues which we would probably have addressed to a lower extent... on gender equality, without Europe we would not have progressed that much* ».

Organisational changes are mainly related to *legal resource* and the ways of translating *European resources into national guideline*. As developed in the §2, the new generation of European fundings and programmes appears to be more influenced by European objectives of integration.

ESF Operation Programme at the crossroads of a multi-stakeholder and multi-level organisation (2007-2013)⁹

The ESF Operational Programme is set up by the Ministry in charge of Employment building on:

- **References in community texts** (Lisbon strategy, Council recommendations to France, Community strategic guidelines (2006), Council Regulation (2006) and **in national frameworks** (National reform programme, 2007; National strategic reference framework, 2007) and **on the assessment of programme funded by ESF**;
- **Regional contributions** to the national operational programmes established by the *Préfet of Région* (including a diagnosis, the strategy and the proposition for regional allocation of the funding as well as the proposition for regional partnership and the coordination with other fund (ERDF, EARFD for instance)
- **Summary of regional proposal** as the result of bilateral meeting organised with each Region in order to be consistent with national operational programme
- **Technical committees** with the main national partners
- **Interministry coordination meeting** under the auspices of the SGAE (*Secrétariat général aux affaires européennes*);
- **Conclusion of the national body of consultation** that met twice gathering state representatives, regional councils, social partners, associations of elected members, national NGO network head, and relevant representative consular chambers
- **And the result of ex ante assessments**

The main types of resources used in the policy development process mentioned in interviews were:

- First and mainly, budgetary resources that were mentioned by all interviewees, but also ideas and framing of actions (targets, thematics) but that were most of the time perceived as a resource used to reach the budgetary ones (if one want to get funds, he/she has to fit into and refer to European cognitive resources);
- and then, legal resources and institutions.

3.2 Policy implementation

In the field of social cohesion and employment policies, implementation and service delivery are often under the responsibility of the regional and local levels. Regional actors implement employment and social cohesion policy and local caseworkers provide and deliver actions/services. At these two levels, we observed very little knowledge of European Union's orientations. Apart from regional executives referring to specific European guidelines, to regulation of SSGIs (social service of general interest) or SGEIs (services of general economic interest), or one local city representative referring to integration, most of the interviewees refer to Europe, acknowledge Europeans resources yet without really understanding it. Either Europe is too far or / and caseworkers have no time to take interest while they have to address many other daily practical issues: *"we know that European directives will sooner or later impact our policies on our territory. Yes, but nevertheless Europe stay, well..., one has to say, a bit far, and once more it is not a criticism about Europe, it is not that we are not interested or that we do not want to work with Europe... but we are a very operational direction, once more we are fully focused on addressing our recipients' issues on a daily base"*.

⁹ PO FSE, 2007-2013, p9

In this context, what kind of resources do local actors mobilize?

Funding and references: displaying European resources

The same sets of resources are used in both implementation and service delivery: they are mainly budgetary, but also discursive, and to some extent framing the action. But the cognitive usage of targets or thematics in the framing of action for instance, or the legitimization usage of the European legal frame may also be a strategic. The lack of readability and detailed knowledge of the guidelines lead to what could be called a ‘soft’ cognitive usage. By this, we refer to a more discrete cognitive usage, meaning that actors use it without always being aware of it. *“Once I thought there was a European strategy for employment, a basic strategy, a few years ago I guess with the Luxembourg Summit, the famous... but, when you are on the field we have not readability on this...”*. But it seems important to display European resources and references: *“I think that there is a link, at least it is displayed but... I don’t really see it on the field”*.

Thus, the most important resource is fundings (especially the ESF). Precise knowledge on European resources such as fundings is considered useful, yet very specific and very strategic: *“the operational programme sets up the frame, it relies on European recommendations that we are going to explore and we are going to design project that fits because we need the funding. So yes there is an influence but an influence under obligation”*. It often occurs that the specific knowledge is outsourced (see §4).

However, the social project of Bordeaux (§4.1) represents a counter example of a multi dimensional and multi stakeholder project specifically referring to the European idea of integration.

The strategic usage of resources may lead to organisational changes

The strategic usage of the different resources aims at helping local and regional actors to achieve their agenda and reach their goals (see §4). Yet some organisational changes may arise. In our local case studies, organisational changes were mainly related to *legal resources* and new contractualisation patterns (from partners to co-contractors, see WP4).

It though encounters many challenges. For example, the intermediate bodies that benefit from ESF and manage both fund and project faced several organisational issues: *“ We have been orientated towards a more global subvention for the programming of 2007-2013 and since we are intermediate body... we... well we are not ready with our organisation to such a global subvention, with such level of requirement, more and more... binding control... we step out of such a global funding for a bilateral funding with ESF, that require that we select service provider through tender”*. Thus, it shows that organisational changes are not made because they are acknowledged as a way to face new challenges, but rather because local actors try to fit into European recommendations following a strategic dynamic. Hence, it shows the lack of a comprehensive strategy characterized by required changes instead of intentional ones promoted by Europe’s ‘soft governance’.

4. Broad-spectrum impacts of European resources on local social cohesion and employment policies

As already stated, our empirical investigations revealed the importance of the strategic usages of European resources at the local level. Interviews showed the scarcity of references to European guidelines and orientations. Indeed, local actors are not fully aware of these European strategies and guidelines with respect to employment and inclusive growth such as Europe 2020 strategy. Cognitive resources are either limited to the national level (ministry, national networks, etc.), or mobilized by regional actors, but very rarely at a more territorialized level (municipality, local NGOs, etc.).

Nevertheless, interviewees mentioned many impacts of Europe on management, engineering, formal requirement, bureaucracy, financing, human resources and so on. These impacts are most of the time perceived as constraints. Can it be explain by the little awareness on European resources? Why are EU resources more likely to be considered as constraints rather than opportunities?

Even when the purpose of the usage of Europe is strategic and aims at getting fundings – and therefore represents an opportunity -, it is still almost systematically presented at the same time as constraining. These are the following reasons that were mentionned:

- Funding come with side effects (control, rigidity, less discretion, etc.)
- The lack of understanding of European programmes
- Some impacts are not related to strategic usages. For example, SSGI and the regulation of state aid. These elements that are linked to Europe are perceived as complexifying the landscape and thus hindering the implementation of policies.

Nevertheless, actors use European resources and / or adapt them with respect to their own projects / actions in order to achieve their goals.

4.1 Role of EU on integration

The lack of awareness of Europe trends was highlighted when asking interviewees about integration. We meant to analyse whether EU is perceived as having a role for realizing integration (multi-level, multi-stakeholder, multi-dimensional).

Questioning integration was difficult to translate since integration is largely used in french (it often refers to the public action towards this integration of migrants, or to the social/professional insertion of individuals in the society). When asking: “does an overarching ‘integrated’ strategy between employment and other social policy areas exist for supporting disadvantaged groups locally?” (WP4 and WP5 research framework), the concept of

integration had to be defined. Then, it turned out to be first understood as a multi dimension approach, then as a multi stakeholder but rarely as a multi-level one.

These multi dimensional and multi stakeholder dynamics were not related to European guidelines, but rather to national prerogatives. For example, the promotion of multi dimensional integration is seen through two prisms: a national prerogative according to street level bureaucrats and local politicians, and with regards to the global approach implemented by caseworkers. But no interviewees assumed Europe was at the origin of the fostered multi dimensional dynamic.

Only one multi-level, dimensional and stakeholder project referred to integration as a European orientation: the social project of Bordeaux. Set up by the city, this is a three years plan of actions based on a state of the art and social diagnosis, the organisation of collective analysis based on consultation, and the writing of a shared plan of integrated actions to implement. The consultation is based on cross-sectoral thematic workshops (housing, childcare and family, precariousness, social link and ageing) involving everyone who is interested. *“At first I thought we needed a cross cutting approach: multi stakeholder and multi dimensional in order to take into account that the person we deal with is not only an unemployed, not only a parent or a student... He is everything. This integrated policy is important for us and to Europe that is keen on integration”.*

4.2 Link with local actors

This ‘soft awareness’ of European guidelines and orientations is characterized by very few specific references but a global discourse on the impact of the European strategy on the way local actors interact with Europe. We addressed two sets of questions dealing with the way local actors consider resources (opportunities of constraints):

- How local actors to pursue their own political agenda eventually transform these resources?
- How does their relation to Europe transform local actors?

Using European resources to fulfil a local political agenda

Few local actors deny any influence of European resources on their own agenda. Most of them rather shed light on the complex relationship they have with European resources (mainly budgetary and legal). They acknowledge the influence of European resources on their agenda, mainly on national agendas. They explain how they use legal resources and institutions to pursue their own agenda at the local level. *“We look for funds and programme that fit the best our project... and we try to find a budgetary line... we try to find our place in the OP rather than it orientates us in our local agenda...”.*

Transformations of local actors

Several facets of Europe arouse the interest of local actors. We have demonstrated that most of them are related to budgetary resources: being funded by European funds - or intending to be - impact local structures at different levels: management, engineering of projects, etc.

- **Handling internal organisation and external resources: more professionalization?**

The two main issues mentioned by the different categories of local actors (street level bureaucrats, caseworkers, etc.) are the impact on the internal organisation and the need to outsource some of the technical information related to European funding. Internal organisation may change in different ways or because of different reasons:

- Managing fundings:
Intermediate bodies: Some instances at the regional, departemental (such as Regional or General Council) or local level are intermediate body, such as the PLIE (local plan for integration and employment). As demonstrated in 3.2, some instances face important difficulties managing global subvention and tender as well, they thus globalize it.
- Managing call for tenders and public procurement:
Relations between state services and service providers have changed from a “*subvention type of scheme*” to a more contractual partnership. But relations between service providers have changed too. Some are intermediate bodies and thus contract with other providers they finance.
- Managing human resources:
Project management impacts human resource management. As pointed out by one caseworker: “*usually, ESF provides fund for project, with a due date. Thus we keep on managing projects so we can keep our staff and caseworker*”. Local service providers were unanimous pointing out the need for a new managing culture and professionalization and somehow the need of new competence inside (or outside) the structure.
- Outsourcing project management or resources on European guidelines: project engineering or reliable information on European resources often appear too complicated to deal with. Hence, local instances may prefer to outsource it (to national network head for example).

- **Engineering local projects with European funds: towards more uncertainty?**

All the interviewees insisted on the complexity, the burden of formality, the multiple levels of control and evaluation of European fundings. “*Seriously, team of caseworkers exert themselves, they can’t stand it anymore, and it’s complicated... the assessment, the control... payments are delayed and you are told to expect one more control... People are worn out*”.

As a result, a local service provider cannot implement a project with European funding on its own. Putting resources in common is thus necessary. As pointed out by interviewees, managing a European project is complex and risky because of several elements: “*first, implementing small local projects with European funds is complex, then, payment are*

postponed and offbeat, you get the funds four years after filling the application, so really it is not encouraging". A local organisation looking for European fund for a local project must:

- *“Be of a reasonable size”*: according to interviewees, a small organisation is unable to manage the administrative side of the European fundings. Indeed, in some regions, a minimum amount has been set up for small projects. In Aquitaine it is 23 000 euros. A project asking for less than this amount will not be reviewed. Side costs are mainly administrative and human resources ones.
- *“Be prepared to face delays in funding”*: *“most of the programmes are co-funded by the State and Europe, and engineered as a labyrinth system... it costs so much... it seems to me it is out of proportion, and the delays, the ‘cash timing difference’ ‘the cash flow impact’ is such that it can undermine the health of small organisations”*. Indeed, two recent reports of Europ’Act support this idea, as shown in the following table. As of February 1st 2013 only 36% of the ESF has been paid; this rate is up to 38% for the Regional competitiveness and employment objective¹⁰.

	ESF		FEDER	
	2012	2013	2012	2013
Programming rate	81%	94%	70%	81%
Payment rate	17%	36%	17%	35%

- *“Expect numerous controls and be ready to justify everything”*. As underlined by many actors, some of these levels of control are set up at the national level like an umbrella strategy: *“France adds up some obstacles, some keylocks”*. These controls are either administrative or related to the objective of the project. Some actors pointed out the importance of such evaluation on objectives and results: *“We have to specify the public and recipients, and then we have to provide services for these recipients. So it is easy to say we are going to support the seniors, but then you have to “localise” them, to understand and to organise the service to target them. That is a good thing”*(Pôle Emploi, local level).

Local actors mobilising European budgetary resources should expect some uncertainty on the project itself, and the organisation due to European but also national rules (level of control, “stop and go” of national, organisation of the decentralisation still in progress).

¹⁰ From the following documents DIACT, DATAR, Europ’Act, *Rapport stratégique 2012 sur la mise en œuvre du cadre de référence stratégique national et des programmes opérationnels 2007-2013*, Connaître les programmes européens, décembre 2012 : 64 ; and DIACT, DATAR, Europ’Act, *Etat d’avancement des programmes Européens, Etat financier au 1^{er} février 2013*, Connaître les programmes européens, 2013 : 4.

□

SSIG and uncertainty

Besides these changes that are related to budgetary resources, one legal facet is also debated and may interfere with the way local actors provide services, without any direct link with budgetary resources and European fundings: the SSGEI (social service of general economic interest) and SSGI (social service of general interest). They tend to change the relations between local actors and Europe toward a more structured relationship but at the same time toward more uncertainty.

The social services of general interest (SSGI) are an emerging category of services of general interest (SGI). SSGIs can be an economic or non-economic activity. The label ‘social’ does not prevent it from being an ‘economic activity’. Thus, some SSGI are SGEI - Services of General Economic Interest – and are defined by the European Commission “as economic activities which deliver outcomes in the overall public good that would not be supplied (or would be supplied under different conditions in terms of objective quality, safety, affordability, equal treatment or universal access) by the market without public intervention.” (European Commission, 2013: 21).



SSGI gather two types of social services:

- (1) Statutory and complementary social security schemes covering the main risks of life, such as those linked to health, ageing, occupational accidents, unemployment, retirement and disability,
- (2) And other essential services provided directly to the person “faced by personal challenges or crises (such as debt, unemployment, drug addiction or family breakdown” (European Commission, 2013: 22).

Several criteria help defining SSGI such as: solidarity, non-profit, involvement of volunteers, recipients, users and asymmetrical relationship between recipients and providers, free service. Yet based on the subsidiarity principle, each state defines the missions and obligations of their social services. In France, the scope of SSGI is wide and heterogeneous.

As long as there was no EU legislative framework applicable to SSGI, they were subject to the legal regime of SGI. SSGI could have been subject to rules on State aid control, rules on freedom to provide services and the liberalisation of these services, rules on requirement of prior notification, with risk of overcompensation, of incompatibility with Common law rules. Local, regional and national actors questioned the impact of these rules on the ways services can be organised and financed by public authorities in Member States, the modalities of selection of the service providers in case it is outsourced, and, more generally, the regulatory framework.

⁹The European Commission must ensure “that public funding granted for the provision of such services does not unduly distort competition in the single market”. But the Almunia package adopted in December 2011 and April 2012 provide new rules¹ and published a guide for the provision of social services². It provides guidance and explains how EU rules in the field of state aid, public procurement and the internal market apply to services of general economic interest (SGEI). In summary, “under the new rules, a public service compensation of an amount below €500,000 per undertaking over three years is deemed free of state aid. In addition, social services are exempted from the obligation of prior notification to the Commission, regardless of the amount of the compensation they receive. All other SGEIs are exempted provided the compensation amount is less than €15 million a year”³.

SSGI and SIEG were rarely mentioned by interviewees (3 out of 78 interviewees): *“I told Mr X., I told him, we are off topic we are above the minimi on our subvention and hum..., it is not okay... Answer? “We don’t care, it’s Europe”. So... I was like... « Yeah well, we don’t but... ».... So I was really interested in the last package on SSGI... but besides me, I don’t think anyone was interested. Europe is absent”.*

¹ see [IP/11/1571](#), [MEMO/11/929](#) and [IP/12/402](#)

² http://europa.eu/rapid/press-release_IP-13-123_en.htm

³ http://europa.eu/rapid/press-release_IP-13-123_en.htm

5. Discussion

5.1 Three case studies

An overall analysis shows that there is only little difference from one city to another. Indeed, we have identified the same usages of European resources in the three case studies. Nevertheless, there are some differences in terms of the extent each city uses European resources. Indeed, in Tours, the usage of European funds is less important than in other cities (the General Council – decentralised departmental instance – does not use any European funds for example). The main explanatory factor is the size of the city. It is not a regional capital, but only a departmental one. Hence, local and departmental actors explain that « *Europe is too complicated (...) it is not our culture* ». Regional and national instances are the ones considered strong enough to face European complexity.

All public authorities in the two regional capitals use the financial resources (not only the Regional Council, but also the General Council). We can assume that bigger cities are more able to deal with European funds (they have the knowledge and the means) and hence develop a local culture that is not reluctant to Europe, whereas smaller cities that less directly work with Europe do not develop such culture.

Socio economic datas do not seem to be a variable impacting the extent and kind of usages of European resources.

5.2 “Influence under obligation”

The influence of Europe at the local level in France is relatively weak. Only very few local actors are aware of European strategies and guidelines and it is related to strategic needs and/or personal interest.

European guidelines and orientations are not well known, and local actors get interested about them when required, meaning when they need to fit into these guidelines and orientations to get fundings.

Thus, strategic usage of resources is the main kind of usage. The cognitive usage is a side effect of the strategic one. And the legitimizing usage is less usual. It has mainly been identified in the national employment agencies to explain their management schemes (notably regarding its governance schemes, its choice of targets, and increasing sanctions). Hence, it seeks to explain national changes and is not directly used by subnational levels.

The resources used by local actors are heterogenous. At the local level, they are mostly used to fit into European recommendations in order to get fundings. Hence, they are conceived as constraints more than opportunities. Yet, when the resources are used to increase the knowledge on Europe and to learn about good practices and recommendations, resources are then conceived as opportunities. It is more rare and it is the result of an individual variable.

National policymakers more than by implementers and service providers use European resources. Indeed, as the strategic usage is predominant and aims at getting funds, it concerns the policy development. Implementers and service providers follow nationally defined frames.

They have to follow national policies that were influenced by European trends. Often, these trends are related to increasing quantitative evaluations, sanctions, etc., which explain why local actors perceive European cognitive and financial resources as constraints.

	Elements used	Main Usages
Policy Development	<ul style="list-style-type: none"> → Mainly budgetary resources But also to some extent → Ideas (targets, themes) → Framing of actions: main level of action (regional), market-based approach 	<ul style="list-style-type: none"> → Strategic usage (budgetary resource, legal resource) → Legitimizing usage (ideas, framing of actions) – Pôle Emploi
Policy implementation	<ul style="list-style-type: none"> → Very little knowledge of EU's orientations → Mainly budgetary → and to some extent framing of actions (targets, themes) 	<ul style="list-style-type: none"> → Strategic Usage (budgetary resource, legal resource)

Impact on		Reasons
Their agenda	<ul style="list-style-type: none"> → Not really at the local level To some extent targets and themes 	<ul style="list-style-type: none"> → Top down dynamic → Influence of the national level
Their organisation Their actions	<ul style="list-style-type: none"> → Need for ESF project manager → Funding based on projects, and thereby limited in time. It means that positions and actions are unsustainable → Requires treasury → Focused → Co-funding 	<ul style="list-style-type: none"> → Complexity → Many controls → Delay of payment

Subnational authorities are of an increasing interest for Europe through promoting their involvement in employment and social cohesion policies. Even though local actors in France still ignore Europe when they can, and use it only when strategically needed, many acknowledge that it would be interesting to deepen their knowledge of Europe. Finally, we have been able to observe a somehow feared relation to Europe at the local level. This distrust

is counterbalanced by an increasing need to use European resources and a growing understanding of its possible benefits (cognitive and strategic).

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Europeanization: The Swedish Case (WP 5-report)

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List of Acronyms

CSO (Civil Society Organization)

EES (European Employment Strategy)

ESF (European Social Fund)

ESFN (European Social Franchising Network)

OMC (Open Method of Coordination)

PES (Public Employment Service)

SSIA (Swedish Social Insurance Agency)

Introduction

Impact of Europeanization on the local level is mainly mediated by the national level. Thus, local actors can be more influenced by 'Europe' than they are aware of. As we will see, the European dimension of activation and social cohesion is by and large invisible at local level in Sweden, which of course does not mean that it is non-existent or non-influential. Rather than making an impact assessment, however, this paper takes an actor-centred approach to Europeanization and looks at the active 'usage of Europe' (Jacquot & Woll 2003) or, alternatively, its 'non-usage'. To what extent are EU resources – legal, political, financial or cognitive resources – used at local level in the three cities studied (Nacka, Trollhättan and Örebro) in the field of activation and social cohesion policy?

Previous research (e.g. Jacobsson 2005) has emphasized the good 'fit' between the European Employment Strategy and the Swedish labour market policy approaches. The European strategies have brought little new in terms of policy thinking. Also the ambition of policy integration and coordinated policy delivery has a long tradition in Sweden. Even so, it is an open and empirical question to what extent actors locally are aware of the EU processes and to what extent they actively make use of resources provided by the EU level.

In Sweden, labour market policy is a centralized policy field; policies are articulated by the national government and implemented by the local offices of the Public Employment Service (PES). However, municipalities are also engaged in activation, mainly related to clients on social assistance. This means that in fact a dual system of activation policies exists (see Bengtsson & Jacobsson 2013, Garsten, Hollertz, Jacobsson 2013). A constitutional right to local autonomy also counteracts any attempts to make municipalities mere implementers of national policy. Given this local variation, it is also interesting to compare local policy approaches in municipalities within Sweden.

Methodology

The analysis is based on qualitative interviews with practitioners and policy-makers in three municipalities (Nacka, Trollhättan and Örebro). In total 44 interviews have been made and questions about the EU and the ESF have been posed to most of them. In addition, a questionnaire has been answered by at least 10 informants per municipality, by the categories of interviewees that we expected to be most able to answer them. In some cases, the questionnaires were filled in by the informants, in other cases by the interviewer based on the informant's answers. However, the informants found the questionnaire extremely difficult to answer. They did not understand the questions about integration, and they typically found the European level irrelevant for policy coordination.¹ Most of them seem not to have thought about it before. They felt that they were expected to answer question about things about which they had no knowledge, some perceived it as some kind of knowledge test and others as a meaningless 'paper exercise'. Just to illustrate, one informant when asked if she was aware of

¹ The practitioner's concept used in Swedish is *samverkan*, which means something in between coordination and cooperation. Policy integration is not a practitioner's concept in Sweden.

any European processes or European initiatives that affect their work locally, the response was: “What do you mean?”. Another one responded: “I never thought of that”. Thus, awareness of the EU is very limited at local level, which of course does not mean that the EU is not influential.

The questionnaire answers are reported in appendix. However, these answers should be interpreted with caution, as we think there are validity problems (i.e. the questions do not always measure what they were intended to measure). Another indication of this is the high numbers of N/A answers (for some questions). Instead we have inserted quite a lot of interview quotes to provide more valid answers, from which to draw an analysis of the usage or non-usage of European resources at the local level.

Nacka

The interviewed actors locally in Nacka were not aware of any particular influence of the EU on their work. Without exception in their questionnaire responses, they consider the European level the least relevant for policy coordination and the local level the most relevant one. Without exception they consider the impact from the EU on their work to be mainly economical – through the availability of EU funds, while the legal dimension is seen as the least important and the political and ideational impact somewhere in between.

Despite the fact that the local actors associate the EU with economic resources, Nacka municipality has not been involved in an ESF-funded project. This has been a deliberate choice (i.e. they deliberately ignore this potential European resource). The main reason stated is the fact that the EU projects are too bureaucratic and time-consuming an exercise to be worthwhile. Some interviewees state that a previous chief administrator in the municipality was downright negative to EU project and that the municipality might consider participation in a EU project in the future. Another reason for opting out of EU funds stated in the interviews is the fact that the requirements are not well adapted to the target group in question; more precisely, the EU projects require full-time participation in the programmes while the target groups typically do not have full work capacity and do not fulfill the requirement. (Other municipalities are said to 'solve' this issue by counting part-time participation as full-time. Whether this is true or not is beyond our knowledge.) Since economic resources are not perceived to be a major problem for the local work, Nacka does not have enough incentive to participate in EU projects.

A neighbour municipality, Värmdö, however, is involved in several projects and some of our informants are informed about them. The SSIA (Swedish Social Insurance Agency) is involved in them, as they have both Värmdö and Nacka as catchment-area. Two interviewed staff at the SSIA state that the advantage with the projects is that they can fund somewhat more costly activities, which the ordinary work cannot afford. The projects have been targeted to people with psychological disabilities and the experiences are good, according to these informants. Staff trainings on this topic have been appreciated. Also the projects have enabled method development. A disadvantage stated, however, is that it has turned out difficult to implement

afterwards the new forms of working and collaborating in the ordinary activities, partly because those activities are typically more costly.

Here follows some typical voices from our interviews in Nacka:

We have never been a project owner but we have been involved anyway in the rigorous administration that those projects generate. It is a lot of paper forms. And there are a lot of questions around the actual presence of the participants (SSIA)

What I have been saying when this issue comes up is that it requires a lot of time for that [to apply for EU funding] and if you are to enter this you should be aware of that and use help and support from others. I have done that in my earlier jobs but it should be a conscious decision - not just to try to get some money from the ESF. That is my view on this. You must have done the analysis that it adds something. It will be more work compared to what we do now, with not so many more employed (Välfärd in Nacka, coordination union)

It is much too complicated to apply for EU funds, it requires so much administration and it is so long-winded to run ESF projects. I know because I have been involved [...] I considered once to start my own social enterprise but stepped back because this application procedure and the administration is so extensive and take so much time and resources from oneself [...] There are so many bureaucratic hinders in the EU's social fund projects and in projects in general (private coach)

In our case we have not had the capability, will, motivation to run an EU project. It is supposed to be something beyond the regular work. And we are fully busy with the regular work (PES).

I think [about EU projects] that you have to apply for means all the time and to write applications and there is a huge machine around all that. It is good that it gives the chance to try new things but you never know if it will be possible to continue afterwards, in the regular work (SSIA)

There some examples if ideational exchanges and learning from the EU-funded projects that other municipalities are involved in:

We are not participating but we collect experiences [...] we collect ideas and experiences from several ESF-funded projects (Välfärd in Nacka, coordination union)

Another respondent stated:

I don't know anything [about European initiatives]. There must be work going on around Europe, other countries that have come up with methods we are unaware of, we can't be best at everything. There must be a need for learning. (Municipality)

One informant from a social cooperative mentioned ESFN (European Social Franchising Network), which tries to diffuse good examples of social enterprising. She explicitly tries to learn from other countries, such as Britain, by collecting experiences from her networks and diffuse them in her Swedish network.

However one informant (PES) says that it is difficult to import solutions from other countries. She has been on a study visit in Denmark for instance but thought that it would be difficult to implement the same things in Sweden.

A politician in Nacka mentions that they are part of a European network, Edge cities network, which tries to spread ideas about innovations. It is a knowledge exchange. He also mentions that the municipality is constrained by European legislation in the case of public procurement, but that they try to get around that law by using the voucher system.

In summary, there is little active 'usage of Europe' in the case of Nacka municipality: there is some cognitive usage through ideational exchanges and a deliberate opting out of EU funded project. Indirectly they are probably influenced by transnational discourses on activation but most notably by the Alliance government's (centre-right) interpretation of the work strategy.

Örebro

The stakeholders in Örebro are engaged in several ESF-funded projects. One ESF-project consists of with six municipalities cooperating. Target group is long-term unemployed in the age group 29-64. This is a continuation of an earlier project, targeted at young people. In Örebro, it is a collaboration of PES and the municipality (social assistance). Most clients come from social assistance and some from PES. Their benefits are counted as co-founding for the project, which is why only clients lifting benefits can participate. The projects try to have an individualised approach and clients every week sit down and plan their activities for the coming week, based on their needs or interests. Thus, participation is built on choice and the project only wants to provide activities that the participants see as meaningful. Participants are seen as responsible persons able to think and plan for themselves, while provided with support /scaffolding. However, if they would decline participation in the project, their benefits might be withdrawn. In order to learn about the ways of working in other of the six cooperating municipalities, the project staff has developed a system of 'job shadowing', i.e. following each other during one or two working days.

When asked about advantages with EU-projects, the following informant mentions the possibility to try new ways of working:

"[It is] very exciting and to have this opportunity to test new innovative ideas, to get more free leeway, also financially (...) to get space for more costly attempts". (project coordinator ESF project)

The flipside of the coin is the administration, that diverts a lot of time which could instead have been spent on client-related work. She also mentions the strict requirements of reporting participants' presence, and they only get paid for the time that the participants are actually there. They also have to follow strict rules, for instance they are not allowed to serve coffee for free; only if cooking is part of a training can they serve food. That is, detailed regulation can be annoying.

The possibility to develop new methods and try test new ways of working is another advantage with ESF projects, pointed to by other interviewees too:

“Imagine that you get money to work with this and you don’t need to know [the results] until after two years, by then we should hopefully have developed what we think is a good method. We don’t need to have all ideas from the start. That is the advantage with an ESF project, that you get a chance to try, to test, to twist and turn and document it all throughout the process. Now we test this, now we change into this. That is positive. We get the chance to buy external services that we do not usually do”. (official municipality)

The informant points to both the freedom and the additional resources provided by ESF projects. This on the other hand is also a problem, since afterwards they may not have the resources to continue to use the new methods and ways of working in the regular work.

Another advantage stated is the fact that ESF projects force various parties to cooperate, which that may have not done otherwise. The flipside, again, is the “extreme administration” and “Stalin-like control”; this is considered so serious *“that we seriously consider never to apply for ESF money again because it is not worth the work effort* (official, Örebro municipality). This view is confirmed by an interviewee at PES in Örebro; she is against applying for ESF projects in the future because of the administrative workload: *“Everything has become more complicated with accounts, reporting, follow-up, dealing with contracts, decision-making”* (PES).

Another problem reported with ESF projects is that the benefit lifted by the client is counted as co-financing and the payment from the ESF is related to the number of participants. If a client gets a job and disappears, this is perceived as a problem and not a success (because of the financial loss). Only those with benefits can take part in EU-projects. As one informant puts it:

”We cannot count as co-financing other than the time they are actually in the project [...] and that is a big problem [...] the participants live with their life situation 24 hours a day, 7 days a week but only those 40 hours count and moreover this must be documented [...] in order to make means and ends meet we almost have to have group activity 8 hours a day” (project manager, ESF-project, Örebro)

This informants mention that certain clients only have the strength to participate one hour a day, and then they only get one 1/8 refunding, i.e. hardly anything, and then the means do not meet ends. (This was precisely why Nacka municipality opted out of running ESF-projects, because this requirement does not fit well the with target group’s needs and capacities; see above). Moreover, days when the participants are ill or have to stay at home with children who are ill, the project receives no refunding. The ESF project coordinator in Örebro says that the rules are such that they almost invite ‘cheating’ in one way or another. She adds that she is asking herself whether it is really worth the effort to run an ESF project. Even if the will of all involved and the stated goal is to develop new methods and ways of working to be used later in the regular work *“we to such a high extent organize ourselves in order to fulfill the ESF rules that what we reach will not be interesting for the regular work, if I am to put it at its*

edge” (ESF coordinator, Örebro). In summary, in Örebro, the EU is seen as, and used as, an economic resource, even though the informants have doubts as to whether it is worthwhile or not.

There are some signs of ideational inspiration from Europe, if not necessarily from the EU (thus cognitive usage), as is also reflected in the questionnaire (see appendix). The PES in Örebro has received trainees from other countries, such as Germany and Holland. The informant at PES in Örebro expresses the conviction that European discourses, e.g. about people at risk, have effects on them. About possible legal influence, she is more hesitant (as are the other informants according to the questionnaire). Moreover, a civil society organization engaged in a partnership, engaging public and private actors to work with long-term unemployed, is part of a European network for community development. An ESF project coordinator was going to Denmark and Holland for a transnational exchange organized by the ESF central office. A private company, European Minds, help organize such transnational exchanges and learning to foster method development.

Trollhättan

In Trollhättan municipality, the EU is considered a potential resource, primarily financially but also cognitively. They have there a long experience of running EU-funded projects. Trollhättan municipality early got engaged in getting EU grants; even before EU membership (1994) they had started to prepare the ground for receiving grants.

Currently, the municipality and the PES together run an ESF-funded project, targeted at young people, most of which have some kind of disability (called *Göra skillnad, Making a Difference*). Previously they had another ESF-project targeted at young people as well (*Ungdomslyftet, the Youth Lift*). The current project is built upon a 4 weeks long introduction, followed by traineeship. A project managers says: *”I think it gives a wonderful opportunity to test new things that we have not tried before”*.

A representative of the coordination union, on the other hand, says that the coordination union has tried to keep ESF-projects *”on an arms-length distance”* as they do not fit their target group. Their participants would only be able to participate so little as not to make ends and means meet - and wouldn't even cover the costs for administration (cf. above). ESF-projects require almost full-time participation in order to be economically sustainable.

Another problem mentioned in Trollhättan as well is the fact that EU-funded projects typically do not continue after the project period ends. Also *”very good projects”* are then *”just gone”* (representative, coordination union). A person at Trollhättan municipality, who has been involved in EU-funded projects for decades, only can recall two or three cases where ESF-funded projects continued as part of the regular work after the project period ended. One reason is (again) that they are more staff-intensive and therefore too expensive for the regular work. He says that *”we apply for this money [ESF] precisely because we don't have the resources otherwise”*. How can we then continue afterwards?, is the question implicated in

this remark. Moreover, the *”awful administration”* and the problem with financing are mentioned as problems with EU-projects also in Trollhättan.

Trollhättan municipality has an international coordinator employed, but he works with international issues more broadly, and when he works with EU-related issues, it is more related to regional development rather than ESF. His work is targeted at promoting international companies and business on issues related to establishment in the town and co-financing, project development and creation of markets in other countries for local products. The staff working on ESF-projects has had less use of this international coordinator, according to our interviews. He is also engaged in European exchanges of experiences; they are part of a network called Sern, to diffuse experiences from EU-funded projects (<http://www.sern.eu/sern/index.htm>). They are also engaged in the Europe for Citizens initiative. Thus, knowledge, ideas and experiences – alongside with financial means – are considered important European resources by Trollhättan municipality. There is an expressed interest in learning from others: *“One doesn’t have to invent the wheel twice”*, as the international coordinator put it in the interview. This international coordinator actively follows the development of EU strategies, such as EU 2020; in order to see what openings for funding they provide. The fact that both himself and one man at the municipalities’ labour market unit have long experience of EU-projects facilitates the work; the capacity for make use of the European resources available seems dependent on individuals with interest and knowledge about the EU system. Some municipalities have those persons in their organization, others don’t.

The usage of EU economic resources can thus be said to be episodic; when a possibility arise and when one has a specific problem to solve, it is considered. However, if the resources do not match an identified need (such as the identified target-group), other domestic avenues and resources are used instead.

Summary and conclusion

Given that the fit between EU policies and the Swedish policy approaches were already considerable and that organizational partnerships and coordination practices have been long established in Sweden at local level, there is no reason to see the EU as driving these developments or as spurring organizational or policy change locally.

Our three case-studies shows that knowledge about the EES has to a little extent 'trickled down' to the local level (and the OMC social inclusion even less so; it came up in no interview). Local actors are by and large not aware of EU processes or initiatives. The EU is present in their awareness as a provider of funding through the ESF. ESF projects are perceived as useful (mainly for experiments and method development) but with a too high administrative 'price tag' attached to them. Often they are also too costly to be implemented in the regular work afterwards, which decreases their potential relevance for local practice. The stakeholders in Nacka have decided to stay out of ESF-projects, the stakeholders in Örebro are engaged in ESF projects but express doubts as to whether it is really worthwhile and

stakeholders in Trollhättan are slightly more positive as to their participation in ESF projects, based on long experience of such participation. In order to be able to make use of this potential financial resource, previous experience and skills in project administration is needed, which is available in some of the studied municipalities (Trollhättan) more than others (Nacka). The ESF-funded projects seem primarily to compensate for the lack of resources in the regular work of the organizations in question. Because they have more resources at their disposal, ESF-projects enable more individualized approaches in relation to the target group. The target groups are mostly persons with complex problems and little attachment to the labour market, such as persons with psychological problems. For this group, the standardized interventions of the PES are less suitable. The ‘projectification’ of these measures, however means that there risk being little continuity, and the projects run typically have little effects on the regular work after the project period (as they are typically more staff-intensive and costly). The same de-coupling of ESF-funded projects from the regular work that we found has recently been confirmed in an evaluation of ESF-projects in Sweden, summarized as ‘Temporary organizations for permanent problems’ (Ungdomsstyrelsen 2012).

There are examples of local actors participating in trans-national learning exercises and exchanges of experiences, knowledge and ideas which can be directly or indirectly related to the EU, which indicates cognitive usage. Also related to cognitive or discursive impact and usage: labour migration and mobility are two issues that informants associate to the European level. European labour market policy discourses, however, have limited impact on the day-to-day work locally: For instance, employability is not a policy concept used locally but rather ‘work capacity’ and ‘to be in activity’, ‘to be active’ or ‘to participate in activities’. As one informant said: *”activities we talk about. Not to be passive but to be active, those terms we use”* (SSIA, Örebro). Activation as used in academic discourse is not a practitioner’s concept in Sweden. Even so, stricter activation principles have been implemented in Sweden the last decade across policy fields, in the unemployment insurance, as well as in the health insurance and the Social Service Act (see Bengtsson & Jacobsson 2013). However, in the local work and discourse, to be active in one way or another is what is important, as a first step to get closer to the labour market. Likewise, partnership is not a practitioner’s concept in Sweden; the established term is *samverkan*, understood as cooperation/coordination. This has a long tradition in Sweden, preceding the EU membership and processes. At national level in Sweden, there have been recent reforms to achieve coordination across policy fields and to avoid that individuals ‘fall between the cracks’ and to foster inter-agency cooperation and partnerships (see Bengtsson & Jacobsson 2013), such as the coordination unions (see Garsten, Hollertz, Jacobsson 2013). This is in line with EU policy but not necessarily driven by EU policy; rather, we would argue that it is national policy needs that have been the decisive factor for this.

As the EU is not very present in discourses locally, we have found no evidence of blaming the EU, neither of justification or legitimation with reference to the EU. We have not found any use of the EU as political or institutional resource. We have found little evidence of the EU playing a role in policy development at local level. However, the EU, through the ESF-projects, do fill a role in policy delivery. This role is mainly to cover up for failures in regular

service delivery and to provide additional resources which can be spent a freer way than in the regular work. As approaches developed in ESF-projects typically are not implemented in the regular work afterwards, the impact of the EU on day-to-day work remains limited.

The local level is where the informants, with only a few exceptions, consider policy integration and coordination useful and appropriate. This finding is to be expected; informants tell about their daily work and the EU level seems to them too abstract and far away. The national policy level, on the other hand, is seen as relevant, besides the local level. The European level is seen, with only a few exceptional voices, as irrelevant for policy integration and coordination.

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Appendix Compilation of questionnaire responses: Trollhättan, Örebro och Nacka

Interviewees:

	Organisation	Nacka	Örebro	Trollhättan
1	PES	PES official in charge of coordination	PES official in charge of coordination	PES official in charge of coordination
2	PES	Head of local PES office	Head of local PES office	Head of local PES office
3	Coordination Union		Project manager, Coordination union	Project manager, Coordination union
4	SSIA	Head of local SSIA office and in charge of coordination	Head of local SSIA office and in charge of coordination	SSIA, Head regional area
5	SSIA	SSIA case worker		SSIA Head of Unit
6	Municipality	Head of Unit, labour market department	Head of Unit, labour market department	Head of Unit, labour market department
7	Municipality	Head of Unit Social assistance		Head of Unit Social assistance
8	Municipality			Case-worker Social assistance in charge of coordination
9	Municipality	Politician	Politician	Politician
10	ESF		Project manager ESF (municipality)	International coordinator (municipality)
11	ESF		ESF project coordinator (municipality)	Project manager, ESF (municipality)
12	Other	Eductus (private company)		Verdandi, CSO
13	Other			Coordinator, ESF – regional office

Comments:

The interviewees are numbered according to organizational belonging (nr 9 is politician and nr 1 represents PES etc). It is therefore possible to identify who responded what (below).

Two different questionnaires were used. The informants in Trollhättan answered the first questionnaire while the informants in Nacka and Örebro responded to the revised questionnaire which was circulated after interviews had already begun. Therefore the Trollhättan responses are treated separately below.

1. In your opinion, at which level is integration of social cohesion policies most present?
(European, National, Regional, Local)

Nacka					
	1	2	3	4	N/A
European			6	1,2,4,5,9,12	7
National	2,4,5	1,6,7,9	12		
Regional		5,12	1,2, 4,9	6	7
Local	1,6,7,9,12	2,4	5,		

Örebro					
	1	2	3	4	N/A
European	11	6,10	9	1, 2,3,4	
National	3,4	2,9,10	1,6		11
Regional			2,3,4	6,9	1,10,11
Local	1,2,6,9,10,11	3,4			

2. In your opinion at the local level, which of the following type of integration of social cohesion policies is *implemented* the most?

Nacka					
	1	2	3	4	N/A
European				1,2,4,5,6,7,9	
National		2,4,6,7,9	1,5		
Regional		1, 5,	2,4,6,7,9		
Local	1,2,4,5,6,7,9,12				

Örebro					
	1	2	3	4	N/A
European				2,3,4,6,9	10,11
National	4	1,2,9	3,6		10,11
Regional	6	3	2,4,9		10,11
Local	1, 2,3,9,10	4,6			

3. Could you rank the degree to which each kind of integration of social cohesion policies is implemented at the local level?

NACKA	1	2	3	4	N/A
Multi-level	4,6	1,5,7,9			2,12
Multi-stakeholders	1,2,5,6,7,9,12	4			
Multi-dimensional	6		1,4,5,7,9		2,12

ÖREBRO	1	2	3	4	N/A
Multi-level	1, 11	3,4,6,9,	10		2
Multi-stakeholders	2,3,4,6,10		1, 9,11		
Multi-dimensional	9,	1,10,11	3,4,6		2

Comment: we think some informants misinterpreted the question, for instance by referring to public-public cooperation as multi-stakeholder (rather than public-private).

4. a Which *European resources* you (as a politician, bureaucrat, stakeholder, expert, etc.) consider as the most important for your work (cognitive, legal, political, economic, etc.)?

NACKA	1	2	3	4	N/A
a) Cognitive		47	29		1, 5
b) Legal				2479	1, 5
c) Political		29	4,7		1, 5
d) Economic	124679,12				5

ÖREBRO	1	2	3	4	N/A
a) Cognitive	6	3,9,10,11	2	1,4	
b) Legal			1,4,6	2,3	10,11
c) Political		1,2,4,11	3	6	10
d) Economic	1,2,3,4,9,10,11				6

4. b Which is the level your organisation is cooperating the most with?

NACKA	1	2	3	4	N/A
European				4,5,6,7,9	
National	1,2	4,6,7,9	5		
Regional		5,	4,6,7,9		
Local	1,2,4,5,6,7,9,12				

ÖREBRO	1	2	3	4	N/A
European	11	10		1, 2,3,4,6,9	
National	4	1, 2,11	3,6,9,10		
Regional		3,6,9,10,11	1, 2,4		
Local	1, 2,3,6,9,10	4			

Trollhättan (first version of the questionnaire)

1.1 In your opinion at which level are coordination structures more efficient:

Trollhättan					
	1	2	3	4	N/A
Eur	11		6,10	4,9	1,2,3,5,7,8
nat	11	7,8,10,12	1,2,3,4,5,9	6	
reg	10,11	1,2,3,4,5,6,7,9,12,13	8		
loc	1,2,3,4,5,6,7,8,9,13	11	12	10	

1.2 In your opinion at which level is cooperation between institutions and within the same institution stressed the most:

Trollhättan					
	1	2	3	4	N/A
Eur	11	10,13	6	4	1,2,3,5,7,8,9,12
nat	3,9,10,11,12,13	2,7,8	1,4,5	6	
reg	3,4,11	1,5,6	2,7,8,9,12,13	10	
loc	1,2,5,6,7,8	4,9,11,12	10	13	

1.3 At which level is your organisation cooperating the most with:

Trollhättan					
	1	2	3	4	N/A
Eur		6	11	4,9,12,13	1,2,3,5,7,12
nat		3	1,2,4,5,6,7,8,9,12,13	11,	
reg	3	1,2,4,5,6,7,8,9,11,12,13			
loc	1,2,3,4,5,6,7,8,9,10,11,12,13				

1.4 Which level is cooperation easier to accomplish with:

Trollhättan					
	1	2	3	4	N/A
Eur		10		4,7,8,9	1,2,3,5,6,11,13
nat	5,10,12		1,2,3,4,7,8,9		6,11
reg	11	1,2,3,4,6,7,8,9,12	5,10		
loc	1,2,3,4,6,7,8,9	5,11	13	10	

1.5 In your opinion at which level is integration across policy fields implemented the most?

Trollhättan					
	1	2	3	4	N/A
Eur	3		10	1,4,6,7,8,11,12,13	2,5,9
nat	3,4,6,8,12	4,5,7,9,10	1,2,11,13		
reg	3,5,10	1,2,4,6,11,13	7,8,9,12		
loc	1,2,3,7,9,11,13	8,12	4,5,6	10	

1.6 In your opinion what is the level which concretely contributes to achieving more integration across the policy fields:

Trollhättan					
	1	2	3	4	N/A
Eur	3		10	1,2,4,6,7, 8,11,12, 13	5,9
nat	3,4,6,8,12	7,9,10	1,2,11,13		
reg	3,5,10	1,2,4,5,6,7,11,13	8,9,12		
loc	1,2,3,7,9,11,13	8,12	4,5,6	10	



Deliverable 5.1

German Report on the Europeanisation of Local Social Cohesion Policies

Project acronym: LOCALISE

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Coordinating Organisation: CARL VON OSSIETZKY UNIVERSITAET OLDENBURG (CETRO)

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Usages of Europe in German Municipalities

Local Social and Employment Policies in a Multilevel Game

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Introduction

Since the launch of the European Employment Strategy in 1994, employment has become one of the main priorities of European policies. One of the overall aims is to increase employment rates by labour market integration of vulnerable groups. Nevertheless, the European Union does not have legislative power in this field. In order to achieve greater coordination of national employment policies, the Open Method of Coordination (OMC) was introduced in EU employment policies (Heidenreich/Bischoff 2008). The OMC focuses on ‘soft’ governance modes such as reporting, benchmarking, best practice exchange or recommendations. Its aim is to achieve greater coherence among member states without relying on legal pressure. In the framework of the Lisbon strategy, European employment policies were introduced in a broader context, a process which has been intensified in the context of Europe2020, the current EU strategy. Here, employment is closely linked to economic policies and is integrated in a comprehensive governance framework, the European Semester.

Research on the impact of European employment policies showed that the effect of ‘soft’ coordinating instruments remains limited to single aspects (Graziano 2012, Zirra 2010). European governance mechanisms seem to be rather ineffective or at least weak in achieving an overall coherence of national employment policies. However, measuring the impact of European policies and governance structures is an ambitious task, as several scholars state (Haverland 2007). By now, comprehensive approaches have been developed to measure the process of institutional change caused by Europe usually understood as ‘Europeanisation’. The majority of these approaches focus on the Europeanisation of the national level, although there are a number of studies analysing EU-impact on the local level (among others: Verschraegen et al. 2011). Most theoretical approaches remain national-centred. Nevertheless, subnational institutions are mostly constructed as framing the Europeanisation process as ‘mediating institutions’ (Mastenbroek/Kaeding 2006, Bache 2008) or as ‘domestic variables’ (Caporaso 2007, Bulmer 2007), but not being subject of the research itself. Taking into account that the subnational level gained increasing attention from behalf of the European Union, as outlined above, the question remains whether previous studies on the impact of European employment policies may have underestimated the multi-level context of Europeanisation. How do European employment policies affect the local level?

This paper takes up the debate on Europeanisation of employment policies. However, it does not focus on the impact and the institutional change at the local level but looks the usage of European programmes by actors at the lowest administrative unit: the local level. In order to adequately analyse subnational usages, in a first step a theoretical framework will be provided, which will then – after a brief presentation of the research design and methods – be applied to the empirical findings in three local entities in Germany. In a comparative discussion, we will outline the main results before concluding the paper.

Local Usages of Europe in Social and Employment Policies¹

As mentioned above, European Employment policies mainly exist since the launch of the European Employment Strategy (EES) 1997. Since then, employment policies at the European level have been extended and embedded in broader contexts such as the Lisbon Strategy, Europe2020 and the European Semester. When we speak of European social and employment policies, we refer to all European targets, programmes and governance tools aiming at accomplishing the overall EU social and employment priorities of *increasing employment and worker mobility, to improve the quality of jobs and, working conditions, to inform and consult workers, to combat poverty and social exclusion, to promote equality between men and women, and to modernise social protection system* (EU 2013 b).

However, the European Union does not have legislative power in the majority of these issues. Coordination among member states' social- and employment policies is driven by 'soft' governance forms such as recommendations, reporting or benchmarking, and there is no formal commitment for the member states towards what has been formulated at the European level. The Lisbon Strategy, the Europe2020 strategy and especially the European Semester aim at strengthening these soft governance forms by a comprehensive framework with several tools in order to achieve greater coordination of member states' policies. In addition, in the field of social and employment policies, the targeting of the European Social Fund towards the EU employment priorities underlines this aim, including a stronger focus on the partnership approach and interlinked policy fields (EU COM 2010). Furthermore, we can observe an increasing relevance of the subnational level in European policies (among others: EU COM 2010) during the last years. Direct interaction between the European and the local level has been strengthened especially in the framework of the implementation of the ESF, but as well of other some elements of the European Semester.

Therefore, the question remains how the local level is affected by European social and employment policies. Based on a neo-institutionalist view focussing on individual action causing institutional change, Woll and Jaquot develop their approach on 'usages of Europe' (Woll/Jaquot 2003, 2010). They categorize these usages according to their functionality and identify three types: cognitive usage, strategic usage and legitimating usage:

Cognitive usage refers to the understanding and interpretation of a political subject and is most common in when issues are being defined or need to be discussed, so that ideas serve as persuasion mechanism. *Strategic usages* refer to the pursuit of clearly defined goals by trying to influence policy decision or one's room for manoeuvre, helping to aggregate interests and to build coalition of heterogeneous actors – be it by increasing one's access to the policy process or the number of political tools available. It is the most common of all types and occurs typically in the middle of the political process, once all stakes are clearly defined. *Legitimating usage* occur when political decisions need to be communicated and justified. Actors rely on the image of 'Europe' to communicate implicit content or employ related discursive figures such as 'the European interest', 'European constraints', 'the application of the Maastricht criteria' to legitimate political choices. (Woll/Jaquot 2010: 7)

¹ This section is mainly based on a theoretical background paper on local usages of Europe in social cohesion policies, written by Serida Catalano and Paolo Graziano (Catalano/Graziano 2013)

As the authors state, different types of actors make use of different elements, such as ideas, institutions, legal and budgetary resources or discursive references (Woll/Jaquot 2010). Nevertheless, predefining actors linked to specific usages implies the danger of narrowing the research perspective.

As Catalano and Graziano (2013b) propose, usages cannot only be classified according to their functionality, but as well in terms of the type of resource which is used and the audience which is targeted by the usage. While cognitive usage uses cognitive EU resources such as communications, ideas or discourses (Graziano et al 2011:10) which aim at influencing both political élites and the electorates/stakeholders, legitimizing usage refers to political resources such as argumentation, blame avoidance mechanisms or multilevel games (Graziano et al 2011), aiming at influencing as well the electorate and stakeholders. Strategic usage uses legal, financial and institutional European resources in order to influence political élites. Nevertheless, for the study of usages of Europe at the local level, we have to take into account specific characteristics of subnational levels. The local level has its own logic in the context of policy making and administration in all European countries. Depending on the institutional frameworks, the local level has more or less legislative or administrative responsibilities. Though, as previous research showed (Berthet/Bourgeois 2012), employment policies are in many European countries formulated at the national level, while subnational levels have only limited policy formulating competences but are responsible for implementation. Furthermore, service delivery as a last step in policy implementation is in almost all countries organised at the lowest administrative level, since it requires direct contact with the users of public or private services, e.g. unemployed persons, training measures participants, drug counselling clients etc. It is therefore the local level where distribution of social and employment policies is in action (Kazepov 2010). If we want to study the lowest administrative unit as a subject of Europeanisation, we need to take into account this implementation and service delivering task, since it implies the involvement of different actors and organisations, and happens against a different institutional background as Europeanisation of national policies does.

Taking into account these characteristics of the local level, research on local usages of Europe calls for a differentiated analysis of usages at the different stages of the policy cycle: policy formulation, policy implementation and service delivery need to be analysed. Policy formulation is understood as the process of defining political aims and formulating them in concrete programmes (laws, regulations, budgets, plans...). Implementation means the (mostly bureaucratic) ascertainment of these programmes (Schubert/Bandelow 2003), while service delivery refers to the specific delivery of the different element of the programmes, if it contains services. In contrast to implementation, service delivery requires direct contact with the service recipient. Although service delivery and implementation seem to be the most relevant tasks at the local level, policy formulation might be of certain importance too, depending on local room for manoeuvre. Analysing the usages of Europe not on the basis of types of actors linked to specific usages (Woll/Jaquot 2010) but with regard to the stage of the policy cycle in which they take place can therefore enable us to identify specific characteristics of the local level.

Based on the assumptions that (1) the local arena of social and employment policies is dominated by implementation and service delivery and (2) local actors in service delivery aim at resource mobilisation due to their institutional setting, we can expect strategic usage of European institutions, legal resources, budgetary resources and political resources to be the most dominant type of usage in local social and employment policies.

Methods and Research Design

In order to test the hypothesis whether strategic usage of European resources is the dominant type at the local level in social and employment policies, we accomplished in-depth case studies in three local entities in Germany. We chose a most different case selection design regarding labour market and economic situation, which will enable us to identify intervening variables influencing the usage of European resources.

All local cases are urban areas with a similar size: between 130.000 and 220.000 inhabitants. They do not have regional legislative competencies² but are responsible for municipal policy making to a certain extent, as will be depicted below. The first case is a city with a well-performing labour market and economic situation, as Table 1 shows. Unemployment and long-term unemployment rates are low compared to the national average and a lack of skilled workers can be stated. The GDP is quite high. In the second case, we can observe an average socio-economic situation. Unemployment and long-term unemployment rates are slightly below the national average, as well as the at-risk-of poverty rate (cf. Table 1). The third case is underperforming regarding its labour market and economic situation, as Table 1 illustrates: unemployment and long-term unemployment rates are much higher than the national average, as well as the at-risk-of-poverty-rate, which is at about 20%. The GDP in 2009 was significantly below the national average.

The cases do not only differ regarding their socio-economic conditions but as well represent different regional areas, which influences the available ESF-funding.³ The first case – the well-performing one – is located in the south of Germany, in Bavaria. Bavaria receives in the programming period 2007-2013 the lowest ESF-funding per inhabitant compared to all German regions (cf. Table 1). The average case is part of Lower Saxony, Northern Germany. The ESF-Operational Programme of Lower Saxony has a budget of 447101707€ in 2007-2013, which is less than the national average, but average compared to all ‘competitiveness-and employment-regions’ (see below). The third case is located in Saxony-Anhalt in Eastern Germany. Saxony-Anhalt is – as all former GDR-regions and one region in West Germany – a ‘convergence-

² as for example capitals of regions – *Bundesländer* – would have

³ The amount of funding which a region receives depends on its economic situation. Four different funding categories exist: Convergence regions, phasing-out regions, phasing-in regions and competitive-and-employment regions. Convergence regions are regions with a GDP of less than 75% of the EU25 average. Phasing-out regions show a GDP of more than 75% of the EU25 average but less than 75% of the EU15 average. Phasing-in regions have a GDP of less than 75% of the EU15 average in the funding period 2000-2006 but higher than 75% of the EU15 average in the funding period 2007-2013. Competitive-and-employment regions are all other regions. In convergence regions, up to 85% of project costs can be funded by the ESF, while it is usually only up to 50% in competitive-and-employment regions.

region'. Due to this fact, its ESF-budget 2007-2013 is very high: 278,36 € per inhabitant (Table 1).

Table 1: Socio-economic background and ESF-funding of investigated cases

	Underperforming case	Average case	Best-performing case	Germany
Bundesland/Region	Saxony-Anhalt	Lower-Saxony	Bavaria	-
Unemployment rate (% , 2010, Eurostat)	11,4	6	5,2	7,1
Long-term unemployment rate (in % of total unemployment, 2011, Eurostat)	60,56	45,48	37,51	47,97
GDP (in € per inhabitant, Eurostat)	22800	35300	43600	29000
At-risk-of-poverty-rate (in % of population, 2010, Eurostat)	19,8	15,6	12,8	15,6
Regional ESF-budget 2007-2013 total in €	643930752 (convergence region)	447101707	310059703	9380654763
Regional ESF-budget 2007-2013 in € per inhabitants⁴	278,36	56,49	24,61	114,61

Source: Eurostat, destatis, EU COM 2013, own calculations

In these three cases – one underperforming, one average and one best-performing with regard to the labour market situation – in-depth qualitative case studies on the usages of European resources have been accomplished. Based on the assumption that the organization of activation policy on the local level constitutes a social field (Fligstein and McAdam 2011), the field was investigated by looking at its institutional preconstruction (document analysis of local policy-making) and by interviewing persons actively constructing the field (expert interviews with local policy actors). As experts, local policy actors were considered who because of their job/involvement have privileged access to knowledge about the activities within the field (Meuser and Nagel 2009), on the one hand, and who have the opportunity of influencing these activities (Bogner and Menz 2002), on the other. In total, about 70 expert interviews have been conducted with stakeholders of local employment policies: local policy makers, public administration, training providers, social partners, service providers, welfare associations, EU-funding consultants and other actors. All interviews were recorded and transcribed and content analysis was computer based (MAX QDA). For the interpretation of the data, the method of qualitative content analysis (Mayring 2003) was used.

The Usages of European Resources in German Municipalities

⁴ Inhabitants 31.12.2011, destatis (German public statistical office)

Germany is a federal country. Policy formulation in employment policies takes place mainly at the national level, while the regional level has some additional competences. The local level as lowest administrative level – mainly the municipalities – is only partly involved in employment policies: both urban or rural economic development and different aspects of social policies are mostly designed at the local level and show several interfaces with employment policies. Especially since the Hartz-reforms 2003-2005 which merged the former unemployment assistance and the social assistance into a minimum income scheme for unemployed capable of work but not entitled to unemployment insurance, local social services are more closely linked to unemployment protection. The minimum income scheme (UB II, *Arbeitslosengeld II*) is tax-financed, needs-tested, flat-rate and entails the delivery of services such as psych-social counselling or debt-counselling, as well as support for childcare or housing if necessary. Social services in general, but as well those linked to the minimum income scheme are provided by municipal public authorities or - in most of the cases – by Welfare Associations or other providers (private, social partners' related etc.). The minimum income for persons capable of work is administrated and delivered by local Jobcenters, which are in most of the cases⁵ jointly governed by the municipality and the local Employment Agency.

Local Employment Agencies are branches of the Federal Employment Agency, a public body under tripartite self-government. The local Employment Agencies are to some extent responsible for a limited local policy-making in employment policies within the national framework. Here, they often cooperate closely with chambers and social partners. The Federal Employment Agency is at the national level involved in policy designing in employment issues in the field of the relatively status protecting (provision limited to one year), contribution-financed unemployment insurance (UB I, *Arbeitslosengeld I*), and is responsible for implementation and service delivery of both unemployment insurance and – together with the municipalities – the minimum income scheme in most cases. From a broader perspective, the minimum income for persons capable of work is a long-term unemployment scheme⁶, while the unemployment insurance scheme is for short-term unemployed. Both schemes differ with regards to the activation principle and their set of measures: while the minimum income scheme follows a relatively strict activation principle (Eichhorst et al 2008) by underlining the enabling measures (such as provision of vocational training or social services) with demanding elements like sanctions, stricter availability criteria or individual activity requirements (Eichhorst et al 2008), the activation principle in the unemployment insurance scheme is low. It focuses on job counselling, placement and vocational training, whereas the minimum income aims at decreasing individual placement obstacles, among others by the provision of the above mentioned social services, often in the framework of target group approaches.

⁵ 108 municipalities are solely responsible for the provision of UB II, without an institutional link to the local Employment Agencies.

⁶ Although the majority of minimum income/UB II-recipients is unemployed for one year or longer, among the total number of beneficiaries is as well a high number of persons receiving additional benefits due to low wages or persons who are short-term unemployed but are not entitled to unemployment insurance since they have not paid contributions due to low salaries or other reasons.

Local Case Studies

In this subsection, we will analyse the usage of different European resources in three local entities in the framework of the outlined German multi-level and two-tier context of social and employment policies. What kinds of European resources are used? What actors use which resources? Which resources are used in what circumstances? These questions shall be targeted in the analysis in order to test the hypothesis whether strategic usage of European resources is the dominant type at the local level in social and employment policies.

Underperforming Case

In the underperforming case, we can observe a strong focus on local policies, although regional development is perceived as important and linked to employment. Nevertheless, due to high unemployment and a weak economic situation, local social policies are at the top of the agenda and addressed by a number of strategic and integrated programmes. The public administration is a dominant actor with strong influence on local policy formulation, implementation and as well service delivery. In addition – and due to the high share of minimum income recipients – the local Jobcenter is a very large organisation, well embedded in local networks and local policy making, while the local Employment Agency is of less relevance beyond benefit provision and administration. Providers (third sector and private) of social services are well-established and closely linked to the Jobcenter. Chambers are of certain relevance in the field of urban economic development, but their link to other local actors in social and employment policies is limited.

With regard to the usage of European resources, we can observe a clear difference between different types of actors and the different stages of the policy cycle.

At the policy making level, Europe does not seem to be relevant at all. Like in the following example, policy-makers in social and employment policies do not actively use EU-resources.

Interviewer: *Are European issues relevant for your work?* **Interviewee;** *I have to admit, very little, only this project I already mentioned [refers to a single ESF-project she is aware of] (Local left-wing politician).*

On the other hand, we could observe a high relevance of EU resources at the implementation- and especially the service delivery level, although the usage depends on the type of actors. For the chambers, European issues are of a relative high relevance. They are aware of the European Employment Strategy and the benchmarking and reporting tools, and are well informed about European policies due to information infrastructure of their representations at higher political levels. EU regulations are partly relevant for them, as well as European exchange programmes or similar: *When we deal with Europe in the context of vocational training, then it is of course LEONARDO, exchange programme in vocational training (Chamber of industry and commerce).* This is similar for the local Employment Agency. Here, European employment policies are at least not unknown: [...] *Lisbon strategy, employment guidelines, well, yes, we compare our performance in the European context (local Employment Agency).* Recognition of foreign vocational certificates and European job brokerage were mentioned as relevant issues,

too. Nevertheless, although interviewees from chambers and local Employment Agency were aware of the European policies, these policies do not play a crucial role in their everyday work. The usage by these actors of the mentioned legal European resources (regulations, benchmarks, reporting etc.) is a strategic one. Furthermore, the actors are highly aware of European financial resources, mainly the European Social Fund. Nevertheless, while the chambers use the ESF to some extent, the local Employment Agency almost does not use this financial resource since the programmatic approach of the ESF, focusing on vulnerable groups, does not correspond with the target group of the unemployment insurance scheme (short-term unemployed, mostly easy to integrate). As an interviewee from the local Employment Agency put it: *in the SGB II [minimum income scheme] there is more ESF-funding, they deal more with it due to the target group programmes (local Employment Agency).*

Although the Jobcenter itself is only involved as a co-funding actor⁷, ESF-funding in the broader framework of the minimum income (provision of social services) is of crucial relevance for all service delivering actors. Very often, European funding was the only European resource mentioned by interviewees in the Jobcenter, public authorities, Welfare Associations or private providers: *I think Europe does not reach the local level. No, it does not. No one involved in local employment policies cares what happens at the European level, only – as you already said, ESF – the funding schemes are relevant. (welfare association).* The ESF is a crucial financing instrument for a broad range of local services, and a very high number of stakeholders in the field of local social and employment policies is at least to some extent involved in an European project.

Nevertheless, the availability of co-funding⁸ was mentioned as a problem by some actors: *[...] and you need to have in mind: with each Euro we invest in co-funding we really have to think over whether it makes sense (Municipality).* Even more problematic seem to be the complex and bureaucratic application- and implementation processes of ESF-projects: *Well, if you don't have people who are 100% experts and wrote such an application a 199,000 times, you are beyond any hope (municipal office for employment provision).* However, both co-funding and bureaucracy are not serious obstacles towards the usage of the financial resources. Due to the internal logic of the ESF funding scheme, co-funding in the underperforming case is quite low compared to other regions (mainly 20% of the total project costs), which makes it easier especially for smaller providers to apply for ESF-funding. In addition, although applying for funds is a highly specialized issue and needs certain knowledge and infrastructure, this administrative capacity has been built up within the organisations: *As I already said: if there is*

⁷ In Germany, it has become very common to cover the obligatory co-funding (the project costs not covered by the ESF) by unemployment (or mostly minimum income) benefits. This implies that the public employment services are project partners and pay benefits to participants in ESF-projects. The leading project partner is mostly a service or training provider.

⁸ The ESF does not fund complete projects but is based on the principle of additionally: funds can only be paid in addition to a co-funding from the member states. For convergence-regions, the EU pays up to 85% of project costs, while in competitiveness- and- employment-regions 50% co-funding is the usual rate. Applicants need to ensure the existence of co-funding before submitting a project proposal.

a chance to get ESF funding, we are quite well informed and trained. [...] There was a large training session offered by the Federation of Voluntary Welfare Organisations. [...]. And when it comes to an application, we get in touch with a colleague from the regional association who has the necessary know-how [...] and she can go the hard way with us (Welfare Association). Larger training providers often have similar infrastructure like the one mentioned by the interviewee. Specialized staff for consulting or administrative support is quite common among providers. This kind of infrastructure is to some extent provided by municipal and regional public actors, too.

The usage of the ESF as a direct financial resource is completely strategic. Resource mobilisation is the main aim of the service delivering actors. In most of the cases, actors apply for programmes which fit into their general objectives: *[...] of course sometimes you try something new [in ESF-applications], but we don't apply for all one is worth and afterwards just manage to implement it, as other providers seem to do. But we try to focus on what we have done by now with good success, so that we can go on with it (Private training provider).*

To sum up, while we cannot identify usage at the policy formulation level, the ESF as a financial resource is very present at the service delivery level and used by almost all actors. Legal resources such as regulations, benchmarking etc. are mainly used at the implementation level and in the chambers and the local Employment Agency, both actors which deal mostly with short-term unemployed or no unemployed at all. These actors only use financial resources in a very limited way. On the other hand, for actors involved in implementation and delivery of the de facto long-term unemployment scheme (the minimum income scheme/UBII), the strategic use of the ESF is of high relevance.

Average Case

In the average case, social and employment policies are only partially at the top of the political agenda and labour market issues are very limited targeted by local policy making. Urban development is of high relevance but does not include a clear focus on social and employment policies. Nevertheless, we can observe a high number of well-embedded and highly interlinked actors at the implementation- and service delivery level. Informal relations partly based on corporatist partnerships are often the basis for close cooperation among social partners, training providers, Jobcenter, chambers, Welfare Association or with the local Employment Agency. The public administration (mainly the social department) has certain influence on policy making and is well integrated in local networks at all stages of the policy cycle. Nevertheless, we cannot observe a clear strategy towards unemployment at the administrative level. The local Employment Agency is of relevance for certain demand-side labour market issues and is connected to regional labour market actors (employers, social partners, chambers). The Jobcenter is mainly involved in implementation and service delivery (and has very close contacts to delivering organisations), although we could observe certain influence on policy making in single aspects such as housing policies.

At the policy making level, European policies seem to be at least recognized, although their usage is very limited. Politicians and other policy makers refer to the European Social fund as

relevant European resource, while other EU issues such as legal regulations seem to be realized as having limited importance for local policies.

Similar to the situation in the underperforming case, the chambers in the average case show higher usage of European resources as other actors. Interviewees state that European policies such as mobility regulations are relevant for their everyday work. Due to their institutional structure, they have links to Brussels via their umbrella organisations. Here, not only the distribution of information is relevant, but local actors seem to use cognitive resources such as the EU discourse on the recognition of foreign qualifications and comparable standards on qualifications: *Interviewee: Yes, with these qualification standards, [...] yes, it reaches us, the European thoughts and those European ideas [...] Interviewer: Is it relevant for your everyday-work? Interviewee: Yes, it is, I really think it is helpful (chamber of crafts).* Furthermore, European exchanges in the field of workers' mobility was mentioned. With regard to the usage of the ESF as a financial resource, we could observe a clear split: while one chamber decided not to apply for ES funding, the other one uses it. As a reason for the non-usage, the representative from the chamber of industry and commerce mentioned the complex administrative structures: *The background [of the decision not to apply for ESF-funding] is, that the framework of this external funding is insomuch absurd that you don't have time to work (chamber of industry and commerce).* The other chamber has specialized staff for application and administration of ESF and other external (co-)funded projects.

For the local Employment Agency, European policies are perceived as highly relevant: *well, Europe plays a role for the recognition of foreign qualifications. And Europe plays a role as labour market for high-qualified persons. And Europe plays a role regarding inter-governmental and European agreements on social security. In the field of rights of residence, in the field of mobility of skilled workers, or Blue-Card or Green-Card, and so you can see that Europe is relevant [for us]. [...] and the European Social Fund plays a role in terms of short-time work and qualification [...] these are fields where the ESF is relevant in SGBIII [unemployment insurance scheme] (local Employment Agency).* We can therefore observe usage of at least legal and financial resources, although the usage of the ESF is limited, according to the interviewee. However, the usages of the European resources by the local Employment Agency seem to remain at the strategic level.

In the public administration (social department) we can observe a similar situation. Although European policies are perceived as 'always out there', and actors are quite aware of them, they are not relevant for the actual work of the social department. In the case of the local Jobcenter, we can only observe strategic usage of financial resources: *Well, they [European issues] play a minor role. No, they are not relevant in everyday work. But they play a larger role when it comes to EU-funding (CEO Jobcenter).* However, as in the underperforming case, the Jobcenter is only involved in ESF-project as co-funding partner and does not apply for projects itself. One of the main reasons to participate in such projects is the cost-saving factor. Nevertheless, the innovative aspect of ESF programmes is as well a main driver for the Jobcenter. National instruments are partially perceived as rigid and not always applicable, while ESF-projects allow for a greater discretion in terms of measures: *[... our interest is] to*

save funds, we cannot deny it. So that we try to apply for project which we couldn't do by ourselves due to a lack of money or while the contents do not fit into our instruments, this is as well a very important thing. And yes, the ideas we implement in such a project are simply different to what we always do in our repertory (Jobcenter). Similar intentions can be observed for training providers: *[ESF projects] are where everything – or almost everything – what happens in terms of real innovation or where you can try something new (social partners' related training institute).*

However, administrative burdens of the ESF are a crucial factor. All interviewees complain about the complex application and implementation processes: *it is an enormous effort [ESF-projects]. And there is a lot of competition [...] and to be honest, I can't manage to write proposals the whole time, I simply can't manage (migrants' department).* Due to this administrative obstacles, we can observe a clear split in the service delivering landscape in the average case: while larger organisations with better administrative capacity and often specialized staff use the ESF regularly and intensively, smaller organisations and providers try to avoid to get in touch with it: **Interviewee:** *For me it is definitely an obstacle which I can't overcome just as simple [...]. And for this [writing ESF-proposals] I would need to take a few weeks off, got to a monastery or something, I don't know. Interviewer:* *But there are organisations with own staff only for those funds. Interviewee:* *Yes, but our umbrella organisation is not very large, so they can't afford such a department which is solely responsible for external funding. It is actually a shame. (Welfare Association).* For smaller organisations, the availability of the necessary co-funding (which is usually 50% of the total project costs) is very often a problem: *One of the main problems is – and every provider says that – the high level of co-financing. If you want to do something in the context of European funding, you always have to bring your own funds or other external funds (Social-democratic municipal politician).*

To sum up, both strategic usage of legal regulations and benchmarks, best practices etc., and – limited – cognitive usage of European discourses are observable at the policy formulation and the implementation level. Nevertheless, usage of European resources is most present at the service delivery level and is here limited to strategic usage of the ESF as a financial resource. However, especially smaller actors do not use the ESF due to administrative obstacles and a lack of co-financing.

Well-performing Case

In the well-performing case, employment is at the top of the political agenda. However, the focus is not on long-term unemployment or activation, but on economic growth, urban development and a lack of skilled workers. Therefore, the link between economics and employment at the policy making level is much stronger than the one between social and employment policies. The local Jobcenter is very small, due to the low number of minimum income/UB II recipients. It is only involved in service delivering tasks and has a narrow scope of action, although a strong focus on an efficient link between social and employment services is observable. Providers of social services are well-established at the service-delivery level, but

have almost no influence on policy formulation. On the other hand, the local Employment Agency, social partners, chambers and employers are stakeholder with high influence and close contacts among each other. This is not only the case at the municipal level: actors are strongly oriented towards a regional cooperation and well embedded in the policy formulation context. Municipal politicians are often in close contact with these economic/labour market actors, while social issues do not play a significant role for them. In addition, the level of the *Bundesland*, Bavaria, provides several multi-level opportunities such as round tables, information networks, contact points etc. in order to bring together actors of different regions, but as well to link the different political levels – including Europe.

Both the relatively strong multi-level orientation and the relevance of certain actors such as social partners or the chambers have crucial influence on the usage of European resources in the well-performing case. Here, usages at the policy formulation level and the implementation level are quite visible. A (one-man) public EU office has been recently installed at a high level in the public administration, which is responsible for the provision of relevant information about the EU and contact to the Bavarian representation in Brussels, but as well for identifying relevant political issues to communicate towards higher or lower levels. This public EU-office is well-known among most actors in policy formulation and implementation. In addition, the above mentioned Bavarian multi-level opportunities were often mentioned: *[we have contacts] via the Bavarian Association of Cities. And we have this Bavarian EU office in Brussels [...] they do really a great job there [...] (public EU office)*. Although these structures are not established by the EU itself they can be understood as European institutions, which means that we can observe cognitive and strategic usage of European institutional resources. Furthermore, actors in the field of employment and economic policies are in general interested and informed about European policies: *My task is somehow a result of European legislation, if you want to put it that way (BCA⁹ local Employment Agency)*. More than in the other cases, actors perceive European issues as relevant for their own work: *I mean, when we as a trade union now get active in question of European social policies, then we do it in the framework of our internal governance structures (Trade union)*. Here, we can as well observe mostly a cognitive or strategic use of institutional but as well legal, strategic and cognitive resources (European exchanges, discourses on qualifications etc.).

As in the other cases, the chambers show a relatively high usage of different European resources and are embedded in multi-level contacts: *so, let's take for example the European framework of qualifications, this is important for all of us. There we have our contact person, our colleague in Berlin, who provides political advice in Berlin and Brussels – you can take it somehow as a unit. Lobbyism is always seen so negatively, but it is political advice (Chamber of Industry and Commerce)*. This is similar for the public administration: *ok, refugees' legislations [are important for us], of course. Furthermore the question of tendering, services*

⁹ BCA: *Beauftragter für Chancengleichheit am Arbeitsmarkt*, Commissioner for Equal Chances at the Labour Market, a position which has been established at all local Employment Agencies and Jobcenters. The responsibility is mainly to achieve gender equality, but very often other inequality risks are addressed as well.

directives and all these questions dealing with workers' mobility [...] (social department). In addition, the chambers and public municipal actors use the European Social Fund, but only very limited and mostly as a co-funding actor. Here, bureaucracy was mentioned as an obstacle.

While therefore the usage of European resources in general at the policy formulation and the implementation level in the well-performing case is higher than in the other cases, the service delivery level shows a different picture. Here, the usage of European resources is low: *well, [European] decisions do not reach us, regulations do not reach us, we don't get any decrees or something like this from the EU, we are not involved in the decision making process [...]. As well direct contact to European representatives has never happened. We have a coordination office here at the municipality [...], but in 'real work' he [means public EU office] is not involved (CEO Jobcenter). Although the European fund is used by some actors, we could not identify the professional focus on these funds as they were observable especially in the underperforming case. Several actors in the well-performing state they do not want to be involved in ESF funding due to complex bureaucratic regulations: [...] and they all say "leave me alone with this ESF-stuff, it leads to nothing and in addition it is always insecure whether it [a proposal] will be successful, so we cannot integrate it into our labour market planning" (Training provider A). Another interview partner put it like this: And we now reached a point – thank god – where we do not use the European Social Fund anymore (Training provider B).*

Nevertheless, the municipality tries to promote ESF funding. In parallel to the above mentioned public EU office, a (one-man) public EU-funding office has been established, which shall provide information and advice especially to public, third-sector and other non-governmental and non-economic actors with regard to EU-funding. Nevertheless, the responsible person complains: *there is always a chance to get funding. But the interest is very low here (public EU-funding office). The financial incentive to apply for ESF-funding is not very high due to the high co-funding (mainly 50%). To be sure, there are a number of ESF-funded projects in the field of social and employment policies in the well-performing case. However, they often seem to be driven by individual interest, not by organisational strategies. Beyond this limited strategic use of financial resources, there seems to be no usage at the service delivery level. Similar to the other cases, actors seem to perceive the EU as irrelevant for their everyday work: you see, we are well embedded in the regional labour market, and – my goodness – I can't see any reasons for European issues at the moment (Training provider A).*

To sum up, while the usage of different European resources at the policy formulation and the implementation level is relatively high, the usage of financial resources at the service delivery level is low. Higher multi-level networks provided by the regional level, as well as a strong position of actors involved in regional economic and labour market activities are on the one hand a reason for this situation. On the other hand, the financial incentives for service delivering actors to use ESF-funds is low due to high ESF co-funding and a general good economic situation, which reduces the need of external funding.

Comparative Discussion

The analysis of the usages of European resources in three German municipalities showed a differentiated picture of the role of European legislations, funding, discourses and institutions at the local level in Germany. Both the relevance of certain resources as well as their usages by local actors differs from case to case. Since we analysed the usages of Europe in different stages of the policy cycle (policy formulation, implementation and service delivery) we were able to identify especially two factors which influence on the one hand the type of usage at each stage and on the other hand its intensity: are the type of actors and the economic situation of a region.

While the usage of legal European resources among certain types of actors was the same in all cases, especially financial but as well institutional resources were used differently according to the economic situation and other structural factors of a region. First and foremost, the chambers in all three cases showed a similar picture of usage of EU resources. They are well informed about European discourses and legislations, have multi-level contacts and perceive European policies as relevant for their own work. European topics frame their everyday work to some extent. Public administrations in the three cases show a similar picture, too. Nevertheless, here are only legal resources present: workers' mobility, services directives etc. When it comes to local Employment Agencies, all of them are informed about European policies, know about benchmarking and legal resources, but their usage is limited, which is the same for social partners. All of these actors (chambers, public authorities, local Employment Agencies, social partners) are involved in the unemployment insurance (and de-facto short-term unemployment) scheme and are mostly part of policy formulation and/or implementation, although some of them have as well service delivery tasks. Some of them use the European Social Fund, but this usage remains very limited.

This (limited but existent) cognitive and strategic usage of legal, institutional, political and cognitive EU resources among actors in the context of the unemployment insurance scheme is therefore similar in all cases. Nevertheless, it is even stronger in the well-performing case. Here, actors are more strongly oriented towards multi-level (including European) contacts, and the regional level provides certain infrastructure for this. In addition, due to the good economic and labour market situation, actors in the field of unemployment insurance (see above) are more present in employment policies than stakeholders in the field of minimum income/UB II (e.g. welfare associations, social department, Jobcenter etc.). As mentioned above, these actors per se use more legal, institutional or cognitive resources.

However, although we therefore can observe usage of EU resources at the policy formulation level, this usage in general is still a limited one. European social and employment policies are far away from being of high relevance for local policy making or even implementation. This is different in the case of service delivery. Although here the usage is limited to the ESF, this fund is mostly a very crucial and highly present EU financial resource. All actors at the service delivery level are informed about it, several actors are specialized on applications and implementation of ESF-projects, and for a large number of them, EU-money is a major element of their budget. Very often, the ESF is their only link to the European level, since regulations, guidelines or European discourses are not relevant for them. From a broader perspective, we

can state that the ESF is the most relevant EU resource used in the three German municipalities. However, the intensity of its usage differs between the cases. Especially the amount of the available funding and the extent of the necessary co-funding an organisation has to contribute out of its own budget are relevant factors here. In the underperforming case, the usage is very intensive, while in the well-performing only some actors apply for ESF-money. This is to some extent based on the fact that the chance to be successful with an application in the underperforming case is much higher due to the higher amount of available funding. Furthermore, actors in the underperforming case need to invest much less of their own funds for the co-funding (about 20%) as in the average and the well-performing case (about 50%).

Nevertheless, the available funding is not the only factor influencing the usage. Whether local actors perceive make use of the ESF is also influenced by institutional factors: due to the highly complex administrative structures of the ESF, local actors rely on administrative support and knowhow. These competences can be built up centralised by public or private actors or internally and decentralised by ESF-beneficiaries, when they have for example specialised staff responsible for ESF-administration. This institutional funding background is not only a prerequisite for the usage of the financial resources, but as well institutional change brought out by European funding itself. We can observe much more elaborated administrative infrastructures in the underperforming case than in the other cases, although the municipality in the well-performing case recently strengthened this aspect. Nevertheless, a large number of actors in the well-performing but also in the average case perceive the administrative processes as such a burden that it is an obstacle towards the usage of the ESF. Several actors decide not to apply for the fund since they do not have time, money or staff for application and implementation. This is not the case in the underperforming case, where the higher amount of available funding makes applications more profitable, and investing in own administrative competences is therefore worthwhile for them.

Furthermore, the programmatic aims of the ESF include elements such as the labour market integration of formerly excluded groups, a target group approach, a link between social and employment services, individualised services or the partnership approach which fosters cooperation between different actors (ref). These programmatic aims are very much in line with the overall approach of the German minimum income/UB II scheme. Although here a stronger activation principle is in action, we can observe a number of similarities. This facilitates the usage of the ESF by actors involved in the minimum income/UB II scheme, especially in the underperforming case where these actors are of very high relevance due to the weak economic situation.

Table 2 summarizes the findings of the three case studies in Germany, and outlines the usages of European resources both at the different stages of the policy cycle and of the different types of actors, classified as involved in the unemployment insurance scheme, the de-facto short-unemployment scheme (STU) and the minimum income scheme, the de-facto long-term unemployment scheme (LTU).

Table 2: Usage of European resources in the two-tier unemployment protection scheme (short-term unemployment and long-term unemployment) in Germany

STAGE OF THE POLICY CYCLE	TYPE OF ACTORS	UNDERPERFORMING CASE	AVERAGE CASE	WELL-PERFORMING CASE
POLICY FORMULATION	<i>STU scheme (unemployment insurance)</i>	Very limited strategic usage of legal and financial resources	Very limited strategic usage of legal and financial resources	Strategic and cognitive usage of legal, institutional, political and cognitive resources
	<i>LTU scheme (minimum income)</i>	No usage	No usage	No usage
POLICY IMPLEMENTATION	<i>STU scheme (unemployment insurance)</i>	Strategic usage of legal resources	Strategic usage of legal resources, minor cognitive usage of European discourses	Strategic and cognitive usage of legal, institutional, political and cognitive resources
	<i>LTU scheme (minimum income)</i>	Strategic usage of financial and legal resources	No usage	No usage
SERVICE DELIVERY	<i>STU scheme (unemployment insurance)</i>	Limited strategic usage of financial resources	Limited strategic usage of financial resources by some actors	No usage
	<i>LTU scheme (minimum income)</i>	Very high strategic usage of financial resources	Strategic usage of financial resources by some actors	Very limited strategic usage of financial resources by some actors

Conclusion

This study shed out light on the usages of European resources in three German municipalities. As the empirical results show, the European Social Fund as a financial resource is the main EU resource used at the local level, while legal regulations, European discourses and institutions are used as well, but only very limited. Actors use the ESF and the other resources almost in all cases in a strategic way. Especially the decisions for and against the usage of the ESF are interest driven and mainly aim at resource allocation. We can therefore not only state that strategic usage of EU resources is the dominant type of usage at the local level, as presumed in the hypothesis, but we can furthermore identify financial resources as the most relevant EU resource. This is mainly influenced by two factors: on the one hand, as already assumed, service delivery is the main task at the local level. The ESF is a redistributive instrument which is especially targeted on the service delivery on social and employment policies, and its strong usage at the delivering level is therefore not a surprise. In addition, service delivering actors are often closely involved in the minimum income/UB II scheme. Since here the programmatic aims are very similar to those of the ESF, usage is even more strengthened. Other resources (mostly legal regulations) are often used in a strategic way, too. Although especially cognitive

usage might happen, we were not able to identify it in our research.¹⁰ Regarding the intensity of the usage of other than financial resources, we could observe that here the type of actors matters as well: especially chambers but also the local Employment Agency, social partners or the public authorities use more these resources, and they do it mostly in policy formulation and implementation. Nevertheless, not only the type of actors and the stage of the policy cycle where the usage takes place is of relevance but as well the economic and labour market performance of a local entity. In Germany, the unemployment structure defines the relevance of the respective unemployment protection scheme (minimum income/UB II or unemployment insurance). As previous research showed, a high number of long-term unemployed leads to stronger positions of actors such as the Jobcenter, training providers or welfare associations. These are the actors which mostly use the ESF, while the chambers, social partners or the local Employment Agency – all actors involved in the unemployment insurance scheme which is more relevant in the well-performing case – use more legal and cognitive EU resources.

In this paper, we were able to show that financial resources set out by the European Union such as the European Social Fund are of high relevance for the local level in Germany. Furthermore, local actors mostly use European resources in a strategic way, mainly focusing on resource allocation. The local usage depends on the type of actors, the economic performance and the stage of the policy cycle in which the usage takes place. These findings call for a stronger focus on the specific determinants of European influence at the local level. Not only the usages but as well the impact (Europeanisation) of this usage needs to be captured by an analytical approach focusing explicitly on the local level. The relevance of a programmatic fit between the German minimum income scheme and the priorities of the ESF can be interpreted as a hint towards an integration of existent analytical approach into new ways of capturing the local level. Furthermore, scholars in Europeanisation research should take into account the interrelation between different European resources: financial resources might imply normative aspects as well as legal resources might come together with cognitive resources. Here, adequate approaches and instruments need to be developed in order to address this highly promising field of research.

¹⁰ Which might be caused by the design of the measuring instruments

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WP5 - Deliverable 5.1

The Europeanisation of Local Policy in three UK localities

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Introduction

The current report is part of LOCALISE Work Package 5 and presents the UK evidence. It is part of the Seventh Framework European Commission programme: Local Worlds of Social Cohesion (LOCALISE). LOCALISE is focused on the organisational challenges of integrating social and employment policy, partly in response to the radical changes in the local governance of social cohesion across many Member States of the European Union. The programme brings together six European countries¹ and develops a common theoretical and methodological approach that guides the research in each of the Work Packages².

It explores the Europeanisation of local policy: the *mechanisms* through which the EU might affect local policy. It offers a comparative analysis of three UK case studies: Edinburgh, Cardiff and Newcastle, and is underpinned by the theoretical framework developed by the consortium partners leading the Work Package.

The document is divided into 5 sections: discussion of the political and institutional context; research methods; the Europeanisation of local policy; strategic usage; discussion and conclusions.

1. Context

Structural Funds comprise the European Regional Development Fund (ERDF) and the European Social Fund (ESF). Structural Funds aim at reducing disparity between rich and poor regions of Europe, which is the core of European Union Cohesion Policy.

In order to achieve European targets the EU builds on an approach whose main pillars are the coordination among the different levels of government within the member states. The lower the compatibility (fit) between European institutions, on the one hand, and national institutions on the other, the higher the adaptational pressures (Serida and Graziano 2012). Therefore domestic change will especially happen in those cases where the 'misfit' is high. By contrast if there is total fit, change is less likely to occur.

The approach of the 'Usages of Europe' has been developed as a contribution to the studies of Europeanization. The approach implies that actors respond to the institutional context, but also that they 'can choose and learn and thus develop agency independent of structural conditions' (Woll and Jacquot 2010:220 in Serida and Graziano 2012). Since Europe might bring about change by providing new resources (both material and immaterial), it becomes crucial to study when, how and through which mechanisms and political games local actors use these resources or transform EU constraints into political opportunities. The notion of usages referred to as the social practices through which 'actors engage with, interpret,

appropriate, or ignore the dynamics of European integration' (Woll and Jacquot 2010, in Serida and Graziano 2012).

In particular, five main types of EU resources can be listed (Serida and Graziano 2012):

1. Legal resources (primary legislation, secondary legislation, case law, etc.);
2. Financial resources (budgetary constraints but also European funding);
3. Cognitive resources (Communications, ideas, etc.);
4. Political resources (argumentation, blame avoidance mechanisms, etc.);
5. Institutional resources (committees, agencies, etc.).

Three main types of usages of these resources are identified in Table 1:

Table 1 – Characteristics of the different types of usage

	Elements Used	Type of Actors	Political Work
Cognitive Usage	- Ideas - Expertise	- Political entrepreneurs - Advocacy coalitions - Public policy networks - Experts - Epistemic communities	- Argumentation - Framing of political action - Problem building
Strategic Usage	- Institutions - Legal resources - Budgetary resources - Political resources	- Bureaucratic actors - Decision-makers	- Resource mobilisation
Legitimizing Usage	- Public space - Discursive references	- Politicians - Lobbyists, special interests	- Justification - Deliberation

Source: Woll and Jacquot (2010) in Serida and Graziano 2012

By identifying European resources used and the way those resources are used by local actors, we will try to ascertain the impact of European policies and institutions on local policies (*top-down* Europeanization). More detail of the theoretical framework developed by the consortium partners leading this Work Package can be found in Appendix 1.

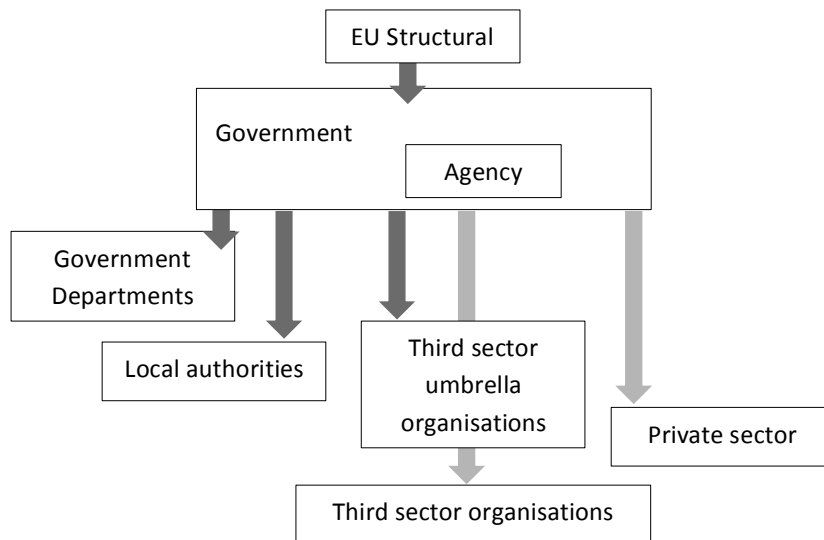
1.1 Political and Institutional

According to participants, the National Strategy Reference Framework (NSRF) sets the policy context at the national UK level and aims to align national priorities with the EU policy priorities. Regional programmes and operational programmes (OPS) are set below National Strategy Reference Framework and national programmes³. In Scotland and Wales there is an extra layer of policies: those of the devolved governments. European programmes can be regional and national (usually in a sectoral basis). EU funding will co-finance and match fund national programmes (e.g. in Scotland most National Training Programmes are supported by EU funding).

In March 2013, the UK Government set out the manner in which UK's allocation of EU Structural Funds will be divided across the UK regions of England, Northern Ireland, Scotland and Wales for the period 2014-2020. In this period, Scotland will receive 795m Euros, Wales

2.145bn Euros and England 6.174bn Euros. The UK Government estimated that during 2007-13, EU Structural Funding helped creating more than 50,000 jobs and more than 20,000 businesses. Furthermore, more than 1,300 research and technical development projects were funded. Figure 1 shows, from left to right, the most usual funding routes.

Figure 1 – European funding routes



Scotland

In Scotland from 1994 until 2011 the management and administration EU Structural Funds was the responsibility of two organisations: the East of Scotland European Partner (ESEP) and the Highland and Islands Partnership (HIP). This function was to some extent reduced in 2006, and in 2011 responsibility was transferred to the European Structural Funds division within the Scottish Government as the Managing Authority for Scottish Structural Funds. There is still a distinction between Highlands and the rest of Scotland in terms of European funding, which one participant mentioned as not all that beneficial.

The Scottish Government recognises European Structural Funds as the main instrument for supporting social and economic cohesion across the European Union and for reducing disparities between regions whilst aiming to increase employment and economic growth within nations. Structural Funds are delivered through the European Regional Development Fund and the European Social Fund programmes for Lowlands and Uplands Scotland and the Highlands and Islands.

During the programme period for 2007 – 2013, the European Regional Development Fund has received £260 million, which was distributed across 173 projects and is expected to create 30,000 jobs. The European Social Fund received £233 million and has helped over 256,000 people develop their skills.

Wales

Structural funds in Wales are quite significant in part due to the convergence areas. The match funding varies through the programme. The convergence programme has 4 priorities (young people, employment, skills and making the connections which is about public services administration), an intervention rate of 60 or 65% across those programmes, and a match funding of 30 to 35% on average (in non-convergence regions is set at 45 or 50%). There is around £700m funding for the convergence areas, and much smaller for the east Wales area (regional competitiveness and employment funding (RCE) receives around £52m). Therefore there is quite a disparity of funding in convergence and non-convergence areas, and the extent that the programme can be used to bring EU influence into the policy of the Welsh Government. Seven Local Authorities in Wales are Competitiveness and Employment Regions while the other 15 Local Authorities are Convergence Areas⁴ (see Appendix 2). In Competitiveness and Employment Regions the ESF supplies 50 per cent of the funding and the organisation has to co-fund the other 50 per cent. In the Convergence Regions, co-funding to be raised by the applicants is sometimes only 20 per cent (EU supplies 80 per cent). Wales is the only part in the UK that receives convergence funding therefore the importance of the funding was said to be bigger than in other parts of the UK.

In Wales is the Welsh European Funding Office (WEFO), part of the Welsh Government, who manages the structural funds. Each of the programmes is developed around the EU policy agenda, the UK policy agenda, and the Welsh policy agenda; therefore, EU funding complements this multi-level policy arena. The Welsh European Funding Office has responsibility for the funding/implementation and for writing the strategy (interpreting the strategies coming from Europe): it works closely with government policy departments, so both policies are aligned and combined, and helps in the delivery. According to a participant this could be a potential problem in the sense that (a) ownership of the strategy does not lie within departments and (b) the strategy could be developed around what can be measure and what EU wants, rather than around to what is necessary to be achieved. It was said that if relevant departments were writing the strategy and the Welsh European Fund Office implements those strategies in project delivery this would be more beneficial as it could deliver a stronger strategy, with departments knowing and understanding each of the areas.

The Welsh EU Partnership Forum was said to be very useful. Its main focus is the next round of funding and the past round in terms of learning lessons, and was said to be very important for developing informal relations (being around the table helps with stakeholders' perceptions. It was said that the aim of the Forum is to make EU projects more coordinated (at local level and between national and local levels) and strategic. The private sector is represented as there is a realisation that the private sector should play a stronger role on it.

Newcastle, England

Procurement in England is different than in Wales and Scotland. In England European funding is co-financed by public sector and it is procured, so organisations bid for projects to

deliver. European funding in Newcastle has three primary sources. Firstly, the European Regional Development Fund (ERDF), which is part of the North East Programme 2007-2013, supports the growth of a modern and sustainable economy. The purpose of the ERDF is to strengthen the entrepreneurial culture of the region, expand the business base of the region and develop new opportunities in science renewable energy and innovation across the city and region. In Newcastle, the purpose of the European Social Fund (ESF) is to improve skills and job prospects. In Newcastle, a range of public, private, voluntary and community groups use European funding to co-fund various types of capital and revenue projects. Examples of funding in the Newcastle region that seeks to reduce structural disparities include: supporting innovation and technology led sectors related to the Newcastle science city sites; creating an enterprise culture and enhancing the competitiveness and growth of the existing SMEs across the city and in its disadvantaged areas.

There is a EU Engagement Group which is chaired by local authorities and is composed of European funding and policy managers, representatives from the local authorities and the Local Enterprise Partnership from within the region. The group meets up to six times a year and discusses the new funding opportunities and trends in policy. Interest in the group and in Structural Funds had increased as a result of the new EU funding period that will commence in 2014.

2. Research methods

This section first explains the reasoning behind case studies and the sample selection; it later describes data collection and analysis procedures.

2.1 Case studies selection

Case studies were selected following the analysis conducted for LOCALISE Work Package 3 by CETRO (German partners in this consortium). Work Package 3 ranked NUTS-II⁵ regions within the six nation-states according to the level of social inequality in order to identify best, average and under-performing regions. This classification was based on three variables for 2008: labour force participation rates; total unemployment rate; regional gross domestic product.

Three regions in the UK (the two devolved administrations of Wales and Scotland and the North East in England) and one city within each region (Cardiff, Wales; Edinburgh, Scotland; and Newcastle, England) were selected (**Error! Not a valid bookmark self-reference.**). Choosing cities within each of the national regions in the UK was thought important in order to ascertain the impact of devolution and of different institutional arrangements on Europeanisation.

Table 2 – UK city selection based on work package 3 NUTSII classification

Cities chosen	Regional classification/ Economic health	Compared to the National UK average (2008)		
		Regional labour market participation	Regional unemployment rate	Regional GDP
Edinburgh	UKM25 Very strong	Above	Below	Above
Cardiff	UKL22 Average	Equal or less	Equal or higher	Above
Newcastle	UKC22 Under-performing	Equal or less	Equal or higher	Equal or less

2.2 Participants

Snowballing was used when contacting individuals with expertise in European issues in policy development and implementation. Data collection spanned from April 2012 to January 2013⁶. It was extremely difficult to identify and establish contact with European experts. The target was to interview 5 stakeholders per city, with a minimum number of 10 interviews. A total of 10 interviews were conducted: three in Edinburgh, three in Newcastle, and four in Cardiff. **Error! Reference source not found.** shows the participant organisations. All the stakeholders held senior posts and due to anonymity assurances their role will not be disclosed.

Table 3 – Participant organisations

Organisation	
Edinburgh	Poverty Alliance
	The Wise Group
	East of Scotland European Partnership (ESEP)
Cardiff	Welsh Council for Voluntary Action (WCVA)
	Welsh European Fund Office (WEFO)
	Welsh Government Department for Education and Skills
	Federation of Small Businesses (FSB)
Newcastle	Newcastle Science City
	Newcastle City Council European Project
	North East Local Enterprise Partnership (NELEP)

2.3 Data collection and analysis

Information and findings presented in this case study came from analysing available strategic and official documents, and from semi-structured interviews. Interviews were face to face, lasted an average of 45 minutes, were recorded and transcribed or partly transcribed. Interviews in Edinburgh were analysed using NVivo⁷, while thematic analysis (Braun and Clarke 2006⁸) based on codes developed through NVivo was used to analyse Cardiff and Newcastle interviews. The analysis was underpinned by the theoretical

background developed by the consortium leading partners for this work package (Appendix 1). Quotes have not been attributed to any individual or organisation due to confidentiality.

3. Awareness, participation and influence in Europe

It was stated that next round of structural funds (2014-2020), seems to be primarily focused on employment, youth (even going into the early years), and skills. Participants expected some changes to the next round of funding, for example: a focus on getting the ESF and ERDF more aligned together; an increased participation of the private sector, more so in the devolved administrations, which was said not to be very engaged in the EU agenda; and participants in Wales said that there could be a shift in the next round from basic and low level skills into intermediate and high skills.

Most participants had taken part in EU funded projects. The majority of participants did not feel EU had influence them in any way in terms of policy or strategy. The reason given was that their policies and strategies seem to be in line with EU policy, for example by focusing in supporting people into employment using skills and broader employability. However, a number of interviewees stressed that EU influence, although perhaps subtle, exists: one participant mentioned that this is the case mainly through EU funding and especially for third sector organisations.

3.1 Awareness of EU policy

All of those interviewed were aware of the 2014-2020 European funding round. Participants in Wales due to the level of funding received were more aware and stressed more strongly the importance of European resources for national and local policy. With regards to structural funds, it was said that business are not as aware as they should about the opportunities available: in many cases awareness seem to be happen via informal networks or word of mouth, as a report by the Federation of Small Business Wales (2012) also points out.

It was said that all departments within the Welsh Government are aware of EU policy and they are aware of the requirement to follow EU policy as long as it does not conflict with Welsh policy, which by enlarge is not the case. Awareness however varies depending on the department. Programmes not link into employment (childcare in some cases) would not be able to be funded through the ESF, as ESF funding has to be aligned to the labour market ultimately.

In Newcastle, the level of awareness of EU policy was variable. Organisations with close involvement in managing ESF and ERDF programmes demonstrated a high level of awareness of the way in which structural funds were managed, of the process by which

projects could be funded through co-financing agreements, and also of the principles of structural realignment that underpin ESF and ERDF funding in the region:

“I am aware that there is guidance on various elements of ... development, and broaden out to social cohesion and poverty elements... the LEP (Local Enterprise Partnership) has been focused in more and better jobs, and I think we need to keep the focus on the better jobs element, and make sure that people are able to access those jobs.”

Awareness of EU policy and programmes was variable across different levels of organisations. Although interviewees with direct involvement in the management and delivery of EU programmes demonstrated a high level of awareness of EU policy, knowledge of the wider EU programme agenda appeared more limited.

Whilst ESF funding was a visible and important element in the role of some local government officials, there was a view that the decentralisation of the implementation of EU policy allowed national governments to exert considerable influence on the way in which structural funding was disseminated and applied at a local level:

“We used to have regional and local structures that will ensure that EU money was directed to local priorities, but that has been watered down by the way policy has been decentralised.”

An interviewee described how although the EU programme for Structural Funds continued to have a regional and local focus to address issues of structural disparity between regions of different wealth, the need for projects to be co-financed could lead to national government departments influencing the focus of the programme. EU documents are read through the lens of national policy as stated by the Department for Work and Pensions⁹, a factor that also exerts national influence in EU programmes. This has led to changes to the way in which Structural Funds are implemented and interpreted at a local level. UK Government employment policy was understood by most local officials to be the dominant force driving policies relating to economic development and structural issues.

3.2 Participation and influence in EU processes

Although it was stressed that the Commission has an *“open door policy”* and therefore is quite accessible, the degree of influence on Europe is difficult to ascertain. Most participants felt that they could not easily influence Europe, even though some of them mentioned a number of groups that lobby and participate in Europe. Local participation in EU policy making was said to be limited, and it was also stressed that local control over intermediate national state structures was very limited too. For example, a local public official expressed frustration that national agencies were subject to little control or influence from the local level:

“UK Government policy on employment and skills has actually overwhelmed any influence that Europe might have had, and what we are doing is simply using EU money to fund UK objectives”.

Organisations often mentioned that they do not have enough resources to dedicate to influencing the EU level. Most often when lobbying takes place it is done through umbrella organisations and it is in this way that organisations get access to Europe (making arguments and contributing to strategies) which otherwise would be impossible. Umbrella organisations were said to also allow coordination, mutual learning and solidarity amongst organisations. Nevertheless, it was stressed that in some cases umbrella organisations do not represent the interests of the whole sector that they claim to represent and that the governance of these organisations should perhaps be scrutinised.

In Newcastle, influence and participation from local actors on EU policy making was widely perceived to be very limited. Although several interviewees gave examples of officials from local government offices attending the EU and EU staff meeting with local officials in Newcastle, it was difficult to identify specific examples of officials in the Newcastle area having influence upon EU policy making. National and local government officials participate in the European Regional Development Fund programme executive group and local management committee in Newcastle, but one interviewee described the involvement of local business, community, and voluntary sector in the group as low. A local government official stated that although local views may be made known through the group, it seemed unlikely that this would lead to subsequent EU policy change: *“I think we can have our say, and I think we will be heard, but I don’t think that that will translate in any influence at all”.*

The Open Method of Coordination

A number of participants saw the EU as an instrument for getting information out and learning from other countries experiences. Europe was described as a bridge over UK policy, which is seen as very centralised in the way that it relates and updates Europe. In the devolved administration it was stressed that influencing the EU was seen as more achievable than influencing the UK national government.

A participant mentioned that the OMC and European recommendations such as the involvement of stakeholders by national bodies have facilitated their engagement with the UK government. Some groups have used these recommendations to encourage discussion and dialogue between the UK government and stakeholders over policy development. For example, the EU recommends that national governments involve stakeholders in the development of National Reform Programme (NRP); organisations have cited this recommendation in order to advance their position and ideas, although it was said to be difficult. It was mentioned that the Scottish Government, in contrast to the UK Government, has encouraged stakeholder engagement through a series of events in the production of its National Reform Programmes¹⁰ (the Scottish Government contributes to the UK National

Reform Programme, but has also produced a distinct National Reform Programme for Scotland) and seemed to be more open to some European processes.

The fact that the EU do not have directives in social policy and operates through the OMC and recommendations was an issue for some participants, as even when the commission puts out positive recommendations (e.g. in 2008 it called on member states to have adequate income maintenance systems, as part of active inclusion strategies) implementation does not happen. According to a participant, many people and groups were pleased with the OMC for social policy when it materialised, as they saw it as something that realistically could be achieved:

“We should be arguing for hard law around social policy areas but I think the reality was that you would have had countries particularly Britain, Germany, probably France that would have vetoed those kind of development. It is just not going to happen that you are going to get any European coordination around social protection, you may well end up getting some stuff around taxation but bizarrely that seems more likely than social protection.”

However, due to the lack of directives together with the fact that the government pays little attention to the National Reform Programme, many organisations lobbying in Europe are thinking to re-focus their efforts.

3.3 Influence of Europe

In general participants did not regard European influence as something significant, with the exception of a few participants who mentioned that mainly through funding EU influence is noticeable:

“It is strange thing that people just ignore the fact that they have EU social fund support, so by [] that then there is a policy effect going on here, because you wouldn't get ESF unless you were pursuing this wider EU policy dimension.”

There was recognition that the size of funding that flowed into regions from EU structural funds was significant and the rules and co-financing regulations around this funding have had an impact on the way in which organisations in the region were creative in their use of EU funding. European policy was perceived to be important to focussing attention on the issues that Structural Funds were used to target. However, there was also a distinction between the push for new ideas generated by EU funding and the implementation of policy as a result of those ideas.

It was mentioned by some interviewees, that in some case the lack of perceived or real European influence could be a result of the lack of directives or direct impact of European social policy. It was also said that UK, Scottish and Welsh, or local policy direction is similar to that of the EU, and therefore influence is reduced, while at very high level or around specific issues the influence is perhaps more noticeable. Areas that are said to be both

informed by and supported by EU policy were youth unemployment, gender and equality, environment, and localism. Careers was also mentioned as an area where EU key drivers have been taken on board, around extending reach and targeting resources part of a “career management skills framework” in which people become more resilient as labour market is going forward and take more responsibility and ownership. In relation to some issues, such as migrant workers or recently youth unemployment, the EU seem to nudge governments through the ESF to focus on that particular issue as a priority: for example recently the EU encouraged governments to focus any ESF left-over expenditure on youth unemployment. As a result, the Scottish Government announced that £25m of ESF leftover funding would be targeted to youth unemployment.

A participant stressed that not only ideas coming from Europe are important, but also fundamental are the way those ideas are implement:

“(...) not just European ideas but trends are important. For example it is not only important the EU is focusing on ageing, but how they are focusing in ageing is key, and why are they focusing in that way in that issue. Why and is there anything on that we can translate to the local level? The idea might have been there before, but the trend is what is important, that is what you analyse and try to translate to the local level.”

However according to some participants, the lack of recognition of European influence in policy direction at local level, seems to be because national policy aligns itself to European policy so by the time that local actors feel or could feel the European policy direction, national policy has already “imposed” that direction through national policy. Europe could influence ideas and thoughts, but the influence of national law and policy stipulated through the UK Department for Work and Pensions, continued to be seen as the dominant force in the field of social and economic policy:

“Europe matters because they stimulate your thought but they carry less weight in the approval side of the process, unless it is a law, but then tends to come through the national legal systems anyway, you don’t necessarily notice that is European law that started it up.”

Many participants stressed that national policy was in line with European priorities and policies, with economic factors mentioned as the drive on both. Therefore, it could be said that national policy direction is obscuring EU influence:

“Structural funds are a vehicle to disseminate EU policy perspective - that is what they are for. And I guess what you are hearing, what you are getting from the people you speak to is, probably a misunderstanding or a confusion that what has tended to happen is that the alignment of EU and national policy in terms of say employment policy is so close that there is no fundamental difference”

Nonetheless, some participants stated that the EU seems to be following the UK in terms of policy direction at least concerning active labour market policies (ALMPs) and welfare-to-work reform:

“My sense is that, that on the sort of labour market agenda, the UK has pushed Europe down that line a bit further ... I think they UK has taken a particular approach to that active inclusion ... and that is then reflected back to the European and to the UK level”

It was also stressed by a participant that countries learn from each other and a sort of convergence occurs: for example after the UK introduced the tax credit system, other countries adopted similar policies.

In Wales according to a participant employment policy, sustainable development, and equal opportunities, has entered the local policy menu. It was mentioned that to some extent European funding, around mobility and transfer across countries could run contradictory to activities in Wales through structural funds, and in the next round of funding complementarity between those is being sought. Participants mentioned that the EU drive particularly around social inclusion and engagement with the third sector, has been crucial in order to secure the involvement of the third sector with structural funds, which without that drive would not be as involved as it is. As a result, the third sector was claimed to have been transformed from an acceptor of funding from Government to being a partner at strategic level showing the role that the sector can play.

In Newcastle, regional actors perceived the influence of EU policy at a regional level as being relatively limited. However those same interviewees who reflected on the limited influence of EU policy at a local level, were also very aware of the importance of ERDF and ESF funding at a regional level: *“I don’t think there is a great influence from EU policy in the region, but most actors in the region would say that ERDF and ESF is important and the region has been creative in the exercise of EU funding... so EU money has been very instrumental”*.

A key factor in understanding the influence of the EU at a local level in Newcastle was to understand the extent to which ESF and ERDF aims were aligned with local and national Government policy. An interviewee said that greater alignment of local policies with EU policies would help create local impacts that were more closely aligned with EU policy. By reducing adaptational pressures in this way and improving fit between EU and local policy, then the influence of the EU at a local level will be greater:

“One of my role’s is to align us even more with what is coming out policy-wise in the European level, because we are essentially sitting in where it should be going, so it is making sure that we are actually make the most of it really. We look at Europe to align our work to what they want but also to translate where they are going into local impacts essentially”

4. Usage of resources

This section describes the role and use of funding, the use programmes, the impact of auditing, and the role of monitoring.

4.1 Funding

Structural funds were recognised as a significant financial instrument that help certain initiatives to take place, such as equal opportunities, childcare, etc. that otherwise would not happen: “[European funding] provide ‘the glue’ to national policies”. According to participants, European funding helps to deliver government policies and also allows the government to work with a number of partners that otherwise they would not have perhaps engaged with. For example, relations between some third sector organisations and national/local government have benefited as a result of the interactions made possible through the structural funds:

“I think that’s the beauty of structural funds, if you’ve got some global goals then you can at least adapt to each region’s needs, so in some respects that to me is why structural funds are quite important”

Structural funds also have an impact on informal relations and perceptions:

“The structural funds, in bringing those partnerships together, it will also bring result in some different partnerships outside of the funds, so that’s the biggest informal bit I think.”

A number of participants recognised that European funding has influenced their work as they have been able to run programmes that otherwise they would not have been able to run, including training programmes, investment funds, and subsidised recruitment schemes (FSB 2012)¹¹. In some cases it has also permitted the expansion of the range and quality of services:

“European structure funds in the early stages allowed regions ... to focus structural funds on organisations ... that are able to combine with the economic and social side of tackling community issues and that was really positive and allowed a whole range of organisations and projects to develop.”

It was also stressed that funding could be “a bit of a distraction” with organisations focusing in “chasing the funding” rather than adding value, because funding is vital and more in the current economic environment. The amount of funding could also encourage duplication through the proliferation of projects “particularly in the skills and employment area”, although it was also stressed that multiple interventions and projects, are of benefit to those most disadvantaged. This multiplicity of interventions becomes complicated and confusing in terms of outputs, as organisations can be counting the same thing twice, or could be told they cannot count some of their outputs as some other organisation is doing

that: *“it starts to be a bit of a jungle out there”*. This was said to be a consequence of lack of strategy at implementation/project level, because it has been lost during the process of translating strategy down to the implementation level (from EU to the national, regional and eventually local level). This could be the result of the lack of ownership of strategy.

In Newcastle, there was evidence to suggest that Structural Funds were shaping local approaches to tackling social cohesion and unemployment. This was taking place as local employment and training providers were increasingly aligning their activities and functions with EU priorities on social cohesion and poverty. ESF and ERDF funding was a powerful motivational factor in helping shape local priorities. A local employment and training provider saw ESF and ERDF funds as being a way of supporting (to ‘back-up’) their local activities once local and EU funding and policies were aligned.

The local and EU have a better link because of the funding because the local are going for the funding therefore you are aligning yourself a bit more, but also you only go for certain EU funds that back up what you are doing locally and there is a plethora of EU funding to back up what you want.

Other respondents sought to differentiate the impact of funding on local structures required to acquire funding and the separate issue of impact on policy: *We have utilised EU funding and therefore has influence operational work, but I wouldn’t say that it has influenced policy, strategy or thinking.*

Complexity

There was criticism of the complexity of applying for ESF and ERDF funding and the impact on organisations of late payment on cash flow:

“The ESF programme we have for example (...) the only problem is that is so bureaucratic and difficult, and the payments are so much later that generates the kind of problem that payment by results generate regarding cash flow problems.”

There was also criticism of the way in which ESF funding was unsuitable for small voluntary organisations despite their proven record in delivering social cohesion type programmes across the region.

Access

At present ESF funded programmes in Scotland and Wales cannot be accessed by Work Programme service users. There are discussions around the next ESF funding (around £85m to be spent on employability programmes) in the three cities. In Scotland and Wales Work Programme primes are concern about the effect of the next round of funding. In Scotland, the Scottish Government does not accept private sector match funding for ESF funding, only public or third sector match funding. It was mentioned that UK and Scottish Government should target the structural funds more to community based or local projects, as it was to some extent in the 1980s which saw a more bottom-up approach to EU funding.

Length

Participants welcome the multi-annual basis of recent EU funding, as it gives them a degree of continuity which is *“absolutely fundamental”*, especially when dealing with individuals that often have multiple and complex issues, as they need *“that continuity funding that kind of, and that intensity of support over time”*.

“ESF is different from other funders, the commission has never said you must only fund organisation in a year to year basis in terms of sustainment, in terms of additionality or whatever, it is for the member state through their own systems to assess the strength of the bid, and the need to intervene over a longer period, now that depends on the client group.”

4.2 Programmes

Funding for local programmes delivered through Structural Funds will come from the central governments. It seems therefore that local programmes will have to align to national policy, although it was said that overlapping and duplication between national and local programmes occurs:

“Probably because of history and tendering arrangements and various other factors, there is still a tendency for overlap at best, and duplication at worst, in relation to some of national programmes and some very local programmes.”

One of the solutions mentioned in the three localities, but especially Newcastle and Cardiff, was to develop regional/local approaches rather than the national level imposing national programmes which are not tailor to deliver locally.

There was some evidence to suggest that in Newcastle there was also an awareness of the need to ensure that ESF and ERDF funding for local projects were developed in partnership with local providers rather than through a top-down approach of programme development taking place at the Department for Work and Pensions. As has already been described, UK employment policy appears to be a powerful influence over local programme formation with one interviewee describing how *‘UK employment policy has actually overwhelmed any influence that Europe might have had’*. However there was also evidence to suggest that local actors were aware of the need to bring a greater local dimension to ESF and ERDF programmes to better target local needs. Indeed the view that UK employment policy had overwhelmed EU programmes was not universally shared across respondents. Under the new Structural Funds settlement for 2014-2020, there was an expectation that programmes would be more aligned with local needs. The influence of central Government (specifically the Department for Work and Pensions) over the formation of ESF programmes was perceived to undermine the quality of alignment between local needs and EU funding:

“We are hoping in the next programme to achieve better alignment, the current programme the ERDF which has been more regionally managed through what it used to be north east, and the ESF which has come through the DWP and my

understanding is that we have been less closely aligned to the ESF work, because it has been managed through the DWP and national policies, but it has not achieved the alignment.”

In order to avoid multiple programmes and potential duplication, especially around ESF and the employment agenda, the approach taken in Wales in the recent round of EU funding was to deliver larger projects led by bigger umbrella organisations: normally a third sector organisation has the contract and then they contract or fund other organisations within their programme. The aim was to rationalise and focus activity to ensure impact from all the activity.

Collaboration and rationalisation

It was said that European funding does not encourage collaboration or partnership working per se, as according to a participant it is up to member states and regions to translate policy into practice in the best way for the local needs. Collaboration was seen as a way to eradicate duplication and competition, which damages services and ultimately individuals. Nevertheless it was mentioned that due to the approach used in the past, where competition has been encouraged and providers have competed against each other, there is a big number of ‘niche providers’ (small specialised organisations), without the capacity to deliver bigger, in scope and size, projects.

It was said that intermediate organisations could encourage partnership working or consortiums to come together to deliver ESF programmes. A number of participants mentioned collaboration as beneficial, suggesting that governments should encourage this way of working. It was also mentioned that government could target the EU structural funds to procure services and less towards organisations having to apply for funds:

“Structural funds have just become such a big financial instrument in the hands of central government and ... I think they should be targeting more community based or local projects but they have to find a way of ... procuring services and less to the organisations that deliver the services, [because] applying for European funds ... I think there’s too many dangers in that.”

Nevertheless, it was said that procurement would still have to be the route for delivering, and that encouraging collaboration through this model was seen as difficult.

4.3 Auditing

It was mentioned that the bureaucracy, and the level of auditing (financial control) on EU funding is *“excessive and disproportionate”* and although structural funds were said to be *“very valuable”* the *“process, the delivery, is being strangled due to bureaucracy”*:

“The level of auditing is just ridiculous, I have had project audited four times, it is just one after another, it is time consuming, it distracts people from the delivery and then the auditors would always find something.”

A couple of organisations mentioned not seeking EU funding due to the negative experience with auditing and payment. It was suggested that the amount of auditing is the result of the national and/or devolved government's interpretation of the application of regulations. It was stressed that one of the problems was that the process of auditing makes no distinction concerning the amount of money received. At the same time there was an acknowledgement that EU funding have to be accounted for through a rigorous system, due to funding been public funds and in order to make sure that fund are being used in line with the programme's objectives. It was also acknowledged that in some occasions having this 'gold standard' system of accountability helps when applying for other non-EU funds. If providers do not have the required evidence by Europe, they could lose money back to Europe. It was said that perhaps the big responsibility of auditing in lead organisations, has not been match with training and support.

4.4 Monitoring

In terms of the ESF monitoring of the delivery of projects baseline information is sought at the beginning and end of the project. Baseline information asks to identify people according to different categories of needs, but it was highlighted that people present more than one problem, so this monitoring is not reflecting the reality and can also lead to double counting. A factor mentioned as a barrier for organisations was the uncertainty on the information, process, and requirements that had to be delivered.

It was stressed that EU monitoring is about auditing and financial control (accounting for the money spent in the smallest detail) and that the performance of the project, how the money spend, is not monitored. Although a participant mentioned that there is no interest by Europe on outcomes, it was highlighted by another participant that job outcomes are not the only indicator that should be used to measure a programme's success: as some groups will need longer support that might not result in a job outcome but a step towards participation in the labour market. It was stressed that sometimes all the data collected does not tell the whole picture, as normally quantification is done in terms of the individual rather than on the continuum of support that is necessary for that individual. Programmes deliver a number of other achievements that could be called 'preventative spend'. A participant stressed that some policies seem cheaper in the short-term, as a way of reducing cost, but in the medium- to long-term they are not cheaper: *"to save money you have to spend it, and the idea is that you spend in an appropriate way"*. A participant said to be an obsession with targets, *"it becomes a numbers game"*, rather than a focus on what is the aim and how is going to be achieved, and then the best way to measure it.

5. Coordination

This section focuses briefly in the relations between Europe and other territorial levels of government (vertical coordination), and between policy areas and different stakeholders (horizontal coordination).

5.1 Horizontal coordination

It was mentioned that integration between different policy fields and stakeholders (horizontal integration) due to European funding happens to a certain degree but it was stressed that there is room for improvement.

In Wales one of the issues in the development of the programmes is trying to get the consensus across all the different departments in the Welsh government to agree on what should be funded. ESF and ERDF programmes influence and drive the policy and delivery of departments that are involved in education, skills, employment and business. Departments get money through programmes but they have to fit with programme objectives, so EU policy is influencing departmental decision making.

State aid rules that seek to ensure fair competition are designed to ensure that businesses competitiveness is not harmed and that markets are not distorted by the influence of EU funding. To ensure greater horizontal integration not just across the government and public sectors, there was recognition that the private sector also needed to be involved in EU programmes:

“There is a recognition that we need to engage more with the private sector in the design of how programmes look, to pick up very often the views of employers on what they need.”

In Wales approximately 65 per cent of the EU spend goes to government departments including local government and the higher and further education sector with a small amount going to the private sector. The private sector can however access EU funding through procurement or competitive grants.

The policy area where there seems to be a bigger difficulty in achieving horizontal coordination in devolved administrations is employment, because it is a reserved policy and European funding has to meet UK and national devolved policy directions (groups, interventions, etc.). Devolved administrations have to be seen, at the same time, to add value to the UK government agenda. The Work Programme (the national UK welfare to work programme for the long-term unemployed) has presented a difficulty in this area, as applications to ESF funding have to demonstrate that they will be adding value and not just replicating what the Work Programme is already doing. This has meant reshaping the delivery of some projects co-funded by European money. The devolved administrations have taken the decision that European funding cannot be used to support individuals that

are taking part in the Work Programme. This decision by devolved administrations has been justified on practical reasons: in order to avoid duplication and achieve additionality. Although it was also mentioned by participants that political factors are also relevant. This impasse, according to participants, has affected programmes during policy development and delivery, and had an impact also on individuals accessing services. In some cases Work Programme prime providers deliver also some other employability programmes that have European funding, so this creates overlap and confusion. It was suggested by one participant that provision should revolved around the Work Programme but that this is difficult at policy level and at the delivery level *“because you don’t necessarily have networks of people who are working to the same drivers”*. It seem nevertheless that participants were keen to find a solution and explore avenues as it is in the interest of everyone, including those whose policies are there to support.

5.2 Vertical coordination

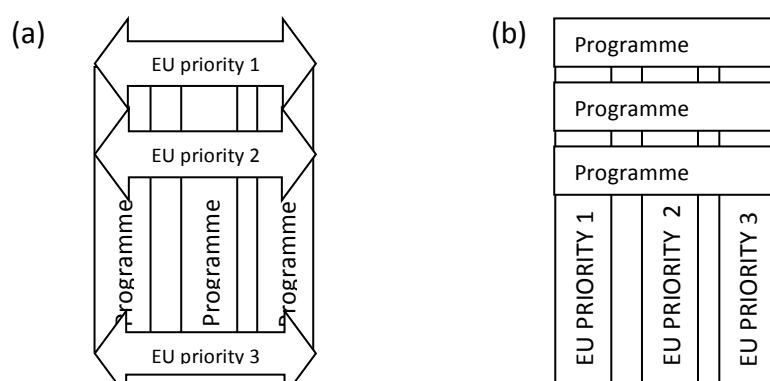
Multiple layers of governance create challenges when seeking to deliver integrated policy. Coordinating policies from different levels –European, national, regional, and local– was said to be difficult, because *“inevitably there are two policy directions, and the middle way has to be found”*. As mentioned previously the perception is that national governments exert considerable influence on the way in which structural funding is disseminated and applied at a local level, with local government having limited control over intermediate national state structures. Europe was described a bridge over UK policy, which is seen as very centralised in the way that it relates and updates Europe; this was especially the case in the devolved administrations.

5.3 Strategy

Participants disagreed on the best way to integrating European strategy in local programmes (Figure 2).

It was said, that one way would be to (a) integrate European priorities in a horizontal way across programmes; for example issues such as equal opportunities and sustainable development will be themes running across programmes. Another way was to (b) use European priorities as the pillars around which projects are developed.

Figure 2 – Two models of European priorities integration in national/local programmes



6. Discussion and Conclusions

Work Package 5 seeks to define the process of domestic adaption to European regional integration, specifically in respect of policies on social cohesion. To address the activation of the vulnerable in society requires an integrated social policy across different policy-fields (multi-dimensional integration), political fields (multi-level integration) and stakeholders (multi-stakeholder integration). Analysing policy impacts across different fields through the lens of EU, national, regional and local levels of government is necessary to understand the extent to which progress has been made towards ensuring that the coordination of policy takes places at the lowest level of government appropriate to the delivery of the policy. It is expected that in nation states where there is a high degree of decentralised decision-making taking place at the sub-national level that adaptation pressures will be lower. Where there is a high level of misfit between national structures and EU policy and organisational procedures then adaptational pressures will be higher and change will be more difficult to enact.

In the case of the UK and the degree of centralization/decentralization and the level of legal, institutional, financial and political autonomy that national and sub-national actors may exercise in decision making, a sub-national analysis is useful. Political devolution has shifted statutory powers from the London based UK parliament to the Scottish Government, Welsh Government and the Northern Ireland Executive. Despite the transfer of some statutory powers to these regional administrations, the London based Whitehall government retains control over a majority of public spending and, crucially with reference to Structural Funds, control over social security and the public employment service. Indeed the dominant political events within the UK in 2013, the public spending review to address the national deficit and reform of the welfare system, are determined by politicians and policy makers at a UK Government level. This central control was said to be a barrier to the adequate targeting of programmes to local needs.

In Wales, in part due to the existence of convergence regions, there were high levels of awareness of the impact and direction of EU policy at Welsh national government level. The new round of European funding for 2014-2020 had generated a high level of interest in the concept of using European resources to support national and local policy. The size of the available funding under the existing and future settlement in Wales created a strong incentive for programme and policy alignment to ensure that policies could make use of the available funds. However local actors, also expressed the view that such alignment would likely have occurred anyway as Welsh national government policy had already sought to enact measures to address social disparities and cohesion. In Scotland, there was

widespread awareness of the impact of EU funding programmes among interviewees; however quantifying the impact of these programmes is more difficult. As in Wales, respondents were aware that there had been policy and programme alignment to ensure fit with Structural Funding requirements but that the direction of Scottish national Government policy on employment, structural deficiencies and competitiveness had already moved in a direction that made alignment with EU policy achievable without significant adaptational pressures. Low adaptational pressures were not, with respect to the hypothesis outlined above, an outcome of low levels of administrative misfit but rather a result of alignment of Scottish, Welsh and UK national government policy with EU policy on social cohesion.

When moving towards an understanding of the localisation of European policy, it is useful therefore to consider the policy influence as a two-way interaction. European policy can be seen to affect decision making at a sub-national regional and local level. However European policy also appears influenced by trends and influence from national policy particularly in the area of active labour market policies. In this area it has been noted that the Scottish and Welsh Government have only engaged with the Open Method of Coordination in a very limited sense for two reasons. Firstly the internal division of power in the UK has, with respect to public spending and employment policy, limited the political power of devolved governments. Secondly, the UK is understood to be a leader in the field of employment and social inclusion meaning that it is unlikely¹² to follow an EU policy lead in this area.

European funding is one of the most used and recognised European resources. However, the level of European influence in local policies through funding is disputed. Generally ideas from Europe were not regarded as having great impact on local policy development and implementation. However, it could be that national policy obscures the influence of Europe, in part due to centralisation of social and employment policy. It would seem that national institutions in the UK are compatible with European institutions, therefore adaptational pressures are not so high due to the high 'fit' between them. However when misfit occurs, it is unclear the level of influence that the EU does exert through the OMC and recommendations.

Table 4 – Characteristics of the different types of usage in the UK

	Elements Used	Type of Actors	Political Work
Strategic Usage	a) Budgetary resources (high usage) b) Political resources (medium usage)	a) Public, third sector and some private actors b) Decision-makers and interest groups	a) Resource mobilisation
Cognitive Usage	a) Ideas (low usage or obscure by national policy)	- Political representatives and official - Experts and umbrella organisations	- Framing of political action
Legitimizing Usage	a) Discursive references (low usage)	- Politicians - Lobbyists and special interests	- Justification

groups (e.g. third sector)

Source: authors depiction based on Woll and Jacquot (2010) in Serida and Graziano 2012

Appendices

Appendix 1. Theoretical Framework for WP5

by Serida Catalano and Paolo Graziano (2012)

Introduction

There is great consensus on the fact that Europe strongly impacts upon the domestic institutions of its member states. To be sure, this impact is likely to be different depending on many reasons and factors. This paper tries to present the approach that will be followed within the WP5 in order to analyse the *mechanisms* through which the EU might affect more or less consistently the social cohesion policies of its member states, primarily at the local level.

Using as starting point the assumption that *activation* of society's most vulnerable and weakest groups requires an *integrated* social cohesion policy — to provide complementary, concerted and individually tailored offers of placement, training and comprehensive social welfare — it is crucial to focus also on the organizational challenges of an active social cohesion policy. An effective integration implies closer inter-organizational cooperation not only across formerly separated policy fields (*policy horizontal integration*) but also among different political levels (*vertical integration*) and different relevant stakeholders within the same political level (*institutional horizontal integration*).

In order to achieve the European targets outlined in the Lisbon and Europe 2020 strategy the EU builds on an approach whose main pillars are the coordination among the different levels of government within the member states and the 'subsidiarity' principle. The latter, by implying that a central authority should perform only those tasks which cannot be performed effectively at the local level, entails that any activities should be organized at the lowest appropriate level of government, thus conferring great emphasis to the sub-national level. Indeed, the local level of government becomes a crucial actor which should 'pick up' the organizational challenges necessary to realize an *active* social cohesion policy.

Therefore, both theoretically and empirically we are confronted with new challenges. First, we are mostly interested in the *local* impact of Europe, a topic which has been rather overlooked in the Europeanization literature. Second, what we aim at explaining is not exclusively the EU impact on single policy fields but mostly whether and the extent to which *organizational changes* have occurred *across* various policy fields which go under the broader label of social cohesion.

In the following sections, we will show some empirical puzzles the WP5 deals with and present some analytical tools which will be employed in the analysis.

Limits of the Europeanization approach in exploring the 'local worlds of social cohesion'

The Europeanization approach has produced an important toolkit for exploring the 'domestic adaptation to European regional integration' (Vink and Graziano 2007: 7). One of the most fruitful theoretical contribution provided by the Europeanization studies to empirically investigate the mechanisms through which European integration would impact and cause change (or continuity) on the domestic sphere has been the 'goodness of fit' hypothesis (Risse, Cowles, and Caporaso 2001) which links the fit/misfit between EU 'institutional settings, rules and practices' with the 'adaptational pressures' exerted on the domestic levels. To say it with Risse, Cowles and Caporaso (2001: 7) 'the degree of adaptational pressure generated by Europeanization depends on the "fit" or "misfit" between European institutions and the domestic structures. The lower the compatibility (fit) between European institutions, on the one hand, and national institutions on the other, the higher the adaptational pressures' (Risse, Green Cowles, and Caporaso, 2001, 7). We will thus expect domestic change especially in those cases where the 'misfit' is high and therefore the adaptational pressures are strong. By contrast, if there is a total fit, then it is likely that there is no pressure from Europe, and change is less likely to occur.

Mostly of the literature has referred to the concept of fit/misfit by taking into account the discrepancies between the *policies* advocated at the European level and those existing within the member states. A more encompassing way to 'gauge' the 'goodness of fit' and to better operationalize the degree of fit/misfit between the European policy structure and the national one is by deploying a '*policy structure approach*' (Graziano 2011) which considers the compatibilities/incompatibilities between the supra-national and sub-national level along four key dimensions: objectives (the general aims of the policy), principles (the policy normative assumptions), procedures (the policy operational mechanisms) and financial instruments (the funding sources).

To be sure, being the focus of our research the 'organizational changes' brought about by Europeanization the fit/misfit concept should be stretched as to investigate an 'administrative structure approach'. That is to say that fit/misfit should refer to the compatibilities/incompatibilities between some administrative/bureaucratic devices dictated within the EU model of governance and needed to make operational an active social cohesion policy, and the administrative/bureaucratic structures existing within each state. That would imply that if there is compatibility between the administrative structure supported at the EU level and that at the national and sub-national level, then the relationship between the two 'administrative structures' will denote a 'goodness of fit'; viceversa, if they are significantly different, then the relationship will be characterized by a misfit.

One of the main problems we would be confronted in operationalizing a fit/misfit approach within the WP5 is the lack of an organizational EU model of governance for social cohesion policies against which to gauge the discrepancies/similarities with the EU model of governance. To be sure, the European Commission established its own concept of

governance, defined as the ‘rules, processes, and behaviour that affect the way in which powers are exercised at the European level’ in the White Paper (WP) on European Governance (Commission 2000, 2001). In particular, they were established five ‘principles of good governance’ — openness, participation, accountability, effectiveness and coherence — which should reinforce those of subsidiarity and proportionality¹.

Furthermore, the OMC, fully specified in the European Employment Strategy (Goetschy 1999, de la Porte and Nanz 2004), aims at improving mutual learning and spreading best practices through the monitoring of national and sub-national *voluntary* reception of EU formally non-binding *policy guidelines* (rather than strict EU legally binding regulations) and appears to have a not negligible impact on administrative reforms in social and employment policies within the EU member states (Goetschy 2003, Trubek and Mosher 2003, Zeitlin and Pochet 2005, Jacobsoon and Vifell 2007, Graziano 2007, Heidenreich and Zeitlin 2009, Graziano 2011).

In addition, the EU model of governance, as witnessed also by the administrative reforms endorsed by the Commission (Kassim 2008), has progressively evolved towards an entrepreneurial style closer to New Public Management (NPM) which challenges the Weberian bureaucratic model (Pollitt and Bouckaert 2011). Indeed, emphasis is given to efficiency, through ‘a clear definition of the objectives’ (Commission 2001: 10), ‘performance-oriented working methods’ (Commission 2000: 11) and evaluation of the results via benchmarks and quantitative measurements, thus marking a strong shift from the Weberian compliance to formal rules and procedures to the NPM focus on result orientation and management by objectives.

Although this stream of research could be quite promising, somewhat problematic is the fact that the organizational peculiarities of a EU model of governance for social cohesion policies are far from having been specified at the EU level, thus making it difficult to evaluate its eventual similarities/differences with respect to the national models of governance. For this reason we decided to use another approach, that is the one of the usages of Europe.

The Usages of Europe

The approach of the ‘Usages of Europe’ has been developed as a contribution to the studies of Europeanization. It gives a great emphasis on ‘the study of individual action and its role in the transformation of the European political system’ drawing attention to ‘intentional action...to argue for a more nuanced perspective on strategic action in European studies’ (Woll and Jacquot, 2010: 111).

¹ By proportionality it is meant that ‘the selection of the instruments used must be in proportion to the objectives pursued. This means that before launching an initiative, it is essential to check systematically (a) if publication is really necessary, (b) if the European level is the most appropriate one, and (c) if the measures chosen are proportionate to those objectives.’

Indeed, the Europeanization approach, by deeply focusing on the structural and institutional aspects which make it possible or inhibit the EU to impact on domestic policy structures, do not fully capture the way in which national actors make use of EU resources and constraints, and downgrade to 'mediating factors' the role played by them in bringing the Europe back in.

First of all, the strong concentration of the literature on institutional dynamics leads to an underestimation of the discretion and role of political actors in the adaptation process. In a perspective which emphasises the macro level where national institutions are confronted with European policies, the adjustment process of national politics seems to be driven by adaptive pressures alone. National actors only come into play as "intermediary variable"[...]. However, an actor cannot initiate adaptation independent of the pressures coming for institutional misfit. This assumption runs counter to several empirical studies. [...]

Secondly, the qualification of different motifs for actions seems to be dealt with only as an afterthought. [...] We believe that it is necessary to consider a political actor who can "choose" and "learn" outside of institutional pressures (Jacquot and Woll, 2003: 2).

The notion of usages does not merely imply that actors respond to the institutional context, but also that they 'can choose and learn and thus develop agency independent of structural conditions' (Woll and Jacquot 2010: 220).

Therefore, since Europe might bring about change by providing new resources (both material and immaterial), it becomes crucial to study when, how and through which mechanisms and political games local actors use these resources or transform EU constraints into political opportunities. In this sense, the notion of usages, by departing from the micro-foundations of actors behaviour must be referred to as the social practices through which 'actors *engage with, interpret, appropriate or ignore* the dynamics of European integration' (Woll and Jacquot 2010: 220).

Paying attention to the role of actors implies study of the mechanisms of appropriation, re-appropriation, engagement and disengagement of domestic actors in the process of European integration. More precisely, the term "usage" covers practices and political interactions, which redefine themselves by seizing the European Union as a set of opportunities – whether they are institutional, ideological, political or organizational. These practices and political interactions happen as actors go back and forth between the European level and the level on which they act (or wish to act), creating a context of interaction and reciprocal influence (Graziano, Jacquot and Pallier, 2011: 14).

The definition that was provided before implies that 'usages' must not be reduced exclusively to the European resources or constraints because 'resources and constraints are a necessary but not sufficient condition for strategic behavior. They are only contextual

element that usages are based on; actors intentionally transform them into political practices in order to reach their goals' (Woll and Jacquot 2010: 220).

This approach proves particularly interesting in exploring the role of both Europe at the local level and that of local actors in 'using Europe'. Indeed, 'concentrating on practices, and thus on usage, allows focusing on political action or political work and on the substance of *political relations*', by covering the strategic interaction of rational actors with the European institutions, the way in which these actors use Europe for pursuing their goals and interests, and also 'how actors are transformed by their relations with European policies, instruments, actors' (Jacquot 2008: 22) and a context of reciprocal influence is created. Furthermore, this approach has the advantage that allows us to look at the actors behaviour at the local level, without taking for granted that the EU necessarily impact the local policy agenda. In this sense, empirical research becomes crucial to detect the possible impact of the EU at the local level.

As previously said, in order to assess the type of influence the EU may have exercised on local reforms, the EU usages approach 'investigate whether, where, when and how' *local* actors have been using EU resources, references and policy developments as strategic devices for their own strategies.

In particular, five main types of EU resources can be listed (Jacquot and Woll 2003, 2004; Woll and Jacquot 2010; Graziano, Jacquot and Pallier 2011):

- 1) legal resources (primary legislation, secondary legislation, case law, etc.);
- 2) financial resources (budgetary constraints but also European funding);
- 3) cognitive resources (Communications, ideas, etc.);
- 4) political resources (argumentation, blame avoidance mechanisms, multilevel games, etc.);
- 5) institutional resources (committees, agencies, etc.).

To these resources correspond three main types of usages (see Table 1):

1) Cognitive usage refers to the understanding and interpretation of a political subject and is most common when issues are being defined or need to be discussed; ideas serve as persuasion mechanisms, helping to aggregate interests and to build coalitions of heterogeneous actors.

2) Strategic usages refer to the pursuit of clearly defined goals by trying to influence policy decisions or one's room for manoeuvre, be it by increasing one's access to the policy process or the number of political tools available.

3) Legitimizing usage mixes cognitive and strategic elements and occurs when political decisions need to be communicated and justified.

Table 1. Characteristics of the different types of usage

	Elements Used	Type of Actors	Political Work
Cognitive Usage	- Ideas - Expertise	- Political entrepreneurs - Advocacy coalitions - Public policy networks - Experts - Epistemic communities	- Argumentation - Framing of political action - Problem building
Strategic Usage	- Institutions - Legal resources - Budgetary resources - Political resources	- Bureaucratic actors - Decision-makers	- Resource mobilisation
Legitimizing Usage	- Public space - Discursive references	- Politicians - Lobbyists, special interests	- Justification - Deliberation

Source: Woll and Jacquot (2010)

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Appendix 2. UK regions with regards to EU Structural Funds

Figure 3 - UK Regions according to EU structural funds

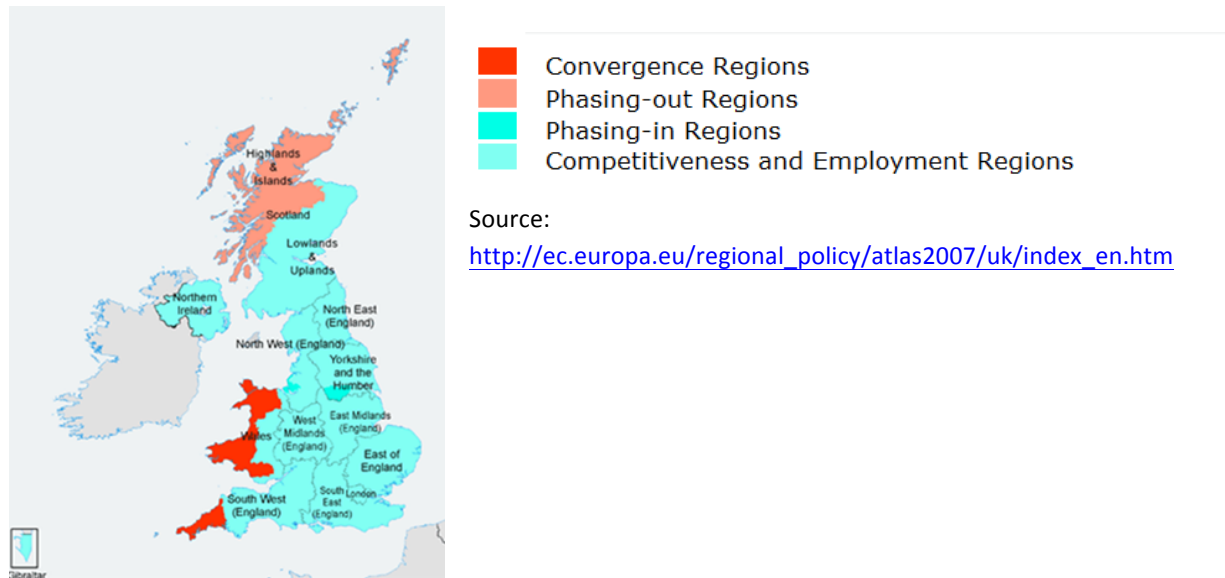
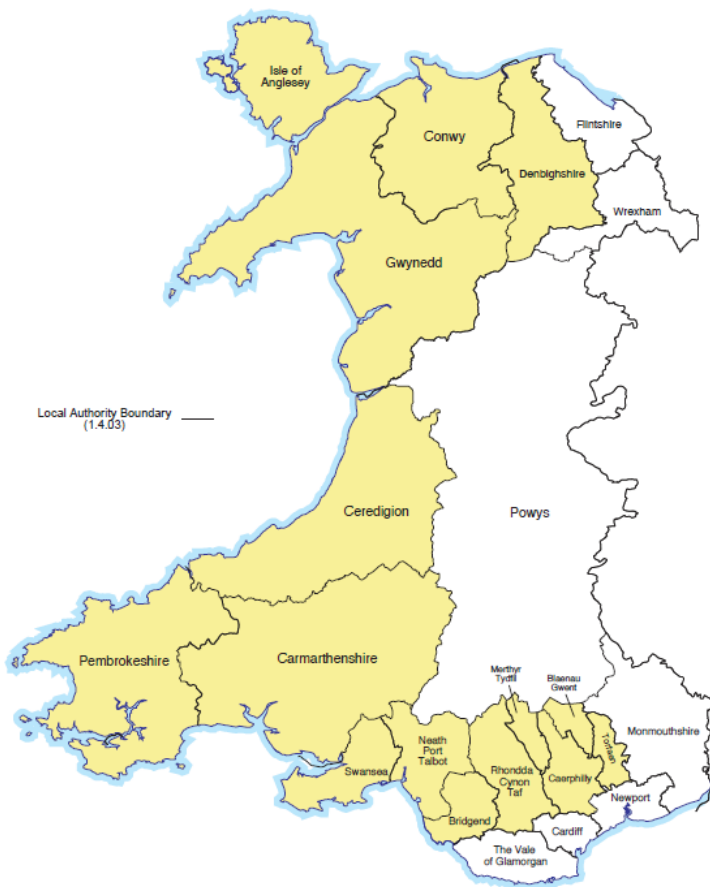


Figure 4 - Welsh Local Authorities and Convergence Regions (areas highlighted in yellow)



Source: <http://wales.gov.uk/docs/wefo/publications/convergence/091008convergencemapen.pdf>

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Notes

¹ France (CED at Bordeaux), Germany (CETRO at Oldenburg), Italy (PAM at Milan), Poland (ISUW at Warsa), Sweden (SCORE at Stockholm), and the United Kingdom (Employment Research Institute at Edinburgh Napier University).

² LOCALISE's research agenda is organised according to eight complementary work packages. Work package 1: project management. Work package 2: will classify the countries in our sample according to the national governance of social cohesion. Work package 3: identify best-performing, average and under-performing regions according to different socio-economic indicators. Work package 4: analyse the inter-organisational dimension of the local governance of social cohesion. Work package 5: usage of European programmes and resources by local actors. Work package 6: address the impact of individualised modes of interventions on the relation between the state and its citizens. Work package 7: will explore the outcomes of different inter-organisational patterns of integrating employment and social policy on social inclusion, labour market participation and well-being of the most vulnerable groups. Work Package 8: dissemination.

³ The UK 2012 National Reform Programme (NRP) articulates the actions that the Government is taking to address the major structural reform challenges facing the UK identified by the European Council in June 2011 (HM Government (2013), Europe 2020: UK National Reform Programme 2013 – accessed 1 May 2013 – http://ec.europa.eu/europe2020/pdf/nd/nrp2013_uk_en.pdf).

⁴ Isle of Anglesey, Conwy, Denbighshire, Gwynedd, Ceredigion, Pembrokeshire, Carmarthenshire, Swansea, Neath Port Talbot, Bridgend, Rhondda Cynon Taff, Merthyr Tydfil, Blaenau Gwent, Caerphilly and Torfaen

⁵ The NUTS classification (Nomenclature of territorial units for statistics) is a hierarchical system for dividing up the economic territory of the EU. NUTS 1: major socio-economic regions; NUTS 2: basic regions for the application of regional policies; NUTS 3: small regions for specific diagnoses (Eurostat website [accessed 6 April 2013] http://epp.eurostat.ec.europa.eu/portal/page/portal/nuts_nomenclature/introduction).

⁶ Edinburgh case study was conducted from April to August 2012; Cardiff was conducted from October to January 2013; and Newcastle was conducted from October 2012 to May 2013.

⁷ NVivo is a qualitative data analysis (QDA) computer software package, designed for analysing qualitative rich text-based and/or multimedia information.

⁸ Braun, V. and Clarke, V. (2006) Using thematic analysis in psychology. *Qualitative Research in Psychology*, Vol. 3(2), pp.77-101.

⁹ The UK Government department with responsibility for welfare, employment and pension policy across the UK.

¹⁰ The Scottish Government National Reform Programme is a response to the Europe 2020 Strategy (The Scottish Government (2013), Europe 2020: Scottish National Reform Programme 2013 – accessed 1 May 2013 - <http://www.scotland.gov.uk/Resource/0042/00421005.pdf>).

¹¹ FSB

<http://www.fsb.org.uk/policy/rpu/wales/images/fsb%20wales%20sme%20and%20eu%20funding%20report.pdf>

¹² Macphail, E., Examining the impact of the Open Method of Coordination on sub-state employment and social inclusion policies: evidence from the UK. *Journal of European Social Policy* October 2010 vol. 20 no. 4 364-378