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Multilevel Policy Discourses in Border Regions

And their influence on small municipalities; a case study of Vaals



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Summary

The motivation for this thesis lies in the shift towards a Europe of the regions. Cross-border cooperation plays a central role in European integration processes. The European Union seems to have an increasing influence on national governance. European policies have a strong regional focus; governance on different levels plays a role in this. Multi-level governance theory has regularly been used to approach this governance on different levels of authority, as well as the development of new governance institutions. The MLG theory as developed by Perkmann has been used as a starting point for this thesis. The actually existing Multi-level governance is strongly connected to the Open Method of Coordination used in European policy. In this thesis we approach governance on multi-levels of authority and discursive practices in a framework of multi-level governance theory and governmentality. The OMC has been used to place these theories in the practice of cross-border cooperations and activities.

The central research question of this thesis is:

What is the impact of regional cooperation policies at various levels of authority on the nature and degree of Cross-Border Cooperation [CBC] and Cross-Border Activities [CBA] of small Dutch municipalities?

To answer this question we selected the municipality of Vaals as a case study. Policy documents have been analyzed by using critical discourse analysis as a method. In addition, experts have been approached for further information about policy practices.

The objective of this thesis is to reveal discourses and power relations that are characteristic for policy in cross-border cooperations. We expected that cross-border cooperations and activities are not merely the result of profoundly structured partnerships, but especially in the case of small municipalities, often arise from practical problems that need to be solved. The question we ask ourselves than is to what extent the policies of these partnerships are influenced by the discourses of the different partners.

A comprehensive literature review on the OMC through the lens of governmentality, provides an insight into the discourses that are at the foundation of European Policy. Furthermore, the literature on Europeanization and European integration is used as a framework in which we can place (EU)regional cooperation. We chose not to elaborate further on these broad concepts and merely discuss them in the light of CBC and CBA.

European integration and economical discourses seem to be at the foundation of European regional policy. To what extent this is of influence on the policies of small municipalities depends on the nature and degree of the relationship with the EU in the cross-border cooperation. When funds and grants are involved, the role of the EU is stronger, for they determine the conditions for application and evaluation. Small municipalities are often unable to establish projects that are funded by the EU. However, they can participate in existing projects and partnerships or cooperate with larger

partners in establishing new cooperations or projects. Important is that a municipality is able to make a deliberate choice in the costs and benefits a partnership or project has to offer. In sum, small municipalities are perfectly capable to function well in an international region and in responding to new developments and opportunities such a region can offer them.

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1. Introduction

1.1 Motivation for research

On the 14th of June 1985, the national governments of Belgium, Germany, France, Luxembourg and the Netherlands, signed an agreement in the Luxembourgian border village Schengen, to open up their borders to all their inhabitants and to enable “free circulation of goods and services”. This goes back to the patchwork Europe seemed to be after the Second World War. Due to the rising tensions and the threat of Soviet expansion after World War II, Europe was far from a stable entity. Several countries agreed an alliance had to be formed to prevent Europe from new internal wars. After the initial agreement of 1985, in 1990 these countries signed an agreement to implement the previous agreement, and other European countries followed their example (European Union, 2007). This agreement was named the Schengen Convention, after the place in Luxembourg where it was signed.

Boundaries have always been important in human-life. In history, boundaries have always separated and protected ethnic groups and communities from ‘others’. However, when the functions of boundaries change, the borders change as well. In Europe the internal borders, especially Western-European borders, fade and become more and more permeable, while the external borders, between Europe and Non-Europe seem to become stronger. As Delanty states:

“It is paradoxical that as borders have been diminishing within the existing EU, they are becoming more visible in central and eastern Europe as well as the EU’s outer frontier with the rest of the world (Delanty, 2005:33).”

The decision to open up the internal borders of the European Union in 1990 was especially important to the border regions, because the prominent barriers like gates and customs disappeared. However, this did not automatically lead to the equalization of differences between the member states. The regions had to work together to create one Europe and one internal market, this resulted in professional cross-border partnerships, that are named; Euregions (Deekens & van der Gugten, 2000). These regions are partly created because of border specific problems. One of these problems is the economic disadvantages of the border areas, because within their nations they are peripheral regions and therefore more vulnerable to economic crisis. Another problem that occurred in these regions enhances policy differences between the nations on both sides of the borders. Moreover, obviously there are also differences in language and culture. To overcome these problems it is necessary for neighboring countries to adjust their policies (Deekens & Van de Gugten, 2000).

In the case of Euregions there are several levels of governance that play a role, sub national authorities, national authorities and supranational authorities (Perkmann, 2002). Each of these levels has their own possibilities for, and exercises of governance. According to Foucault (as cited in Huxley, 2007:187), these possibilities for government and the exercises of government emerge at particular points of gathering of thoughts and practices, which lead to 'problems of government'. In fact, the ways in which different levels of authority exercise their governance differs to the governing of other levels of authority. Moreover, these differences can lead to problems of government when these exercises of governance on different levels are entangled in practice. In sum, these possibilities and exercises of government for each level of authority can conflict with possibilities and exercises of government on the other levels of authority. These problems keep persisting, and therefore they remain conflicting with rationalities and practices of other forms of government (Huxley, 2007). According to Perkmann (2002), small-scale CBRs are part of governance on the three levels of authority mentioned. However, Perkmann (2002) suggest that because of their size, small-scale CBRs function better, because they are particularly functioning on sub national and supranational level and not that much on national level.

1.2 Problem statement

Perkmann (2002) suggests that in studying strategies that are used to intensify the cross-border interaction between regions we need to take the changes in governance institution that are brought about by these strategies into account. How do these cross-border spaces have to be governed, when they are no formal administrative unities? Bureaucratically they are subordinate to national authorities and have no mechanisms or what so ever of assembly binding. Perkmann also suggest there are two levels of integration of border regions. The first is integration on the micro-level, which is about the integration of border regions that depend on the (re)activation of social and economic relationships. The second is the meso-level, where partnerships between public- and other institutions that share the same interests, create interdependence and cross-border economic space. These networks often occur when central governments fail and local or regional actors take over to exploit new possible structures by regionalization and globalization, these are processes of re-scaling (Perkmann, 2002). But why do central governments fail and why is re-scaling necessary? The previous suggests that local governments might be more successful in cross-border cooperation with none or little interferences by national governments. However, when these local governments are small-municipalities, are they not too small to have an influence in CBC policy? There might be a possibility that they are over ruled by their larger, more powerful, partners.

Former research by Bekkers and Van 't Land (2007) has shown us that it is difficult for small municipalities, to successfully apply for grants from the European Union, when it comes to cross-border activities. Small municipalities are defined here as municipalities with less than 30,000 inhabitants. In their main results they argue that 'small municipalities lack the capacity and resources to successfully apply for such grants'. They argue this is because most successful applications are done by external advisors hired by municipalities. These application experts know what 'language' to speak in the application. Moreover, small municipalities lack the financial resources to hire external advisors and most often neither have a policy maker themselves that is specialized in European grant applications. The European Union has certain underlying ideas and thoughts in providing these grants. One of the main ideas behind these grants is that they stimulate the shaping of Europe and the European identity (Bekkers & Van 't Land, 2007). In stimulating European cooperation, the European Union together with national governments develops a set of rules and objectives.. The influence of the different levels of authority differs between the grants. For the structural funds for example, the national government, provinces and large cities develop an implementation plan for the structural funds. In the research by Bekkers & Van 't Land (2007) cities are marked as large when they have more than 60,000 inhabitants. These structural funds are meant for municipalities. They apply for the grant to a Dutch funding body that is approved by the European Union. That funding body is accountable to the European Union. This makes the process of ruling and implementation complex and unpredictable. From the research by Bekker and Van 't Land (2007) we can conclude that the intention of the European Union is to stimulate municipalities to cooperate with other municipalities across the border by providing grants. However, by including municipalities in European integration, it seems that in the process, small-municipalities are (unintentionally) excluded from the benefits of grants, because of the difficulties in underlying ideas, thoughts and power relations.

This leads us to the phenomenon of *discourses*. According to Foucault (in Elden, 2007) a discourse is a system of ideas or knowledge, imbedded in a specific vocabulary that is used to legitimize the exercise of power over certain persons. Moreover, the leading discourse is determined by the one that has the most power. We can conclude from Perkmann(2002) and Bekkers and Van 't Land(2007), that in border regions the European Union seems to have the most power, especially when it comes to partnerships that are funded by the EU. On the other hand, the partner municipality or municipalities also play a role in this framework of discourses and power relations, notwithstanding that the national government influences the policy framework of municipalities in general and therefore also has an influence on the cross-border policies of a municipality, at least to some extent. This leads us to questions like what are the general ideas of the European Union and what is the specific language used in their grant policies, which makes it so difficult for municipalities to apply for it? Furthermore, what influence do the general policies that focus on the regions have on small municipalities?

Moreover, if it is the case that small municipalities are too small to benefit from these grants, are there other ways in which they can benefit from a supra-national/sub-national relationship? And what role does the authority on national level play in this? Furthermore, what differences in power relations can we find in cross-border partnerships, between the different players that have an influence on these partnerships?

This leads us to the central research question:

What is the impact of regional cooperation policies at various levels of authority on the nature and degree of Cross-Border Cooperation [CBC] and Cross-Border Activities [CBA] of small Dutch municipalities?

To answer this question we will use the example of Vaals as a case study. This small border town is a unique municipality at the point where three countries meet. In this thesis we adopted the definition of small municipalities from the research of Bekkers and Van 't Land (2007). They made a distinction between small municipalities with less than 30,000 inhabitants, average municipalities with 30,000 to 60,000 inhabitants and large municipalities with over 60,000 inhabitants. Their research has shown us that it is difficult for small municipalities to apply for grants, because of the conditions and political attention needed. The application has to be in line with the ideas and thoughts of the EU. Foucault suggested that different governments conflict in their policies and practices, this can be because of the different leading discourses those governments have (Elden, 2007).

Nevertheless, this does not mean that small municipalities do not see that cross-border partnerships can have opportunities. Inhabitants of small municipalities near the border probably make use of services and goods from across the border anyway, especially when the municipality on the other side of the border is a larger city. In addition, when there are more opportunities to find a job on the other side of the border, citizens might go there for work as well. However, this border work brings more formal, institutional problems with it. Struver (2004) states that in order to rethink spaces and institutions of cross-border governance we need to take into consideration that euregions' governance structures are supposed to take care of both formal and informal cross-border integration. The extent of informal cross-border integration can influence the extent of cross-border cooperation of small Dutch municipalities at the border area, or at least lead to an acknowledgement of the importance of cooperation with the municipality the informal integration focuses on.

With this thesis we hope to gain more insight into what the underlying power relations are that play a role of influence in cross-border governance. We hope to reveal to what extent different levels of authority influence each other and to what extent policies on the different levels conflict, when they conflict. Can this lead to a shift in the sovereignty of the state as Perkmann suggested? We expect that small-municipalities have their own way to develop cross-border policy and it differs from place to place to what extent this

policy is successful. If a municipality acknowledges the importance of cross-border partnerships, this might be a first step to a successful cross-border policy, no matter whether or not they receive financial support by the EU for this.

1.3 Theoretical framework

As we have seen in the problem statement, governance can occur on different levels. *Multi-level governance* theory is a perspective often used in research on European integration. It enhances the idea that there are many government structures that interplay in a global political economy, by emphasizing that interactions between different governmental actors are increasing and become more complex. Furthermore, it underlines the increasing importance of non-state actors in EU policy. As such, it suggests a shift in the role, power and authority of nation-states. According to Münch (2010) decision making in multi-level governance situations extends the chances for non-state actors to participate and articulate interests beyond the boundaries of the nation-states politics. By making use of EU legislation and jurisdiction, limitations of national decision making can fade or even vanish completely. New opportunities can be established for non-state actors to participate in areas that until then were confined to the national level. A new form of democracy occurs within the context of the emerging system of multi-level governance in the European Union (Münch, 2010).

Perkmann (2002) elaborates on this by reflecting the multi-level governance theory on cross-border cooperation in the European Union. In the case of Euregions there are several levels of governance that are of importance; the sub national level, the national level and the supranational level. Cross-border cooperation goes beyond the scope of national bodies. CBC's are partnerships formed by sub national bodies in a supra national setting. Multi-level governance studies are generally abstracted from actually existing subjects and spaces. In this thesis we will use multilevel governance theory to study the aspects of multilevel governance. Europe has been referred to as a space of transnational economic activities, in which flows of capital and people challenge the sovereignty of the bounded nation state and ask for new forms of politic and regulation. New patterns of governance occur when intergovernmental, interregional and supranational actors interact in complex bargaining processes. This is where *Governmentality* comes in.

Governmentality can be understood as a critical approach to political research (Walters & Haahr, 2005). It explains the establishment and exercise of political power. The concept of government has to be approached as a concept that is broader than the management by the state. As such, it also includes the regulation of populations through multiple institutions in society (Mitchell, 2004). Foucault refers to governmentality as

'the conduct of conducts'. This ranges from the governing of others in life to the governing of the self. It tries to indicate how 'the modern sovereign states alongside the modern autonomous individual co-determine each others emergence' (Mitchell, 2004:389). Governmentality also acknowledges the problem of inclusion and exclusion. The European Parliament is becoming a more executive power in the form of a democratically chosen body as it is now. However, the gap between the citizens and the EU remains. The European commission is therefore trying to become closer to the people (Vos, 1999). On the other hand this principle of distance is interpreted by nation states as the strengthening of their own position of authority, because they already are closer to the people. The committee of the regions in her turn states that 'local and regional governments, by their closeness to citizens, enhance the democratization process of Europe'. We should note here that they especially mean geographical proximity. Vos (1999) argues, governance on lower levels does not automatically implicate a smaller gap and more awareness and participation of citizens. However, more democracy in the European model can effectively lead to more attention for the regions.

The aspects of multilevel governance and the discursive practices in Euregions will be approached by using multi-level governance theory in a perspective of governmentality. These two approaches are complementary to each other and form the framework this thesis is based on.

1.4 Societal Relevance

The European Union is implementing European Integration by stimulating municipalities alongside the borders of her member-states to cooperate together across that border. However, it seems difficult for small municipalities to compete in the complex procedures of grant applications. No doubt, it can be beneficial for them to cooperate with other municipalities across the border, especially when a larger city is involved. By revealing the policies, rules and other implementations of the European Union that can lead to the exclusion of small municipalities, the problem might be acknowledged. It is important that this problem is being acknowledged, so a solution can be found. On the other hand it seems that governance structures are supposed to take care of both formal and informal cross-border integration (Struver, 2004). By looking at small municipalities directly it is quite possible that we will find informal integration of citizens already present in the areas, for they probably go across the border for some of their goods and services. If this is the case, it is important that these small municipalities can facilitate and stimulate this and that the European Union supports them in doing so. By revealing the problems that occur in the present policies and implementations, this can be solved. We assume that the cross-border policy of these municipalities might go

beyond formal cross-border cooperations. Therefore they might be more successful and active in their cross-border policies than previously assumed.

1.5 Scientific Relevance

There is no doubt that the study of borders has a long tradition in Geography. Terlouw (2008:105) argues; 'a 'new regionalism' has occurred as a reaction to the competitive pressures of globalization and the related rescaling of the nation state'. However, it is still closely linked to the policies of the nation state. The nation state still dominates the regulation of cross-border functioning. Multi-level governance theory looks at these processes of rescaling and shifts of governance between different levels of authority. This has evolved in the Open Method of Coordination that recently has been used to develop policy in different areas, by the European Union. These guidelines that are developed are strongly recommended to nation states and sub national authorities to implement in their policy. Because of these implementations and shifts in power relations, there will probably also be shifts in discourses that are at the foundation of this policy.

As previously mentioned Perkmann (2002) suggested three levels of authority that play a role in the cross-border cooperation of regions. Cross border cooperation between neighboring countries on a local level can solve problems and lead to a mutual advantage. However, the cross-border activities of municipalities often go further than this cross-border cooperation. Moreover, formal CBC is not the only way in which municipalities operate across the border or develop cross-border policy.

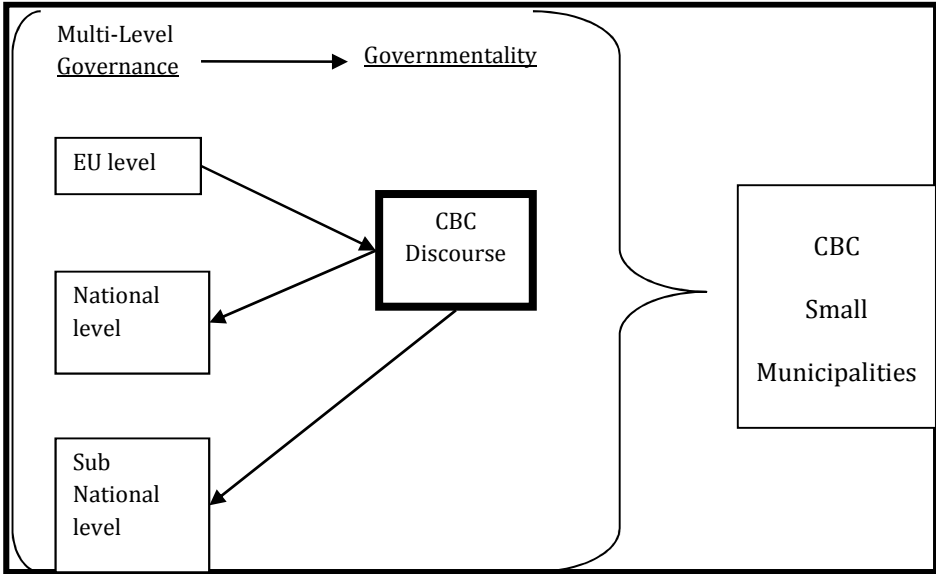
By considering multi-level governance and the OMC through the lens of governmentality I want to reveal that cross-border activities go beyond the CBC practices recent research has focused on. Moreover, the governance discourses that lie at the foundation of the policy of small municipalities will be revealed as well. I hope to show that power relations and underlying discourses play a role on all levels of authority and can be contributing to each other but also conflicting.

1.6 Conceptual framework

Multi-level governance should extend chances of participation beyond the boundaries of the nation state. Limitations of national decision making like unquestioned traditions and narrow-mindedness fade when decision making is transferred to the European level. It opens up a new political area in which other political actors have chances and

influences that till that point were blocked by national coalitions (Münc, 2010). These new systems of governance weaken the position of traditional actors and strengthen the positions of new actors, like EU bodies. However, the inclusion of these new actors can lead to exclusion of others. Does this new way of governing lead to the exclusion of small-municipalities in the whole process?

Figure 1: conceptual framework



As figure one shows, expected is that CBC discourse that are implemented on the EU level influence policies on the National and Regional level. However, policy discourses on the national and local/regional

level also influence the policies of small municipalities. All these levels influence the policies of small municipalities, but to what extent and can small municipalities simply decide not to follow discourses or go with the discourse that is most suitable for them? And on the other hand, what are the consequences of conflicting policy discourses on the different levels?

1.7 Research questions

What is the impact of policies at various levels of authority on the Cross-Border Cooperation [CBC] and Cross-Border Activities [CBA] of small Dutch municipalities?

To answer this question we need to formulate several sub-questions that can contribute to reach the central goal of getting insight in the role that discourses and policies play in the cross-border activities of small Dutch municipalities in border regions. In this study we used the case of Vaals which is a unique border town at the border with Germany. To do so, a division is made between four dimensions. The first three dimensions are retrieved from research by Perkmann and Sum and the fourth dimension was developed by Struver (2004).

The first dimension is the dimension of scales. Different levels of authority have an influence on the cross-border cooperation and cross-border activities. Decision making processes are no longer reserved for national governments only. Political actors on different levels of governance become more important.

1. Decision-making powers are shared by actors on different levels, which levels play a role in the decision-making on CBC and CBA of Vaals? A distinction between vertical relationships between higher and lower levels of governance and horizontal relationships between regions or between municipalities will be made here.
2. It is expected that because of decision-making on different level a loss of control occurs in the power of national governments. To what extent do we see that in this case?

The second dimension is the discursive dimension. Underlying power relations and discourses play a role in policy making on different levels of authority.

3. It is expected that because of the emergence of transnational partnerships the differences between local, national and transnational power becomes smaller. To what extent can we see a movement of power and changes in power relations in this case study?
4. Which other government institutions play a role in the CBC and CBA of Vaals?

The third dimension is the dimension of the building of governance institutions. In the Netherlands we now see a shift of tasks from the national authorities to sub-national authorities.

5. New partnerships are created and need to be institutionalized. In which partnerships does Vaals take part and how are these partnerships organized?

The fourth and last dimension is about formal and informal cross-border integration. When there is a lot of informal cross-border integration, there is a need for formal institutions that regulate this.

6. To what extent does Vaals have a facilitating role in the border crossing of citizens, visitors, students and companies?

1.8 Reader

In this chapter an introduction is given to what this research is about and what the main objectives and questions are that will be answered in the next chapters. The second chapter entails a description of the literature about governance types and governance in Europe. European integration will be explained as well, however this will only entail a short introduction and will be focused on an elaboration of the relation between

European integration and the European regions. Furthermore, the discourses that are revealed in the OMC will be discussed to form a framework in which the regions operate and in which small municipalities form their policies. The third chapter will explain the methods used in this thesis. The empirical part of this thesis will start with chapter 4 which entails a detailed description of regional Europe and especially the Euregion Meuse Rhine which will end in a description of Vaals. In chapter 5 the research question will be answered by unraveling policy documents and comparing them to the practice of Vaals to reveal certain patterns some of these questions will be answered with a focus on MLG and for other questions a discourse analysis has been used, therefore the focus is more on governmentality. In chapter 6 we will answer the central research question and we end with a conclusion and final remarks.

2. Rescaling Europe and European governance

2.1 Europeanization

As we have seen in the introduction after the implementation of the Schengen convention the regions had to work together to create one Europe (Deekens & van der Gugten, 2000). This can be seen as a process of Europeanization. The Europeanization of Europe is rejected by some and pushed forward by others (McNeill, 2004). Olson (2001) argues that Europeanization is a complex concept. Multiple authors agree on the assumption that this Europeanization process is created and implemented by the European Union herself (Boedeltje & Van Houtum, 2008; McNeill, 2004). Europeanization than, can be seen as the development of the European Union. The Europeanization is conceptualized in such a way that it makes it possible to compare European processes with processes in government systems on other levels, like the national level (Olson, 2001). For example, nation states have a national justice system that ensures that national law and the constitution are being followed. The European Court is responsible for ensuring that the European law is observed.

One important aspect of the Europeanization process is the single European Market, In addition, internal political affairs in the EU become more important and stronger. Olson (2001) adds several other aspects that are important in the Europeanization process. First, there is the aspect of 'Europeanization as the development of institutions of governance at the European level'. New institutions of governance are developed where collective action through joint capacities leads to a certain degree of political coordination and coherence. These institutions operate on European level but might be part of the national government(s). Another aspect is 'Europeanization as central penetration of national and sub-national systems of governance'. Europeanization here involves the different divisions of responsibilities and power between different levels of governance. This implicates an adjustment of national and sub-national governance systems to one European political center and to Europe-wide norms.

The regions seem to play an important role in Europeanization processes. New governance institutions occur in these areas and they are institutionalized by the European Union. The regions implement policy made by the EU and are monitored and evaluated on their functioning. According to Vos (1999), the decentralization of the state has led to new regionalism, the regions have become more powers in executive and law making areas. However, the ongoing processes of Europeanization have led to a paradoxical situation. Where the regions just received more powers by their own government, the domains in which they gained these powers have shifted from national to European domains. Therefore it seemed the regions lost the powers they had just gained (Vos, 1999). On the other hand, for their competences becoming European competences, the regions become more involved in European integration. Moreover, the

regions are the executors of European law and rules and therefore are entitled to a greater commitment in establishing this European regulation. The regions are Europeanized (Vos, 1999).

2.2 European integration

When it comes to European integration, cross-border cooperation [CBC] policy is an important aspect of policy made in Brussels. The Euregions are the implementers and executors of European policy (Vos, 1999). By this Europeanization of the regions, they become the central subject in European integration processes. In political geography, these CBC's have been subject of analysis for some time now. They are by several authors studied as territorial and social unities with complex forms of governing. According to Perkmann and Sum (2002) economic and political discourses play a crucial role in these complicated ways of governing. Especially institutional and explicit goals and strategies of the European Union are giving form to these discourses. The EU tries to focus governing policies on taking away the boundaries that come with national borders. By doing so, the EU tries to stimulate European integration.

The European integration process is one of the underlying elements that have an influence on European policy. According to Terlouw (2008) European integration processes are based on economic cooperation. The importance of this economic cooperation is an indirect result of the WWII, because the expectation at the time was that this economic cooperation and these integration processes would prevent Europe from new internal wars between European states. (Terlouw, 2008) Though, the specific policy towards border regions is a much more recent phenomenon. By now, European integration has become a more economic project, by profiling itself as an economic region, with one single market.

As a result of several social processes, there have been many shifts in cross-border policy in the last few years. Cross-border policy is mainly driven by economical discourses and policy models that are based on these discourses. It is generally accepted within these policies that cross-border cooperation is necessary and desirable. However, according to Perkmann and Sum, this also causes a shift in power between the levels of authority that are involved in cross-border cooperation.

2.3 Multi-level governance

Ever since the cold war, there has been a spatial reallocation of social processes and governmental institutions, which are in literature referred to as the processes of 'glocalisation' (Perkmann and Sum, 2002). Glocalisation is the interaction between

global processes and the local cultural interpretation and adaptation of these global phenomena. Dicken (2007) describes it as economic and political processes that are highly competitive in a global world however, remain a high degree of local differentiation. This causes tensions between governing processes on different scales. These processes of 're-scaling' include modification and re-articulation of authority of the sub-national, national and supra-national level. According to Perkmann and Sum (2002) this means a paradigm shift is emerging, where social interaction takes place on multiple scales and the interaction and interrelations between these scales become more complex.

The initial role of the national scale was characterized by a relatively structured coherence between the national economy, the national state and the national society. This role was disturbed by a broad scale of economic, political and social changes that undermined the taken-for-grantedness of the national economy. The national government was the coordinator of these processes. The Dutch government not merely communicates policy to the regional and local level, but because of decentralization processes the role becomes more and more coordinative. The same goes for the effectiveness and legitimacy of the sovereign national state. These changes can be found in a proliferation of scales on which is tried to restructure economic, political and social relations (Jessop, 2001).

Multi-level governance [MLG] is a theory that is used to position different levels of governance in the context of European integration. It is the conceptualization of the idea that there are many interacting authorities and structures at work in the emerging international political economy. It clarifies the close entanglement between the domestic and international levels of authority and was first introduced by Marks and Hooghe in the early nineties (Benz and Eberlein, 1999).

In Europe we see on the one hand a classical intergovernmental cooperation between sovereign states and on the other hand far-reaching supra national integration. MLG gives us insight in the ways in which emerging spaces of political practices are institutionalized and in which they are part of a politics of scale. This phenomenon has been 'unleashed in the wake of neo-liberal reform' (Murphy, 2008).

As we have seen in the introduction, the OMC is only likely to be a functional framework of governance if national and regional 'specificities' are carefully taken into account (Kaiser & Prange, 2004). However, the European Union is making the guidelines of the framework. Multi-level governance theory has shown us that policy is developed on different levels of authority (Trubek & Trubek, 2005). The OMC is implemented by the European Union and therefore is determining the leading discourse that it entails.

New networks of regional governance cooperations between European and regional authorities often occur when central governments fail and local or regional actors take over to exploit new possible structures by regionalization and globalization, these are processes of re-scaling (Perkmann, 2002).

According to Perkmann and Sum (2002) spaces are socially constructed, but nevertheless, are real social entities that are organized in territoriality. These entities are scales that governments refer to as objects of governance. Euregions or other territorial cooperation areas can be an example of these scales. It entails the re-scaling of territorial units and the forming of 'new' regions. Perkmann states that the largest part in the development of Euregions is due to funding and institutional support by the European Union and therefore the establishment of these regions is the result of regional policy rather than a forthcoming of cross-border networks on the regional level. According to Benz and Eberlein (1999), the framework of MLG emphasizes power-sharing between levels of government with 'no center of accumulated authority' (Benz & Eberlein, 1999:329). In these regional cooperations, multiple layers of authority work together and are mutually depended. They also state that European integration challenges this territorial interaction and regional policies by including them in European decision-making. This relates to what Perkmann concluded in stating that in euregional matters, the supra-level authorities and the sub-national authorities become more important, and the role of the national government becomes less strong.

In sum, the contemporary EU seems to be an important player in Euregions, and challenges the modern state systems (Murphy, 2008). Moreover, a trend of decentralization of state responsibilities is occurring, at least in the Netherlands. When it comes to regional policy there has been a shift from national authorities to provinces (rijksoverheid.nl). New created regional bodies, especially transnational bodies, arise and take over a majority of tasks when it comes to transnational regional matters. Municipalities located within these regions are part of these euregional bodies. This shift from government, to governance requires a theoretical approach that goes deeper than the politics of scales.

2.4 Governmentality

These processes of re-scaling and shifts in authority lead to new discourses that lie at the foundation of these new projects and institutions. According to Perkmann and Sum renewed interest in certain areas can make these areas subject to new public and economic policy. These processes often involve public agencies on different levels that try to shape the area. In the case of Euregions they state that imagined trans-local, sub regional, city-regional and cross-border scales play a role in the developing of new sites of economic change and political ambitions (Perkmann and Sum). Therefore we need to pay attention to the mentalities of government. We need to take a look at the changing ways in how political authorities think of what is the best way to govern these areas.

According to Walters & Haahr (2005) studies that pay special attention to mentalities of government are studies in governmentality. Governmentality interrogates the relation between governing and thinking about governing by governments. Foucault uses

governmentality as a form of power and a particular way of thinking about it and exercising it.

As we have previously seen European integration is regarded as a process in which economies, societies and polities become more interdependent. According to Walter and Haahr (2005) we can speak of governmentallization of the state in Europe, because of the changing forms and logistics of power in European integration processes. There is a shift in sovereign power in terms of the priorities and logics of governmentality. When it comes to governance of social and economic processes questions of power and rule need to be reformulated. In Europe spaces like the common market, the euro zone and euregions are new regions of freedom, security and justice. European government poses herself as creator, and regulator of these spaces.

Another aspect of Foucault's theory is the rationality of power, or government as the conduct of conduct as he names it. Governing is an activity that aims to shape, guide and affect the conduct of an individual or a group (Walter and Haahr, 2005). Moreover, it is the way in which governments are trying to direct the behavior of individuals and groups. This is a shift away from the notion of one European identity by acknowledging multiple identities of individuals, groups and institutions. According to Lemke (2002) it indicates how the modern sovereign state and the modern autonomous individual co-determine each other's emergence. This also goes for the emergence of new institutions and new players in (re)developed spaces like euregions. We have previously seen that the system the EU uses to implement their policy is the OMC.

The multi-level governance approach falls short when it comes to shifts and reforms in the sovereignty of states and new methods of governance by the European Union such as the *open method of coordination* (OMC). Walters and Haahr (2005) argue that the OMC was initially used to stimulate European integration in the European member states and pursuing the goals of the European Union. Currently it has become a more decentralized mode of decision making, which is complementary to the more traditional *community method*. The community or Monnet method refers to the idea of a mode of governing Europe in which the European Commission plays the role of the 'motor' of integration. In short, in the OMC the European Commission has the function of the spill of integration in a decentralized implementation. The governmentality approach does acknowledge this, where the multi-level governance approach does not. Therefore, in this thesis, I will use governmentality complementary to the multi-level governance approach.

2.5 The Open Method of Coordination

Regions become more and more responsible for the implementation of EU legislation. On the other hand, nation states still have a lot of power within the EU and centralistic minded states will refuse to give more power to the regions than absolutely necessary to guarantee the functioning of the Union. According to Vos (1999) an institutional solution has to be found. Heywood states that the definition of Europe of the regions means;

“That regional institutions and groups have increasingly sought direct access to EU bodies, thereby bypassing national governments (Heywood, 1997 as cited in Vos, 1999:24)”.

The regions should have a more clear and formal place within the European construction. According to Vos (1999), therefore the institutional character has to become stronger and the decision-making-processes of the regions have to be formalized and become more open and clear. A reaction to this is the Open Method of Coordination.

The Open Method of Coordination [OMC] was first introduced to stimulate European integration and pursuing EU objectives, especially in education. This new method was needed to coordinate shifts and reforms in education. We can find a same kind of shift in tasks and responsibilities on different levels of authority. Haahr and Walters (2005) argue that OMC represents the emergence of new forms of governance. It is a decentralist approach; it encourages spaces and networks of peer review and mutual learning in education. This is quite similar to what happens in governance and a shift from state centered towards network and multi-level governance. Mitchell (2004) suggests that we are currently in a period of transition from social democratic governance towards a regime of neoliberal governmentality in the EU. He argues we can see this in contemporary education and training policy and practices of the European Commission. This can lead to the inclusion of some and the exclusion of others. This governmentality of neo liberalism entails a major change in the conception of civil society and their relationship to the state. According to Walters and Haahr (2005) it becomes a field of overlapping communities and sectors that are capable of finding their own solutions to (social) problems. However, the OMC can be paradoxically.

“The OMC is a negotiation between emphasizing the desire of important states to expand the range of policy issues that are treated on European level and not merely on national level on the one hand, and on the other hand the political concern to limit the formal scope of competences of the EU in this area (Walters and Haahr, 2005:116)”.

Through the lens of governmentality OMC is to place in a ‘transparent and competitive framework as an institutional conduct (Walters & Haahr, 2005)’. Institutional performance is optimized by tapping energy from its agents. They argue:

“There is a shift from focusing on macro-economic policy towards a new form of economic governance that is more concerned for the conduct of individuals and institutions in all sectors, to make them more competitive and efficient. A shift in focus is necessary; we must draw more attention to shifts in authority and governance (Walters and Haahr, 2005:135)”.

In sum, the Multi-level governance theory was developed because of shifts in authority and executive powers. The levels that are distinguished in general are the supra-national level, the national level and the sub-national level. In this thesis we primarily look at the European, national and municipality levels. As we have previously seen, in the Netherlands, as in many other European nation states, we see processes of decentralization of the state. Executive powers shifted from the national to regional and local authorities. According to Vos (1999) these recently gained areas of power by the regions have to be given up on behalf of the European Union. This can have advantages as well as disadvantages. One thing that certainly plays a role is ‘governmentality’ of the different levels of authority involved.

The advantage in looking at OMC through the lens of governmentality is that it looks at power relations, networks and partnerships in a wide spread variety of policy spaces. However, these new forms of governmentality are referred to as the opposite of state-centered power relations. Although these relations were also liberal and governance was already carried out from a certain distance, stimulating private and non-state actors to govern themselves. Walters and Haahr (2005) now suggest that the OMC represents a way of governance at an even greater distance than already had been the case in the social democratic liberal governance of the welfare states.

The actually existing multi-level governance in the EU cannot be seen separately from the OMC.

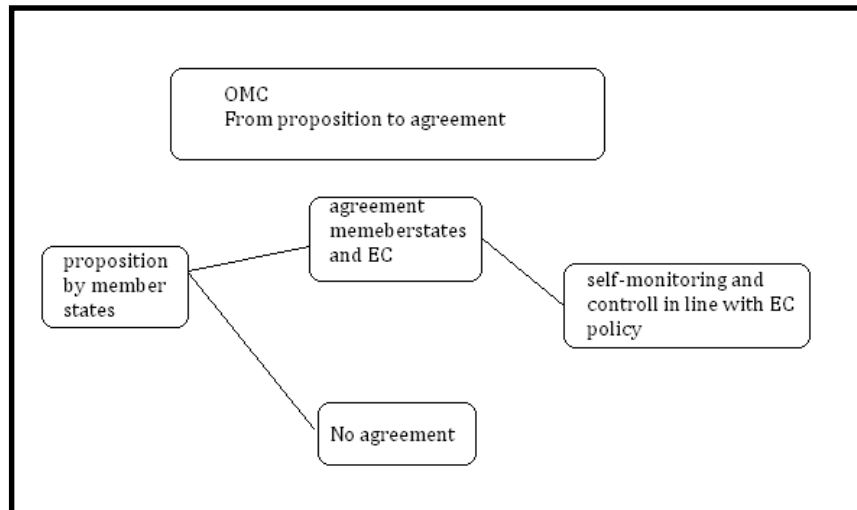
2.5.1 The OMC in European multi-level governance structures

“The Union has today set itself a new strategic goal for the next decade: to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion...Implementing this strategy will be achieved by improving the existing processes, introducing a new open method of Coordination at all levels... (Lisbon European Council 2000)”.

Transparency and visibility are two of the key markers of the OMC. Regionalism has occurred as a new political power. Guidelines that are set by EU policy are transported into national and regional policies. Their powers become European competences and they are therefore more involved in integration (Vos, 1999). They are monitored and

evaluated on their good practices in the way the European Union defines them (see figure 2).

Figure 2: The Open Method of Coordination (source: Europa.nu.nl)



The main focus of OMC is the field of employment policy. Moreover, the foundation of the OMC lies in the Treaty of Functioning of the EU, introduced in 1997, which was focused on employment. However, the OMC is not restricted to

employment policy, and is being applied in research and development, social protection, enterprise policy, immigration and other kinds of social policy (europe.eu). The OMC can form a framework for measuring the processes of social policy implementation at member state level. The OMC is a form of soft law and governance that does not directly interfere in national affairs and does not lead to legislative measures (europe.eu; Walters and Haahr, 2005).

Regions implement decisions that are made on European level and because of this they might have a power position that must not be underestimated according to Voss (1999). OMC focuses on competition and best practice to regions in the hinterland this can be of importance because together with partners across the border they become a stronger force in competing with core areas in nation states. That is what the EU initially was aiming at, to strengthen the hinterlands of the nation states by rescaling and making these new regions stronger competitors within the European territory.

According to the EU the OMC can be seen historically as an economic integration policy and was created as an alternative to the existing EU modes of governance to create more power for the European institutions. With the OMC the EU wants to stimulate best practice and an achievement of the main goals (europe.eu). The difference with social democratic liberalism of the welfare states is that the neo-liberal governance of the EU does not govern through society. Moreover, 'it governs through the regulated and accountable choices of autonomous agents (Walters and Haahr, 2005:118)'. This leads to a mobilization of society into autonomous agencies that reassemble into partnerships which in their turn are shaped by power relations. Modern governance authorities require that the things they govern are first of all visible, because power and visibility are linked to one another. Through the OMC information exchange process and

monitoring of the single market has become more visible as well (Münch, 2010). This process should contribute to a certain level of harmonization of social security. This is in line with the principle of subsidiarity; which entails the partnerships between levels of authority and social partners as well as civil society (Walters and Haahr, 2005). According to Münch (2010) this leads to a trend towards individualist inclusion. The OMC focuses on the efficiency of social policy on all these levels. This leads to processes of individualization of inclusion that already were present in the trend nation states find themselves in.

Research has indicated that the socio-political division of labor between the EU and the member states will remain. Therefore, the task of the EU is not to replace the national welfare state with a European welfare state, but rather create a framework to stimulate the economic potential of all member states (Münch, 2010). Moreover, the OMC suggest an integration of socio-political regulations and economic competitiveness.

From the perspective of the OMC good governance consists of governance institutions being able to develop strategies that are effectively implemented (Walters and Haahr, 2005). This has to lead to self-improvement of the government through 'purposeful self-control' and 'conscious self-management'. By this they mean that member states are located in a process of attaining certain targets and objectives by competition measured through relative forwardness or backwardness in their performance (Walters and Haahr, 2005). Main objectives are economic reform, social cohesion and the environment, which are seen as EU objectives, problems that need solutions. These solutions then have to be developed in a European framework, making use of the experiences and knowledge of other European institutions or member states.

In developing such a framework, underlying assumptions and desires can be found. In the OMC this is the knowledge based economy. As we have seen at the beginning of this chapter this economy is defined by the Lisbon European Council (2000) as one of 'sustainable economic growth with more and better jobs and greater social cohesion'. Policy therefore focuses on employment and education.

In the rescaling of governance, the task of the OMC is to place institutional conduct in a transparent and competitive framework. Economic governance becomes more and more a matter of reforming the conduct of individuals and institutions to make them more competitive and efficient, where it previously focused on society. The role of society is changing. Society is becoming a more pluralistic center where the state can rebound back problems on society so that society has to be involved in solving these problems. Moreover, previously the state was expected to fulfill the needs of society (Walters and Haahr, 2005). The role of the state becomes less strong and other levels of authority become more important. Moreover, new governance institutions that are developed through partnership are becoming more influential levels of authority. This creates opportunities for small municipalities like Vaals, when they are included in these governance institutions.

2.6 Governance discourses in the OMC

The EU aims to create a situation ‘in which the whole population of the EU is actively and continuously involved in the production of wealth (Walters and Haahr, 2005:120)’. Wealth is here an important goal which they hope to reach through competitiveness and innovation. This shows us that wealth is found to be an important factor in the wellbeing of the European Union. The focus is foremost on economic wealth. To reach this economic wealth, well-functioning markets are needed, which in turn need competitiveness, investments and technological innovation. It seems that the EU sees these elements as objectives which have to be fulfilled to reach their goal of a wealthy society. We can place this in the framework of capitalism that is predominant in western-society, which is closely linked to the (neo) liberal forms of governance we see in the EU.

The four most important elements of the OMC are, according to Walters and Haahr (2005), at first the formulation of objectives at a central level. The central level here is the European Union. The EU wants to have a hand in policy on lower levels by formulating these objectives they aim to stimulate the implementation of EU goals on lower levels of authority. Secondly, visibility of achievements has to be reached by establishing indicators that measure the movement towards the formulated objectives. Herewith a system of measuring and control is created, to which all levels of authority have to live up to. Moreover, this system is very complicated and conditions are hard to live up to when institutions are not able to ‘read’ this system. Especially small municipalities do not have the knowledge or the resources to meet up to the standards for these monitoring and evaluation reports. The third element is the decentralized implementation of policy. The formulated objectives have to be implemented on the national level or lower, local levels. The methods to fulfill these objectives are, however, not provided by the EU, they simply compare the results within the community. This actually can be an opportunity for small municipalities to be more influential in decision-making processes, through cooperating in partnerships and the formation of new governance institutions. Furthermore, the fourth element is systematic monitoring. The executers of the objectives have to periodically report and evaluate their progress. As we have previously seen this measuring and monitoring can be a threat to small municipalities, because they often miss the knowledge en expertise in speaking ‘the languages’ necessary to meet up to the standards which are set by the EU.

2.7 Conclusion

The OMC is an instrument used to foster a competitive, dynamic and knowledge-based European economy. It is a decentralized mode of decision-making, focusing on transparency and partnerships. Therefore it has been linked here to Multi-level governance theory. It is the transparency, through measurability, that makes it paradoxical to small municipalities. On the one hand it gives them opportunities to cooperate in partnerships of institutional governance, which in turn can give them more influence in European decision-making processes. However, on the other hand, small municipalities can face difficulties in the conditions that are set for European programs. This governance through partnerships leads to new governance institutions. Moreover, these partnerships are shaped by power relations that influence these governance institutions. The focus in the OMC is primarily on labor, knowledge and education. However it is more and more introduced in other forms of social policy. These are all elements that are important in the development of strategic policy in small border towns. This framework forms the foundation of this research for that Multi-level governance types and processes of decentralization are revealed. Furthermore, we look through the lens of governmentality to see what influence the open method of coordination, has on national policy.

3. Methods

This research is meant to give an inside into the phenomenon of Cross-Border Cooperation [CBC] and the different levels of authority that play a role in this. I try to sketch the context of CBC and analyze this in a critical way, by revealing the underlying assumptions, discourses and ideas of European CBC and compare this with the practice of CBC and CBA by small municipalities. I will focus on one case, a small-municipalities at the Dutch-German border region. I selected the municipality of Vaals for this, she is part of the Euregion Maas-Rijn [EMR]. I selected Vaals because of her intensive cross-border activities and taking part in several partnerships, especially with Aachen. In this research qualitative data will be used particularly. However, the former research this research builds on was qualitative as well as quantitative. Different methods are used to achieve different goals. In the first place data has been collected by looking at existing literature. There already has been written a lot about cross border cooperation and European discourses. General knowledge has been accumulated by looking at previous literature. Policy documents that are linked to the case study will be analyzed and placed in the context of the case of Vaals. Different policy levels that play a role in the selected cases will be revealed. In addition, the underlying discourses, ideas and practices will be revealed to see what their influence is on the CBC and CBA of Vaals. This will be done by analyzing policy documents and interviews with policy makers of the municipalities and other experts in this area. In the following section these methods will be explained.

3.1 Discourse analysis

According to Hardy and Philips (in Gielis, 2009, lecture), 'discourse analysis is the systematic study of texts to ascertain the constructive effects of discourse'. According to Gielis (2009) it tries to explore how ideas and objects that are socially produced and populate the world are created and tries to reveal in what way social reality exists. A discourse is the way in which the members of a group construct the reality. With that they determine the truths, moralities, assumptions and ideas that are prevalent in that reality. The European Union has her own discourse, a way in which she constructs her social reality. In the following paragraph I will further explain what a discourse is and how it is used as a research method. I will end this paragraph in explaining how I will use discourse analysis in this research.

3.1.1 Discourse

Foucault states discourse is a way of gaining knowledge about certain topics in a certain time, through the use of language. Discourses must be looked at in a historical perspective. This means that it is not about whether or not things exist, but about the meaning we give to things. This can differ from time to time and from place to place. According to Foucault, language and society are determined by government systems and their rules (Elden, 2007). According to Hannah (in Elden 2007) certain events that have the same subject, the same positions, concepts and argumentative strategies form a temporary unity of discourses. This unity of multiple discourses is called a discursive formation. Subjects can produce texts, within a certain discursive formation of a certain period. The discourse gives meaning to the subject. Elden (2007) also points out the importance of knowledge and power in Foucault's ideas. Power is always formed by knowledge and in the contrary power also influences knowledge. Power works through social systems and forms discourses.

3.1.2 Discourse analysis as a research method

To analyze statements it is necessary to take the context in which they occur into account, especially the discursive context. Flick (2006) states that interaction proceeds in an orderly way and that nothing in this interaction should be regarded to as random. In addition, 'the context of interaction not only influences this interaction but is also produced and reproduced in it and the decision about what is relevant in social interaction can only be made through the interpretation (Flick, 2006:320)'. By analyzing this 'conversation' we obtain to explain the social production of conversations and forms of discourse in which this conversation takes place. Van Driel (2008) teaches us that discourse analysis is a systematic way of representation of a social reality through which meaning is given to that reality. It generates a subject position that is aligned with power. According to Van den Berg (2004) discourse analysis aims at obtaining and understanding how social realities are constructed, through discursive practices, and how these structures can have the character of axioms. Everything that is taken for granted and for true in everyday life, is unraveled in a historical perspective by discourse analysis. By undermining the discursive legitimization of social inequality that is taken for granted, critical discourse analysis aims to contribute to social change (Van den Berg, 2004). Important here is that Van den Berg writes about critical discourse analysis. This kind of discourse analysis is based on Foucault. Therefore, Parker (in Flick, 2006) calls it "Foucauldian Discourse Analysis". He states that the focus in this form of discourse analysis is more on ideology, critique and power issues than in other forms of discourse analysis. Parker (ibid.) suggests seven steps which researches should take in the research process. The first step is to turn the text that has to be analyzed into a

written text, if it is not already written. The second step is to create free association to varieties of meaning is suggested to gain access to cultural networks. The third step a researcher should take is to systematically order and label the objects, which is usually done by nouns. The researcher should keep a certain distance from the text by treating the text itself as the object of the study, instead of what the text refers to. Then the subjects should be labeled, like persons, characters, role positions and so on. The sixth step is the reconstruction of rights and responsibilities of the subjects that are presupposed and specified in the text. The last step is to map the networks of relationships into patterns and these patterns are discourses and according to Parker (ibid.) these can be linked in relations of ideology, power and institutions.

3.1.3 Discourse analysis in this research

In this research the “foucauldian” or “critical” discourse analysis will be used. According to Flick (2005), we build and rebuild our worlds over and over again. This is not only through language but also through language in combination with actions, interactions, symbols, objects, technologies, and ways of thinking, feeling, valuing and believing. Sometimes these worlds are similar to the previous ones and sometimes they are not. Discourses directly and indirectly influence the ways in which policy is made. The standards determine what is accepted and what is not. Situations that deviate from the standards are seen as problem cases. To understand how language is used to construct European reality we will look at EU policy documents to see how they are constructed and why they are constructed like this and what underlying views can be discovered.

3.2 Data analyses

To explain how border regions are constructed existing data and literature will be used. In the first chapter showing the results, we will see how Vaals is situated in the Euregion Maas-Rijn and facts and figures will be shown. Preceding cross-border literature will be analyzed to see what literature is stating about European discourses, practices and ideas. Together with the discourse analyses and expert interviews answers will be found to questions like what seems to be important in regional policy, what is accepted according to the standards and what is not? What patterns can we find in the EU policies?

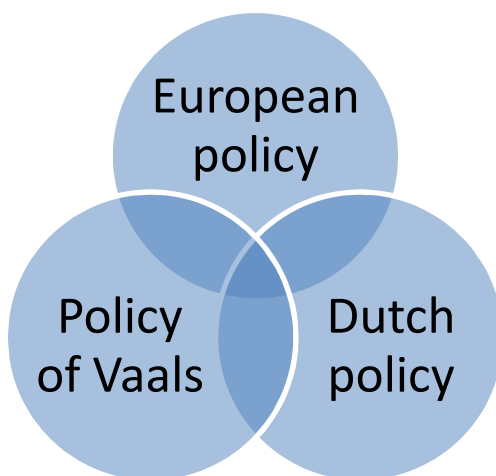
3.2.1 Answering the research questions

To answer the research questions we will use the seven steps by Parker (in Flick, 2006), like described in the previous paragraph, to analyze policy documents by the EU, the Dutch government and the Municipality of Vaals. In addition, we will use interviews and other documents for further explanation.

The first two research questions are part of the first dimension about different levels of authority. As we have seen in the introduction Europeanization involves the different divisions of responsibilities and power between different levels of governance. To see what levels of governance play a role in Vaals, we will first analyze the 'strategische toekomstvisie 2020' of the municipality of Vaals. In addition, we will take a look at the 'nota Pieken in de Delta' of the Dutch ministry of Economic affairs. We will compare these two to see whether there are similarities in both policy documents, to determine to what extent the policy paper of Vaals is influenced by this national tendency. These texts already are written texts, which is necessary for the analysis. To be able to compare these texts, they are labeled by several nouns. A list of these nouns can be found in appendix 1. Not the content of the texts will be compared, but the similarity in labels that are given to certain parts in the text. This will be done for the Europe 2020 strategy as well. Appendixes 2 to 4 show the labels of all other policy documents that are analyzed.

We will look at the overlaps between the policies. First the Dutch policy and the policy of Vaals will be compared, next the overlap between the European policy and the policy of Vaals and finally, the overlap between the three policies will be described (see figure 3). In this research we will not look at the direct relation between the policy of the Dutch government and the European policy, however we do not deny that there is an influence of the EU policy on the Dutch policy.

Figure 3: Overlaps in policies on different levels of authority



By doing so we hope to reveal the underlying patterns that form the discourses in the policy of Vaals.

To answer the second research question we will elaborate further on the overlap between the three policies. And in addition we will describe the case of

the 'uitkeringstoeristen' in Vaals to underline this and analyze the policy on free

movement and residence of the EU in the same way as we did for the other, previously described, policy papers.

The third and fourth research questions are part of the discursive dimension. Because of the emergence of transnational partnerships it is possible that power relations change and differences between the influences of national and supra national powers in regional politics becomes smaller. To answer the question to what extent we see this in the case of Vaals we will elaborate further on the overlaps between the different policies we saw in the first section of the research questions. We will look at which labels are the same in the policy of Vaals and the EU policy and are absent in the Dutch policy. We hope to reveal certain patterns of relations by doing so. In addition we will strengthen our argument with examples we saw in Vaals. For this interviews will be used as well as written documentation.

There are also institutions that are developed by, or work for the national government. These institutions also play a possible role in the CBC en CBA of Vaals. First we will retrieve from policy documents and partnerships of Vaals which institutions play a role. Than we will look at what their tasks are and how they influence Vaals by looking at what role they play for Vaals. In addition we will give the example of the German affairs office and what changes in their policy might mean for Vaals.

This leads us to the third dimension, the dimension of governance institutions. As Olson (2001) described 'Europeanization is the development of institutions of governance at the European level'. New territorial groupings occur that operate on transnational levels and that have obtained a certain degree of political power and action capacities. Here governance institutions are local decision-making and administrative bodies. These bodies are often partnerships between local authorities. In this paragraph will be described in what cross-border partnerships Vaals takes place and what power relations play a role in these partnerships. This will be done by participative observation and by labeling and analyzing policy documents and we will also use the example of a European Grouping of Territorial Cooperation [EGTC]. To do so we will look at European Guidelines that focus on cooperation, application conditions to develop an EGTC and the considerations of Vaals whether or not to take part in an already existing EGTC. The documentation that is used is the strategic guidelines of the European Council (2006) and policy documents of the municipality of Vaals which will be labeled in the way this was done for the policy documents for the first research questions, to see what patterns can be found in the conditions and the actual willingness for application. In addition interviews with Van der Giessen (2012) and Savelsberg (2011) will be used to further explain this phenomenon.

Finally we will answer the question belonging to the fourth dimension of formal and informal cross-border integration. For this the content of the 'Strategische Toekomst Visie 2020' is analyzed and research by Hospers about city marketing is used to do so. We looked at what was important in that research for successful city marketing and

projected this on the situations of Vaals. Important subjects here are quality of living, recreating and working; keeping citizens and attracting new ones; tourism; threats and opportunities of the region.

The answers to these sub-questions eventually will be used to answer the central research question.

3.3 The research process

This research process started with reading articles in 'Dagblad de Limburger'. Every week two pages of this newspaper are devoted to activities and events in both Dutch- and Belgian-Limburg. This sparked my interest in cross-border activities. I was wondering to what extent people cross the border every day for work and leisure. Because of this initial interest in daily border crossing I started working in a German company with a Dutch department. In talking to colleagues I found out the many problems and uncertainties that play a role in working in another country than you live in.

For companies it seemed difficult to facilitate the solutions to this unclearness and I wondered whether municipalities that had a lot of inhabitants who cross the border daily could play a facilitating role in this. And what role could the EU play in this, for they are stimulating cross border activity? When reading literature I came across research by Bekker and Van 't Land about EU grants, municipalities can apply for. The small municipalities seemed unable to benefit from this. However, I wondered whether this had any influence on cross-border activities of these municipalities, or that they had to look beyond their boundaries anyway, because their inhabitants cross the border frequently. Vaals is a municipality that lives up to this description. I contacted Rivka Savelsberg and she invited me to Vaals and provided me with all the information and documents I needed. She introduced me to Christina Löhner-Kareem, of the grensgängerberatung of the city region of Aachen. She invited me to a meeting of the 'Runder Tisch' where experts on several areas discuss problems they experience in facilitating cross-border employment. Rivka Savelsberg had talked to me about the role of the German affairs office and at the meeting I met Naud van de Ven, senior policy advisor of this office. He talked to me about the recent developments in the Dutch policy and the influences on the office. He invited me to the office for a tour around the office, to meet the employees and see what the office was doing. He introduced me to Mathilda van Diemen, with whom I had an interview.

During the process I talked to Mariska van der Giessen as well. She is a research fellow of the department of human geography of the Radboud University Nijmegen. She is specialized in Interreg grants and multi-level governance.

For this research I interpreted the interviews with Mariska van der Giessen, Rivka Savelsberg and Mathilda van Diemen as in-depth interviews, the 'Runder Tisch' meeting as a participatory observation and the experts I talked to during this meeting and the communication with Christina Löhrer-Kareem and Noud van de Ven as informal communication. Policy documents and other formal documentation provided by my contact persons are available at the author for inspection.

4. Europe of the Regions

When we speak of Europe as the European Union we can to some extent speak of a territory, though it is questionable to what extent we can speak of legitimacy and sovereignty. Euregions are important flagships of European integration, and serve as an example of what European integration should be.

“We believe there is still a great deal to do in the Community in the field of regional policy. The possibilities have perhaps not been properly realized or acted on. In particular, we need to give a fresh impetus to regional policy formulated at the same level of the Community and, I should point out, with regular cooperation by Member States’ governments, which is essential if it is to succeed.”

Jean Rey, President of the European commission 1967-1970

In the late eighties a debate started, about the free transfer of persons of member states of the European Union. In 1995 this policy, the Schengen treaty was adopted by several of these member states and the internal borders became more preamable. However, in France, Germany, Belgium, Luxembourg and the Netherlands this was already the case, since they decided in 1985 to open up the borders between their countries. The most important measurements that came along with the Schengen treaty are:

- The disappearance of passport controls at the internal borders.
- The emergence of general and common rules for EU citizens that cross the external borders of the European Union.
- The development of conditions for entering the EU and obtaining visa for short stay.
- More intensive cooperation of police bodies.
- Strengthen and regulate the judicial cooperation between member states.
- The development of a Schengen information system [SIS], that functions as a database of persons and goods for border- and judicial authorities.

Source: ec.europa.eu

By opening up the borders, the European Union hoped to stimulate European integration. Financial instruments and initiatives are used to find a balance in economic and social issues on Community level. The Single European Act which was developed in 1986, was the foundation of European cohesion policy. This policy was first acted out by the European commission, however in 1968 the Directorate-General for Regional Policy was created.

4.1 European Funding

The primary goal of the Directorate General for Regional Policy [DG] is to strengthen economic, social and territorial cohesion. They aim to do this by reducing inequalities between the levels of development of regions and countries of the European Union.

“Reducing disparities requires a cohesion policy promoting constant improvements in competitiveness and employment. By co-financing infrastructure projects, developing the information society, accelerating the transfer of know-how, supporting investments in people and stimulating cross-border cooperation, the DG for Regional Policy helps regions that are less prosperous or are suffering from structural problems to improve competitiveness and to achieve a faster rate of economic development in a sustainable way (ec.europe.eu)”.

According to their website, the policy is a result and expression of the solidarity of the European Union. The main focus is on the regions in member-states with a BNP that is less than 90% of the average BNP of the European Union. The DG manages three major funds; the European Regional Development Fund [ERDF], which is active in all member states regardless the BNP. The Cohesion Fund is developed solely for countries with a below-average BNP and the Instrument for Pre-Accession Assistance is developed to help candidate countries to live up to the infrastructural standards of the European Union. The European Social Fund [ESF] focuses on employment.

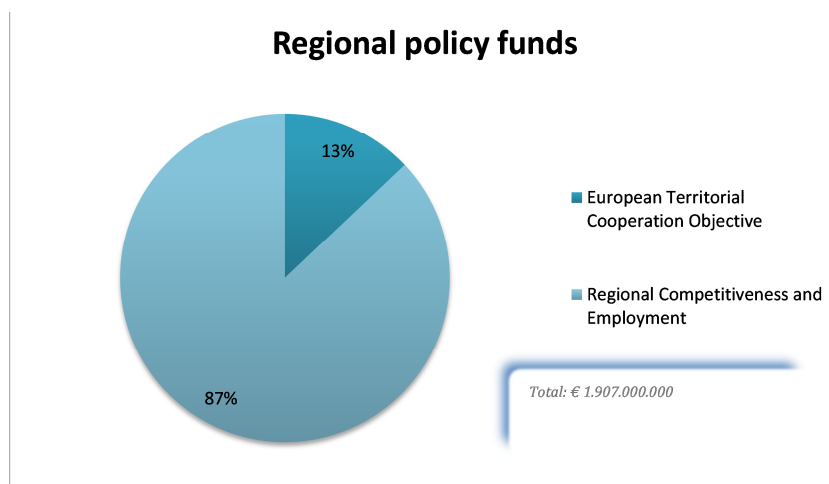
Table 1: European Funds

Objectives	Structural funds and instruments		
Convergence	ERDF	ESF	Cohesion fund
Regional Competitiveness and Employment	ERDF	ESF	
European territorial cooperation	ERDF		

Table 1 shows which funds and instruments live up to which regional policy objectives by the European Union. The DG aims to contribute to ‘efficient and effective structural policies that bring benefits to, and are understood by, Europe’s citizens on the ground,

contribute directly to creating the conditions for the successful enlargement of the European Union and are consistent with the principles of sound financial management (ec.europe.eu)’, with these structural funds and instruments. In the Netherlands we can find local authorities that receive ESF funds, focused on education and employment.

Figure 4: The two objectives of the current programming phase



According to Walters (2005), European Regional policy is developed to meet the need to have one central decision making process, when it comes to cooperation between European institutions and member states. Moreover, there is a need for more accountable institutions and an improved and cohesive

policy.

4.1.1 INTERREG

INTERREG has been developed to stimulate cooperation between regions in different member states. The first INTERREG program was founded in 1989 and lasted till 1993. INTERREG is financed under the ERDF. This first program focused on the improvement of infrastructure in border areas. INTERREG II started in 1994 till 1999 and focused on projects about communication and innovation. Additionally the program focused on the awareness of citizens to look across the national borders. INTERREG III was concentrating on transnational cooperation in spatial planning and lasted from 2000 till 2006. Until 2007 INTERREG was a community initiative (CI), which means that help- or action programs were developed by the European Commission. They were used in addition to the structural policy, to diminish the main economic and social differences in the European Community. After 2007 the regional policy is strongly simplified, therefore several CI activities are included in already operational programs. INTERREG IV is active since 2007 and will stop in 2013 (Wolfe, 2007).

The INTERREG program consists of three different strands. The first is INTERREG A, also known as Cross-Border Cooperation. With this program the EU tries to close the gaps between neighboring countries, to improve the cross-border cooperation. The problems that cause this gap can be infrastructure related, market and services related or they can be found in the bringing together of universities or enterprises and customers. These problems can also be cultural or linguistic barriers. The second strand is INTERREG B

and focuses on transnational cooperation. The program tries to stimulate regions in different countries to cooperate. For example sea-areas, mountain areas or areas that include more country regions. These programs add an extra dimension to European regional development. This analysis is developed on European level, which can lead to an agreement on priorities and a well-coordinated strategic response. The third strand is INTERREG C and is based on interregional cooperation. Networks are being built to stimulate the practice of 'good practice', and to stimulate knowledge flows and the sharing of experience by regions that already are successful (Wolfe, 2007).

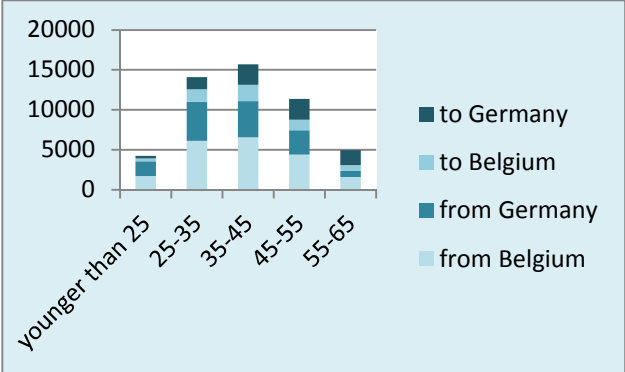
In this thesis we will focus on cross-border cooperation between neighboring countries, therefore INTERREG A will be the most interesting program. An important condition for the INTERREG subsidy is that only partial finance is possible. The applicant itself has to come up with a certain part of the budget as well (rijksoverheid.nl). For example in the period from 2007-2013 there is an amount of 290 million euro available for the INTERREG IV-A program. 138 million is financed by the EU and the rest comes from local and regional governments, or other applicants (euregio.nl).

4.2 Traveling across the border

4.2.1 Employment

As we have seen in the previous chapter that employment and knowledge are key objectives in European policy. To the majority of the people in the world employment is the most important source of income. According to Dicken (2007, p.450) 'unemployment is a global problem in our time'. There are not enough jobs for all the (new) people on the labor market, and it also seems impossible to create job opportunities for all these people. Labor itself is far less mobile than for example capital. This goes especially for labor over great distance. Labor seems to be strongly place bound, of course different types of labor differ in this matter, but in general labor is not really mobile (Dicken, 2007). There seem to be huge flows of information and knowledge all over the world. The demand of high skilled labor can be influenced by the fact that companies are internationalizing. In border areas like the Euregion Maas-Rijn, this employment across borders is especially important. In 2005, 4620 inhabitants of Belgium worked in the Netherlands and 730 from Germany (CBS). In that same year 920 employees that live in the Netherlands, worked in Belgium and even 5565 of them worked in Germany (CBS). Figure 5 shows the number of people that work on the one side of the border and live on the other.

Figure 5: Cross-border Employment in the Netherlands (Source: CBS)



Vaals is also working on improving the position of its residents on the international labor market. To achieve this they focus on going beyond the boundaries of borders in the field of employment. In the Strategische visie Vaals 2020, they recognize that until recently they made little use of the opportunities of the geographical proximity of Aachen. Vaals not only tries to increase the awareness of the opportunities across the border for its inhabitants, they also try to facilitate working across the border better. As mentioned before, multilingual education is an example of improving this facilitation.

4.3 Euregion Meuse-Rhine [EMR]

In 1976 a partnership between several localities in The Netherlands, Germany and Belgium was developed. Since 1991 this has become the ‘Stichting Euregio Maas-Rijn’. This title of ‘stichting’ gives the region a legal status. The Euregion board is the highest decision making body and is principally engaged in financial and programmatic matters. In 1995 the Euregion Council was established in Maastricht. This is an advisory body that formulates priorities and the basics of the Euregional cooperation. The present Euregion Council consists of 51 members, which represent the parliament of the region’s partners. Other bodies of the EMR are the social and economic council, strategic guidance groups, temporary committees and the Meuse-Rhine Office (euregio-mr.com).

The EMR focuses on eight general themes:

- economic development
- knowledge institutions
- labor market and education
- health and care
- mobility and infrastructure
- culture and tourism
- safety
- climate and energy

(euregio-mr.com)

The economic development of the region mainly focuses on clustering and the attraction of enterprises. Another focus is on the stimulation of entrepreneurship to create employment and to strengthen the economic growth and competitiveness of the region. To accomplish this, cooperation between business and education has to be stimulated and a focus on multiple language education is necessary. A focus on euregional networks and cooperation is necessary to strengthen the capacity of, and the access to healthcare in the region.

In the EMR there are 4 universities; Universiteit Maastricht, Limburgs Universitair Centrum, Université de Liège and Rheinisch-Westfälische Technische Hochschule Aachen [RWTH Aachen University] and 53 higher education schools (EIS, 2007). Since several years, the universities of Liège, Maastricht and Aachen cooperate in a euregional partnership. Therefore they are the science center of the EMR (RWTH-aachen.de).

The RWTH Aachen University is one of the largest tech universities of Europe and only five kilometers from the border with the Netherlands (Vaals). At this border a campus with research center and institutions has recently been developed (Savelsberg, 2011a).

The economic position of the EMR is to a large extent determined by the economic position of the region of Aachen. The Gross Regional Product [GRP] is an indicator of a region's economic strength and the Region Aachen makes the largest contribution (35%) to the GRP of EMR. Nordrhein-Westfalen is the strongest economic area of the region. The region Aachen is part of Nordrhein-Westfalen. Moreover, the disposable income per capita is the highest in the region of Aachen (EIS, 2007). The Region of Aachen seems to be the economic motor of the region and therefore an important partner to the other regions.

4.4 Vaals

Because Vaals is the nearest Dutch municipality to Aachen, they have to take advantage of their position in cooperation with Aachen and become part of their economic growth. In 2000 there was a shared awareness that something had to be done to secure the future of Vaals. Vaals struggled with problems like high unemployment rates, a sharp decline in population and an imbalance in the housing market. A long-term strategic vision was developed, a project that should be completed in 2020. The core of the Strategic Vision is to ambition an attractive residential and living environment in 2020, with an international character and an orientation on Aachen. The structure of the population should be more balanced, however, remain pluralistic. The economic engine is the combination of a unique place where three countries literally meet, with a high quality rural area, a monumental core and an attractive shopping center. In the coming years Vaals wants to be the gateway from Aachen to the 'Heuvelland' and Maastricht, but mainly the gateway South of the Netherlands to Aachen (Strategische visie Vaals, 2006). At the German border with Vaals a university campus is emerging. This should give a strong boost to Vaals. Vaals should become attractive for the housing of international students and teachers, connected to the Campus.

By its unique geographical position near a large foreign city, Vaals has many opportunities for cooperation in areas such as healthcare, education, culture and work. Until recently, the physical border was experienced as a barrier. Current policy aims to focus more on collaboration. For example in education; bilingual education in primary schools could be a first step. Vaals will encourage multilingual education, without denying the importance of the Dutch language in their education program. However, multilingual education will not be mandatory. The benefits of multilingual education can be that the psychological barrier to work across the border may decrease and that it is attractive for foreigners to come to Vaals.

Vaals has always had a relatively large group of German citizens. At the moment approximately one third of the total population is German, though the number of German inhabitants is decreasing. Vaals wants to focus on attracting young people and young families, particularly from the Aachen region (Strategische visie Vaals, 2006). The current German inhabitants mainly focus on Germany and attend schools there. The current absence of integration of the foreigners in Vaals seems largely due to a lack of information. By focusing on an improvement in providing information, especially in areas like education, culture and other facilities, they hope to stimulate and promote the integration of foreigners in Vaals (Strategische visie Vaals, 2006).

5. European discourses in the practices of Vaals

5.1 Authority on different scales

5.1.1 Multi-level decision-making processes

In cross-border cooperation and cross-border activities different levels of authority play a role. The decision-making processes in these areas are influenced by authorities on different levels. The two sub-questions related to this dimension will be answered here.

Decision-making powers are shared by actors on different levels. Which levels play a role in the decision-making about cross-border activities of Vaals? A distinction between vertical linkages between higher and lower levels of governance and horizontal relationships between regions or between municipalities will be made.

To answer this question three policy documents have been analyzed. The first was the policy document *Strategische Visie Vaals 2020* [SVV]. The other two documents this policy was compared to are policies on national and European level and have been described in the methodological section of this thesis.

5.1.2 Comparing policy on different levels

The first actors that play a role are the policy makers of the municipality itself, the 'Strategische Visie Vaals 2020' determines how the policy of Vaals in the coming years is formed. This policy strategy also contains the cross-border policies, in which Vaals particularly focuses on employment, but also on creating an attractive residential and living environment with an international character (Strategische Visie Vaals, 2008). The province also plays a role in cross-border activities of her municipalities. They monitor the municipalities within the county and supervise their budgets. In recent years, however, a shift of responsibilities took place from the provincial authorities to the municipalities and the supervision of the province is now mainly financially oriented (IPO, 2012). The cross-border activities of Vaals are also particularly economically oriented, so indirectly the province can have an influence on this policy and the activities, because they determine whether or not the budget of the municipality is sufficient. All these policies have to fit within the main strategies and policies of the national government. People might say that the national government plays the largest role in the policy making of municipalities, because they develop the laws and rules that must be carried out by all authority levels within the country. The European Union, on the other hand, influences the policy of the Dutch government, because The Netherlands is a member of the European Union and acknowledges the European constitution. In

addition, the European Union plays a role in international partnerships where Vaals takes part in. These previous levels of authority are vertically connected, there are higher and lower levels of governance. This connection focuses on institutional, financial and information providing aspects. When we compared the policy paper of Vaals, to policies on European and national level, we noticed that several aspects of the policies were similar on the three levels, which revealed some trends in policy making. At first we saw the cooperation between governments as a central point in all policies. This cooperation can be on different levels between and within nation states. Another pattern we saw was the focus on durability, mobility and participation. Furthermore, we see in the policies on all three levels is the focus on a better relation between education and the labor market to coop with trends of aging and shrinkage of the active population. These patterns form discourses that are leading in the current policies on all three levels.

5.1.3 Local partnerships and power relations

The second forms of cooperation, between municipalities within regions in partnerships, are horizontal groupings. This involves cooperation agreements between municipalities that are developed to the benefit of public services and development strategies. Vaals is particularly focused on Aachen in cooperating across the border. In addition, Vaals is part of the Euregio Maas-Rijn and takes part in 'Runder Tisch' meetings, where consultation takes place between actors in cross-border work, to see where the needs of labor migrants lie and how the municipality can facilitate this (Savelsberg, 2011). The municipality of Aachen chairs these meetings. Vaals is at the moment considering to participate in a European Grouping for Territorial Cooperation [EGTC], Charlemagne. In 2009 directors of Parkstad Limburg and Städteregion Aachen signed an agreement about the intent of establishing an EGTC. The EGTC is an administrative tool for strengthening the collaboration between Parkstad Limburg and Städteregion Aachen. The main objective of this collaboration is to develop a joint cross-border spatial economic plan (Parkstad-Limburg, 2009). Vaals also participates indirectly in partnerships where Aachen part of is. Where the disadvantage of Vaals is that it is too small to directly participate, they can benefit from Aachen's participation without paying membership fees.

5.1.4 Conclusion

By attending the Runder Tisch meeting we could reveal certain power relations. The chairman of these meetings is Christina Löhner-Kareem and she is engaged in border labor affairs for the Aachen city region. This makes Aachen an important player in these

meetings. Moreover, other participants can suggest certain discussion points, but the agenda of the meetings is developed by Aachen. This means that the power relations between the participants are not equal. As Savelsberg (2011) acknowledges “de complexiteit van grote aantal partners heft ten gevolge dat de gemeente Vaals niet altijd volledig haar eigen koers kan varen, maar dat we ook rekening dienen te houden met zienswijzen van onze Euregionale partners”. Cooperation means to be considerate. Through regional-level partnerships, municipalities, like Vaals, seem to create more policy space, when it comes to labor and education. Moreover, these new institutions of governance seem to bypass the national governments when it comes to the regional labor market within the European economic market. However, we must not fade out the role national governments still play in local policy. Regional cross border governance institutions give small municipalities more policy space and a stronger voice in decision-making processes.

5.2 Position of national governments in multi-level decision-making

As we have seen in the previous paragraph sometimes regional institutions and groups seek direct access to EU bodies and are thereby bypassing the national government. In the theory of Heywood (1997) about the development of the OMC we saw this phenomenon. On the other hand, local governments are still part of a national governance system and cannot simply go beyond this. Therefore, sometimes conflicting policy on a local level can occur.

To what extent can we see this phenomenon when we look at the case of Vaals?

To answer this question we use the example of the free transportation of goods and persons between European countries and the national social benefits, and how this affects Vaals.

5.2.1 Free movement and residence

“Citizenship of the European Union grants every citizen a fundamental and personal right of free movement and residency within the territory of the Member States of the EU”. This is declared in the treaty of free movement and residence and has to be implemented by all states that signed this treaty (2004/38/EG). States participating in this convention should have revised their own policies with regard to employed persons, students and other inactive actors in favor of the free movement and residence within the EU. Union citizens have the right to stay at the territory of the host country

for up to three months, without fulfilling any other formalities than to be in the possession of a valid identity card or passport. This is determined within the European Commission and nation states cannot deviate. After these three months, a Member State can have conditions people have to live up to when they want to stay living in the host state. They have to register with the authorities of the place where they are living (2004/38/EG). However, the EU has still conditions which Member states have to live up to in developing these policies. Therefore, beneficiaries of these rights of residence cannot be expelled when they are no unreasonable burden to the social system of the host country. In addition, applying for recourses from the social system does not automatically lead to a removal order (2004/38/EG), although, it is stated that a citizen of the Union that wants to stay in a host country for longer than three months, must have sufficient resources and a reliance on social assistance should be avoided (2004/38/EG).

The underlying goal of these guidelines is to promote European integration. By strengthening Union citizenship, social cohesion should be promoted (2004/38/EG). By making it easier to work and live in other member states, the EU tries to create a European community with citizens that are European above national. This should contribute to the social cohesion in European society. Though, this seems a utopian goal. The EU leaves the Nation state with more decision making power when it comes to restricting the free movement on grounds of public order, safety or health issues. Also, the degree of integration and length of stay in the host country and the bond with the country of origin has to be taken into account (2004/38/EG). This shows that the more a citizen is integrated in the host country, the more he is protected against expulsion (integration is here again the main goal and of importance in the discourse of the EU). In these guidelines the UN conventions also play a role, because the treaties of the UN are acknowledged by the EU. Therefore they also play an important role in the dominant discourse and policies of the EU. In addition, above all the fundamental rights and freedoms as set out in the Manifest of the EU have to be taken into account. Member States should implement these guidelines without discrimination on grounds like sex, race, color, ethnic or social origin, genetic features, language, religion or belief, political opinion or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation.

When it comes to the size of financial resources of EU-citizens, Member States are not allowed to determine themselves what they find to be a sufficient amount of resources. They should take the personal circumstances of the person into account and they can never demand an amount that lies above the line which makes nationals of the host country eligible for social assistance (2004/38/EG).

5.2.2 Influence of national and European policy on Vaals

When citizens of the Netherlands cannot earn their own livelihood, they can claim a social benefit payment (see explanation framework 'Bijstandsuitkering'). This benefit can also, in certain circumstances, be applied for by nationals of the EU that meet the conditions. . These social benefits are normally administrated and paid by the municipalities in which the citizen lives.

Bijstandsuitkering (Dutch financial support system)

Social assistance is intended as a safety net of social security in the Netherlands for people that cannot earn their own livelihood. This is carried out and paid by municipalities. Dutch inhabitants over eighteen years old that live or stay in the Netherlands can apply for this financial support.

In addition, EU citizens with permanent residence in the Netherlands are also entitled to social assistance when they meet the necessary conditions. Citizens of the EU that have stayed in the Netherlands for less than three months, cannot apply, unless they are workers or entrepreneurs or their family is.

(www.rechttopbijstand.nl)

Vaals as a small town with less than 10,000 inhabitants has 330 inhabitants on welfare. It is remarkable that over 40 percent of them come from other European countries than the Netherlands. Vaals is appealing to them because of cheap housing and relatively simple allocation of welfare benefits. This is costing the municipality a lot of money (Savelsberg, 2011).

Every EU citizen has the right to leave the territory of one member states to go to the territory of another member state. The citizen only needs a passport and does not need a visa. For a stay for less than three months a host country can only ask for a declaration communicating their presence in the host country (European parliament, 2004/38/EG).

The right for a visit for duration longer than three months is dependent on a certain conditions, the citizen has to live up to. The first condition is that the citizen has to be able to financially take care of himself and has to have a sufficient health insurance (European Parliament, 2004/38/EG).

According to Mathilde van Diemen (interview, 2012) there is no other country like the Netherlands in the EU that focuses mainly on social security. Other states have a mainly

work focused mentality, if you do not work, you do not have access to social security benefits. The municipality of Vaals has therefore appealed to the European guidelines, which state that citizens who wish to stay for longer than three months in another member state, must have enough resources to avoid having to rely on the social safety net of the host country.

'Labor refugees' and 'social welfare tourists' are citizens that come from other parts of the country or from other countries to establish at Vaals and apply for social welfare in the municipality. To counteract this, the municipality of Vaals wants to set income conditions for new citizens. According to Vaals, this is in line with the European guidelines and resembles the policy of her Belgian neighbor Plombières (binnenlandsbestuur.nl, 2011). However, these same guidelines state that no government is qualified to determine what they believe to be a sufficient income (European Parliament, 2004/38/EG). The EU has asked the Dutch government to explain the situation and take responsibility in the matter (Savelsberg, interview, 2011). According to Elsevier (2011) initially these welfare applications are approved, before checking whether or not a person is lawfully living in the Netherlands. The ministers Kamp and Leers have agreed on the proposition that the 'imigratie en naturalisatie dienst' [IND] has to give a faster and definite indication, whether or not someone is rightfully living in the Netherlands, when municipalities ask for this indication. According to Savelsberg (interview, 2011) in the Netherlands institutions do not look at what kind of income applicants have when they give a permit for longer stay. Therefore Vaals found herself in a vicious circle that was a disadvantage to the economic situation of the municipality. The situation is according to Savelsberg (interview, 2011) as follows:

'Citizens of other member states come to Vaals and ask for social benefit allowances. Next, it takes too long before the municipality gets a definite indication whether or not the citizen is a rightful citizen of the Netherlands and is eligible for the social benefits. The benefit will be allocated. Furthermore, after the three months of permitted stay, the citizen can live up to income requirements necessary to apply for a longer stay permit and it is not checked where this income comes from (Savelsberg, interview, 2011)'.

As long as there is no proper communication between the executive actors this problem will live forth. However, because of this announced refusal of EU citizens on base of income by Vaals, this problem has become visible within the European Commission, because of the possible conflicts with European guidelines. The reason for this conflict is that governments are not allowed to make decisions about sufficient income conditions, and this might be the case here. This, however, is favorable to Vaals for what they themselves could not achieve on national level, has now, because of EU attention, become on the national agenda. The Dutch government was hereby forced to find a solution for this specific problem.

5.2.3 Conclusion

In sum, different levels of authority affect the policies of small municipalities. This can have advantages and disadvantages. By the focus of the EU on the development of the regions, problems which small border towns like Vaals encounter will become under attention, where they otherwise would not. The main focus is on problems that arise at the national level. The national government is held accountable by the European Union and is therefore forced to find solutions for problems that occur on the local level.

When we look at the underlying patterns in European policy we see that the EU wants to make free movement and residence on European territory as easy as possible for her citizens. She wants her member states to cooperate in this stimulation of mobility of citizens, therefore it is difficult to refuse or evict citizens. The underlying goal seems to be the facilitation of European integration. A remarkable phenomenon is the decision making capacity the member states get when it comes to public order, safety and health issues. Notwithstanding that integration and length of stay of the specific citizen has to be considered. The more a citizen is integrated in the host country, the more he or she is protected against eviction. This shows again the importance of integration in EU policy.

5.3 Discursive practices on different scales

5.3.1 Power relations and discourses

Underlying power relations and discourses play a role in policy making on different levels of authority. These discourses influence the cross-border cooperation and activities of small municipalities.

It is expected that because of the emergence of transnational partnerships the differences between national and transnational power becomes smaller. To what extent can we see a shift in power and changes in power relations in this case study?

As we have seen in the previous section, the developments concerning the Euregions are paradoxical. The challenges that the European Union currently faces, makes the importance of these regions grow. However, on the other hand, the place of the Euregions within the European decision making is still limited.

5.3.2 National and transnational power and their role in the regions

When it comes to cross border cooperation, the focus of the European Union remains on European integration. However, while the focus was previously on participation of EU citizens, it is now deployed on the involvement of civil society and social partners in policy, through the adoption of the OMC. De La Porte and Nanz (2004) say that 'in the template of the OMC the European council assumed that the involvement of civil society and social partners at various levels of governance is important for the quality of democracy, because they give voice to the citizens'. The focus on social institutions and civil society is also evident in the EMR.

5.3.3 Comparing policies

When looking at the policy of the municipality of Vaals and comparing this to national and European policies we see that closeness to the citizens is important in EU policy as well as in the policy of Vaals (see appendix 1). As we have seen in the policy of the committee of the regions (1996), the advantages of local governments is that they are closer to the citizens than any other level of government. The municipality of Vaals makes use of this argument. The underlying assumption here is that when authorities are closer, citizens get a stronger voice. However, we must note here that this has to go beyond geographical proximity. Neither of these policies makes this point clear.

According to Vos (1999), the problem is that it was difficult to formalize this increased importance of the regions. Initially, the European Union focused on Euregions, because they were characterized as disadvantaged regions within the Union. Today these regions are no longer the most disadvantaged regions of the European Union. We must note here, that at the time the Union was much smaller and mainly western European countries were members of the EU. In the last few years the number of federal and regional authorities within the European Union has increased. The European Union has expanded to Eastern Europe. This enlargement had implications for the Euregions as new disadvantaged areas came with this enlargement and the focus might shift to these new regions. According to Rivka Savelsberg (2011) from the municipality of Vaals, these changes affected the focus in funding programs of the European Union. The focus is now on Eastern Europe, because they have more basic needs, like improvement of infrastructure. Mariska van der Giessen (2012) argues that these new regions received more money because they have to do larger investments. However, it is not the case that the regions alongside the German-Dutch border suddenly received less money. The amount they receive is not declining, though it is hardly rising either, which in previous years was the case. When it comes to funding from the European Union, they not only

focus on the regions, but also look at the countries where these regions find themselves. The European Commission determines which member states are qualified for what programs and funding and which regions the member states should focus on. The final application for grants must be done at regional bodies. The adoption of the OMC as a framework for the regions has changed the role of the regions and through the coming of new governance institutions that are assemblages of local authorities in a (eu)region. However, the EU and her regions are still in a struggle to find out what the best way to function is.

5.3.4 Conclusion

In comparing policies on the three levels; EU, the Netherlands and Vaals, a remarkable point is that especially EU policy focusses on social welfare. This can possibly be because according to Walters and Haahr (2005), the EU is not trying to replace the welfare state, however this trend of welfare is taken over by the EU because this is one of the leading discourses in western society. In member states this is already deeply embedded and is therefore probably not specifically mentioned in their policies. This indicates an interaction between national and EU policies, for leading discourses in western society have been taken over by EU policy makers. EU policy was probably adapted to leading general discourses in her member states in the first place. Therefore it seems merely an adaption of policies of different member states that has evolved and adapted in one central policy.

As we have seen in the theory about the OMC the main objectives of the EU are knowledge, education and labor. These three objectives are also to be found in the policy of Vaals. In their partnership with Aachen these are the main objectives in the projects Vaals developed. This can on the one hand because these objectives are facilitated by the EU, but other hand, they are seen as key figures for economic development by all three levels of authority. Moreover, innovation, employment and making profits are key objectives in the capitalist world we find ourselves in.

5.4 (Semi) Government Institutions

Central (semi) government institutions can play a role in cross border activities of Vaals. Through these institutions national policy can influence the policy of municipalities.

Which government institutions play a role in the cross-border cooperation and the cross-border activities of Vaals?

5.4.1 Government institutions and their influence on CBC and CBA of Vaals

As we have previously seen, Vaals is taking part in euregional partnerships like the EMR, Runder Tisch and (probably) EGTC Charlemagne. We also see the role that national institutions like the UWV (administrative office for employed person's insurance schemes), CVZ (Care insurance board), SVB (social security bank) and the core department of Social Affairs play in these cross-border partnerships. They all focus on labor; therefore they are key partners in facilitating cross-border labor for the residents of Vaals. Educational institutions also play a role in this because they can facilitate multilingual education and they can acknowledge the importance of the border that lies nearby in their educational program. To illustrate how these bodies play a role in the CBC and CBA of Vaal we will give the example of the German affairs office, 'Bureau Duitse Zaken' [BDZ], which is part of the Dutch Social Insurance Bank [SVB].

5.4.2 The German Affairs Office

Sociale verzekeringsbank [SVB]

The SVB a Social Insurance Bank , is the executor of national insurance in the Netherlands. They make sure that the people get the payment they have right to, like child benefit, AOW pension or ANW benefit. The SVB does this on behalf of the Dutch government. The system of benefits that the Netherlands has, has been a hundred years old. So is the SVB, or actually the precursor of the SVB, the *Rijksverzekeringsbank*. This was founded in 1901 as the first executive institution for social insurance.

(SVB.nl, 2012)

Due to government cutbacks, the annual budget for the SVB during this cabinet period is reduced by € 54 million. This results in a 30 percent reduction of the total annual budget of the SVB. Budget cuts by the previous government of € 27 million will be completed with efficiency. In addition, through austerity and efficiency another € 14.3 million cut will be realized. Choices in jobs and services are supposed to lead to a saving of € 3.7 million. Furthermore, € 8.3 million has been saved through changes in laws and regulations that the SVB performs and making the implementation simpler and cheaper.

(rijksoverheid.nl, 2012)

Up to 2010, BDZ was the executive body of the social security treaty between Germany and the Netherlands and later on the executive body of the EU social security treaty. Now BDZ only has an informative and PR function (Van Diemen, 2012). To Vaals they are an important advisory body when it comes to cross-border working, living and entrepreneurship, although they have no official advisory role (Savelsberg, 2011; Van Diemen, 2012).

Despite the cross-border function of BDZ, it is at this moment (indirectly) funded by the Dutch government. Fifty percent of the budget of BDZ comes from the SVB, twenty-five percent from the UWV and the other twenty-five percent from the CVZ (Van Diemen, 2012). All these agencies have to undertake changes due to current government cutbacks. This means that BDZ will probably disappear and only the website 'grensinfpunt.nl' will remain. For border workers, and also for small towns like Vaals, this implies that a major network specialized in Euregional affairs disappears (Savelsberg, 2011).

Specialist knowledge can be lost because of this and problems cannot be solved while some things are too complicated and require personal contact (Van Diemen, 2012; Van de Ven, 2012).

To Germany, the maintenance of BDZ is important as well and the German ministry of Social Affairs is therefore willing to cover the full costs of the BDZ budget. However, the Dutch government does not want BDZ to accept any money from the German government, probably because she is afraid of a loss of control (Van Diemen, 2012). The problems that occur when only a website remains can be larger than expected by the Dutch government. While Dutch citizens are forced and stimulated to use the internet for applications and other formalities, the Germans are not that fond of internet and generally do not use it for formal purposes, this can be an obstacle in the developments to come (Van Diemen, 2012). Moreover, for the EU it can be of great importance as well that BDZ is maintained. BDZ is therefore working on research to see if she is eligible for INTERREG funding. At this time it is not clear to what extent this might affect policy discourses.

5.4.3 Conclusion

The closure of BDZ means for Vaals the loss of an important information network and advisory body. Because a significant part of their inhabitants works on the other side of the border or is born on the other side of the border, this can be a negative development to Vaals. If BDZ remains, but under a different authority or under INTERREG, this probably has no direct implications for Vaals, because the network and advisory function of BDZ probably remains.

It is important to note here that BDZ will no longer be a semi-government institution and therefore has to carry out the discourse of the SVB no longer. We can only speculate about what changes in underlying discourses can take place, for there is nothing definite about the future of BDZ. If it is becoming part of INTERREG V after 2013, the European discourse will be of influence, notwithstanding that this can only be a partial funding. INTERREG requires co-finance of local or regional governments or other parties involved in the program. Therefore it seems plausible that other discourses are going to play a role in the future functioning of DBZ as well.

5.5 The building of new governance institutions

Within the western world there seems to be a universal agreement that a state needs strong institutions. The building of governance institutions involves the creation of governance capacities, which entail legal, administrative, economic and social functions. In this case governance institutions are local decision-making and administrative capacities of local authorities, through partnerships.

New partnerships are created and need to be institutionalized. In which partnerships does Vaals take part and how are these organized?

“Regional and local governments play a central role in the ongoing development of the European Union. This is due to the fact that local and regional governments, by their closeness to the citizens, enhance the democratization process of Europe. Secondly regional and local governments in the EU states have the responsibility for a major part of the tasks handled by the public sector (Committee of the Regions, 1996, p.3)”

The committee of the regions seems to have three main objectives. First there is the justification of strengthening the foundation of decision-making procedures by European institutions by giving local and regional governments more authority. In addition, the second objective is to recognize the ongoing processes of democratization of Europe and the ongoing process of decentralization. The third objective is to reflect the effectiveness and importance of EU legislation.

The committee assumes that when governments are closer to the people, this will increase democratization processes because individual citizens have more influence. An example of this is the participation of Vaals in ‘Runder Tisch’ meetings. These are meetings between Dutch and German government institutions, like the UWV, SVB, Belastingdienst; Dutch and German labor unions and local governments. By participating Vaals is aiming to find where the problems and needs of border crossers lie, while a large amount of their inhabitants cross the border frequently. However, it is questionable whether this geographic closeness of the municipality to the people leads to more democracy within the European Union. It is more likely that a municipality like

Vaals is too small to have that influence within the European Union. In this case we see that these meetings only improve the local policy when it comes to cross border activities instead of influencing European policy.

5.5.1 European Grouping for Territorial Cooperation

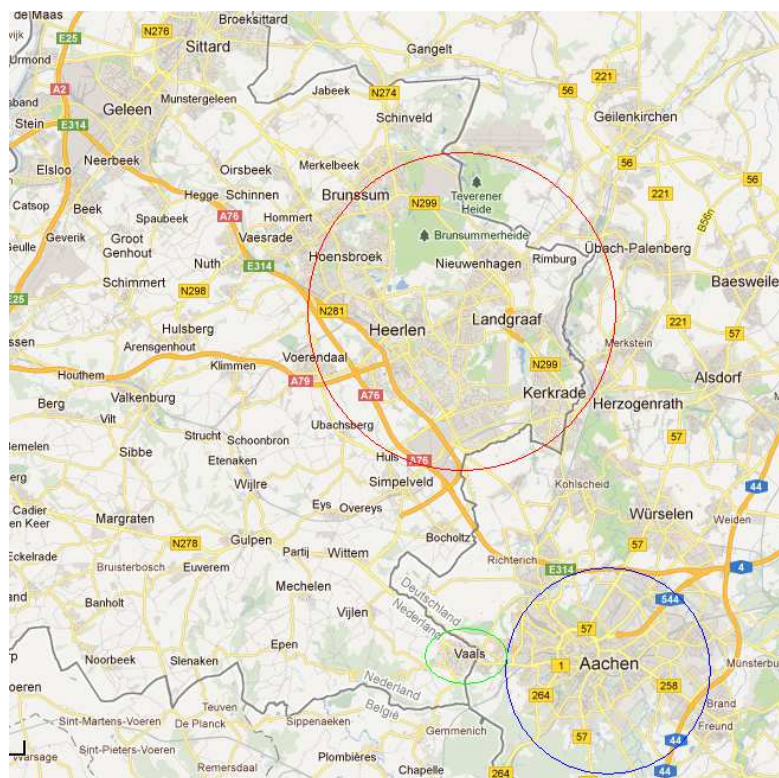
The guidelines for free movement and residence by the European Council have resulted in a new form of territorial cooperation, the European Grouping of Territorial Cooperation (EGTC). The main purpose of an EGTC is to facilitate and promote cross-border, transnational and interregional cooperation between the member states. An EGTC exist of member states, regional and local bodies and possibly public law institutions.

The European Union assigns tasks to an EGTC; these tasks are restricted to facilitation and promotions of regional cooperation to strengthen economic and social cohesion (2006/1082/EG). In fulfilling these tasks, an EGTC acts on behalf and account of its members. It is therefore bounded by laws, regulations and powers to act, that are assigned to them at the national level. The dominant discourse within an EGTC is then determined by a combination of European Union discourse and the national discourses of the nation states involved. To a lesser extent this is influenced by the discourse of individual members, the local parties. This framework of reference must be reflected in statutes in which the members, purpose, competences, language, decision-making practices are included (2006/1082/EG).

5.5.2 EGTC Charlemagne

One of the projects that are part of the euregional policy of Vaals is the euregional partnership Charlemagne. The goal of this partnership is to strengthen the economic structure and to react to the population deprivation (Savelsberg, interview, 2011; Savelsberg, 2011). The EGTC Charlemagne was founded in 2009 as a partnership between 'Parkstad Limburg' and 'Städteregion Aachen'. Previously, in 2007, they already formed a strategic alliance and to make the partnership more structural and intensive, this eventually evolved in a formal alliance, the EGTC Charlemagne. The main objective of the EGTC is to facilitate further spatial economic development of the region (Parkstad Limburg, 2009).

Figure 7: positions of Parkstad Limburg (red circle), Aachen and Vaals (source: Google maps)



As figure... shows Vaals is positioned near Aachen and almost between Aachen and Parkstad Limburg. Because of this position, cooperation with Aachen and Parkstad Limburg in the already existing EGTC Charlemagne would be an obvious choice. Vaals is part of the same Euregion and there already is a strong partnership with Aachen. Recently there have been more new partners submitted to the EGTC, therefore Vaals acknowledges that she has to take the visions of all these

partners into account, and cannot always go her own way (Savelsberg, 2011b). In addition, Parkstad Limburg and Städteregion Aachen are the initial founders and the largest partners and therefore they have had a great influence on developing the central themes in the partnership.

5.5.3 Conclusion

Because an effective implementation of EU legislation is necessary for EGTC's, it is evident that the EU has a larger influence then in partnerships where this is not the case. "EU legislation may have impact on regional and local authorities' administrative structures through procedural, reporting and other requirements (Committee of the Regions, 1996)". This shows that it is an objective of the Committee of the Regions to influence regional and local policy.

An EGTC has to have the legal capacity to act in all member states that are part of the EGTC. The rules and laws of the member state in which the EGTC has her registered office are binding. The underlying goals of the EU in facilitating an EGTC seem to be the

stimulation of economic and social cohesion through territorial cooperation. This is done, for example, through projects or programs that are financed by the European fund for Regional Development, the European social Fund or the Cohesion fund. If this is the case, more conditions and demands have to be fulfilled. However, it is not obligatory to make use of these funds, it is also possible to execute specific programs and activities that focus on territorial cooperation. The monitoring and control of these financed activities and programs requires another set of rules and conditions. The inter-institutional agreement and the financial framework for 2007-2013 form the financial base for the cohesion policy of which EGTCs are part (2006/1082/EG).

For EGTC Charlemagne there are three main themes set. The first is infrastructure and mobility. The EU has made this a main point in policy regarding disadvantaged regions. Therefore it seems in line with their policy to focus on the maintenance and improvement of these issues by all regions. The second main theme of Charlemagne is the labor market. We can find this issue in the policy of Vaals as well as in EU documentation on policy. Employment and knowledge are key objectives in European governance. The third theme focuses on real-estate and trade. This theme can be linked to the restructuring of the inner city of Vaals and the changes in the housing market. The focus on the Campus in Aachen is another advantage within this theme. The main discourse of the EGTC Charlemagne seems therefore in line with the main discourses in the Strategic Vision of Vaals.

5.6 Formal and informal Cross-border integration

When there is informal cross-border activity in a certain region, it is important for governments to anticipate on this matter. A municipality should take advantage of the opportunities this gives them.

To what extent does Vaals have a facilitating role in the border crossing of citizens, visitors, students and companies?

5.6.1 City Marketing

To formalize and facilitate informal cross-border activities, municipalities can use city marketing. A municipality can benefit from these activities to set themselves in a spotlight. City marketing is not simply promoting the city, a city has a history and different people have different views and feelings on a city. Therefore the image of the city is important. A city can try to attract new citizens through 'cold city marketing' or try to keep citizens that already live in city by 'warm city marketing' (Hospers, 2009).

According to Hospers (2009) there are four types of target groups a city can focus on; citizens, enterprises, creative class and visitors. It seems the case that enterprises and citizens, when they move, stay close to the place they were located before. This is called the 'neighborhood-effect'. This effect is studied in national areas, however this can be of importance in the international case of Vaals. When this 'neighborhood' is part of an international region, the municipality probably has to actively facilitate an international living area, and minimize difficulties that can be part of this immigration. The campus that is developed in Aachen can attract Dutch companies as well. However, this might be even more difficult, because people stay where they are because of their network and location specific capital (Hospers, 2009). Migrating across a land-border can make these advantages disappear; therefore a municipality should be able to make it more convenient and less complex to move across the border.

Visitors are more flexible. Tourists go to places they know from pictures or stories from others (Hospers, 2009). When a city has such a touristic spot this is a great advantage and the city should focus on that. When there is not such a point or a city wants to create a new touristic point, this is more difficult and probably needs a lot of effort. It is better to focus on what you have and improve that.

Within regions there still is competition between cities to a considerable extent. It can be to their own advantage when cities cooperate together and adapt their city marketing strategies on the strategies of their neighbors. This can save a lot of energy, money and frustration (Hospers, 2009). In the Netherlands, this competition between cities is still going on in many regions. Moreover, it seems an even bigger challenge for cities to cooperate with other cities across the border. The European Union can probably play a facilitating role in this, by her policy that stimulates partnerships in the region.

5.6.2 Facilitating role of Vaals

In the 'Strategische Toekomst Visie' van Vaals is included that they should take advantage of their central location within the Euregion and the developments that are currently taking place around Aachen (RWTH) and Avantis (the new Campus of Aachen). This situation is asking for schools that are internationally oriented. The campus that is developed is directly across the border between Vaals and Aachen. This location can be very important to Vaals and they have to anticipate on this. They agree that the simplification of procedures for new coming persons and the facilitating of a better position on the labor market for their citizens will contribute to benefitting from these new developments.

Because of the cheap housing in Vaals, it can be attractive to students to go and live there. However, a lot needs to be done to make the village of Vaals attractive to students. The proximity to the Campus where business and education is supposed to meet is a

very big plus, but an expansion of the cultural and culinary facilities is needed. Many municipalities try to attract students, because it seems like a free ride to more economic development, but this is overrated. It is difficult to keep the students when they finish their studies. Often they leave to the core areas of the country and brain drain occurs (Hospers, 2009). Vaals tries to compensate this by involving local companies and stimulate them to create internship opportunities and a tighter cooperation between educational institutions and local businesses.

On the other hand, the presence of a campus and of high educated people can make the municipality more attractive for new companies to establish. However, the perceived quality of life and the image of the city are also important in the decision of companies to migrate and this still is an issue for Vaals that currently has the image of an countryside in furthest corner of the country. Moreover, the infrastructure and accessibility of Vaals is another issue that can prevent companies from establishing at Vaals. The current focus of the Dutch government is on the development of clusters and campuses and with the campus in Aachen Vaals can try to profit from this.

Vaals is a touristic spot, while it is the highest point of the Netherlands. Moreover, Vaals is the point where three countries meet (Netherlands, Belgium and Germany). Because Vaals is already known for this 'drie-landen-punt', they have an important marker and it can be relatively simple to anticipate on that and attract visitors. Additionally, an attractive city center and recreation opportunities can contribute to a higher level of recreation. Vaals is anticipating on this currently. However, the main focus in the future plans of Vaals is yet on housing and livelihood. It is therefore important in the current economic situation to focus on retaining residents and businesses before attracting new ones (Hospers, 2009).

At the moment there are 57 different nationalities living in Vaals. This diversity has always been there. 30 percent of the inhabitants of Vaals work in Germany and a large extent of the inhabitants go to Aachen for leisure utilities (Savelsberg, interview, 2011). This leads us again to the importance of the acknowledgement of the cross-border activities and the facilitating role a municipality can and probably should play in this.

5.6.3 Conclusion

Vaals is recently focusing on Aachen, more than on any other city on the Dutch side of the border. Therefore, it seems plausible that in city marketing they should also look across the border. The 'drie-landen-punt' is the touristic spot of Vaals, however, as the name suggests, it is an international point, actually located in three countries and to make it work as a touristic point it should be actively promoted in all three countries. Moreover, cooperation in activities around this unique coming together of three

countries seems crucial. The adjustment of dates for cultural activities (Savelsberg, interview, 2011) seems a good starting point.

Another opportunity is the Aachen University Campus. Vaals wants to attract students and high educated personal, to live in Vaals. Working together with Aachen and the campus to promote this seems crucial. Vaals is currently doing this by developing a project and international website 'living in Vaals'. Although this seems a good strategy in fulfilling their goal of attracting more young people to the municipality, we should take in to account that the current trend is, that high educated people leave the city when graduated.

6. The influence of multilevel policy discourses on small municipalities in the Netherlands.

"Policy discourses are some kind of discursive formations. They are part of a temporary unity, formed by different players that share the same positions and argumentative strategies (Hannah in Elden 2007:88)".

Discourses are strongly connected to power relations. Therefore, leading discourses are usually determined by the actor(s) that have the most power. According to Trubek and Trubek (2005), because of the rising mutual dependency between nation states a new policy-context had to be developed. This has led to a stronger involvement of the EU, especially when grants are involved. There are requirements and conditions that determine whether or not these grants will be provided. This determines to a large extent the policy discourse which will be conducted, because the provider can have the most demands. Therefore, the provider has the strongest influence on the position, concepts and arguments of partnerships. However this must fit within the general policy discourse of the participating members of the partnership, otherwise they will simply not participate or no request for financial support of the partnership will be done.

In the case of the establishment of, or participation in an EGTC or the application for an INTERREG grant, the EU seems to have considerable influence, for they are the providers of the financing. The EU seems to have the greatest power in policy development in these forms of partnerships. In addition, power relations between partners in these partnerships can be revealed as well. To a large extent they are co-determining the policy framework, because all partners have to agree on the final product. However, within the boundaries set by the EU, in practice, the larger partners seem to have the most influence. In sum, it seems that these policy discourses are mainly all about power relations and in this capitalist world, this seems to be closely related to money.

Discourses directly and indirectly influence the way in which policy is made and what position governments take in public. The standards define what is acceptable and what is not. The requirements that the EU proposes for partnerships like an EGTC are examples of these standards. Situations that deviate from the norm, like in the case of the exclusion of certain migrants in Vaals, will be regarded to as problem cases.

To understand how language is used to construct aspects of the world, we looked at EU policy and how and why it has been established in this way. What is striking in this study is that discourses are often multiple and sometimes contradictory. Especially since the Netherlands, as a welfare state, is the only country in the EU that in its national policy has a strong focus on social security. The risks of conflicting policies between the EU and the Netherlands in this area are large. This causes policy processes at different levels to be inconsistent with one another and this can have extensive consequences for governments at the local level. In the case of social benefit support, the financial consequences of these policy conflicts are too big of a burden for a small municipality like Vaals.

The experience of this financial burden by Vaals is also due to an unbalanced housing market, which is marked by cheap housing. In Vaals there is an abundance of rental housing under the subsidy line. This makes Vaals especially attractive to people without a decent income, and are planning to apply for financial assistance. Vaals is working hard to improve the quality of livelihood by upgrading the city-center of Vaals. Vaals is aiming to get a better balance in the housing market. The newcomers who come to Vaals for social welfare and cheap housing may interfere with this new policy. This problem is due to European and national policy, which evolves into a policy practice in Vaals that creates a non-preferable situation. However, partly due to interference of the EU, the Dutch government was forced to come up with a solution to this problem. Here we see an example of local problems that come under attention by the supra-national directly, without interference of the national. Without action by the EU, the problem would probably remain or Vaals had to come up with a solution themselves, like they initially did. Here Vaals could benefit from the discourse of the EU of free movement of persons between internal borders, because the previous disadvantage of the same discourse was resolved. In sum, the problems caused by national and supra-national policy discourses that were conflicting in the local practice are resolved. However, the national government had to adjust their policy. We can conclude that power relations again play an important role in this. Moreover, the largest player with the biggest influence is determining the policy.

Several new processes like the requirement for annual reports and monitoring efforts by the EU lead to shifts in national discourses and policies. For the national as well as the local level goes that when reports have to be written in line with EU guidelines that contain new concepts and definitions of reality, these concepts and definitions are implemented in the national and local policy. Therefore the influence of the EU in local and national policy must not be underestimated. It seems that when it comes to grants

from the EU municipalities continue to weigh whether the benefits outweigh the costs for small municipalities. The application for these grants is often difficult and the conditions which must be fulfilled are unclear. On the other hand, when a small municipality succeeds to fulfill these requirements, in addition to the funding many advantages will be delivered by this because the European network of the municipality will also be expanded. Because at this time Vaals is still considering these costs and benefits, the consequences of monitoring and control policies of the EU when grants are awarded are not taken into account here. These monitoring and control policies often require even more than the application for grants did. The network which a municipality can attend to seems to play a major role in this. Partnerships with larger cities with more recourses seem crucial for the possibility to start or participate in an EGTC or any other EU funded partnership.

In sum, small municipalities can flourish in a Europe of the regions. They should look beyond the boundaries of the state to see what partnerships might be beneficial for them. In the Netherlands municipalities sometimes forget to look beyond their own territory. Hospers (2009) suggests a regional view is necessary to prevent the region from having too much of the one thing and not enough of something else. I suggest in these regional views and considerations, in border regions, we should look beyond the national borders and take the euregional interests in to consideration. Therefore, the municipality needs a policy maker that is specialized in euregional affairs and the network of this specialist seems to be of great importance as well as was the case in Vaals.

6.1 Conclusion

In this paragraph the results will be combined together to see whether what we expected is right or wrong. Finally a concluding answer to the central research question will be given.

First we expected that it was difficult for small municipalities to get financial support of the EU for their cross-border activities. This is partially true because when they have to do it on their own, it is difficult. According to the research by Bekker and Van 't Land, the language spoken in the application conditions for EU grants is difficult to comprehend. We argued that this does not mean that small municipalities cannot be successful in cross border regions at all. In addition, small municipalities can be successful when cooperating with larger partners that already have specialists in applications for grants or have the financial resources to hire an external specialist. Another option is to attend an already existing partnership that already is funded by the EU. We must note here that the municipalities have to live up to the already determined guidelines of the partnership and therefore have little influence on the leading discourse in the partnership.

Secondly we expected that the nature and degree of informal CBA influenced the need for formal CBC. This seems to be true. In Vaals there is a lot of cross border activity. A large part of their citizens was born in Germany and a lot of people cross the border every day to work on the other side. Therefore the municipality feels obligated to facilitate this daily border crossing for their citizens and sees opportunities in partnerships with Aachen. Especially with Aachen, since many citizens go to Aachen for work and leisure.

Finally we expected the policy discourses on different levels to conflict. This could have a negative influence on small municipalities. We have seen that these policy discourses indeed can conflict. In the case of Vaals we saw conflicts in social security and immigration policies in the Netherlands. On the other hand, this conflict leads to European attention and finally to a solution by European pressure on the Dutch government.

The language used in the policy documents of the EU are often complicated and impossible to comprehend for people that are not specialized in this area. Joining an existing EGTC can be a good suggestion for small municipalities because the specialist knowledge is already present and the small municipality can benefit from this knowledge without any direct costs.

Unfortunately, policy-makers often ignore the fact that social cohesion and integration policies at the macro level do not lead directly to social cohesion and integration on the micro level. As literature has shown us, the ideal image of European integration that lies at the foundation of EU policy discourse, will in many cases not be found at the local level. Although Vaals is very internationally oriented and collaborates intensively with Aachen, it still remains a Dutch municipality that keeps the Dutch standards to play a crucial role within their policy.

The dependency of small municipalities on government institutions and partners in CBC and CBA seems inevitable. Therefore, when a network disappears this can have major consequences for small municipalities. However, these consequences will often not been taken into account on higher levels of policy making, like in the case of BDZ.

The successfulness of CBC and CBA in small municipalities therefore appears to depend on the extent to which cooperation is required and when partnership across the border is seen as an opportunity by policy makers. The balancing between costs and benefits remains. A partnership with larger cities seems to be a successful solution. In addition, the willingness of policy makers and the network they have built seem to be of great importance. Prevailing trends and political ideas will always continue to affect policy on all levels. European integration and cohesion seem to continue to be of importance in the coming years and remain part of the European regional policy. By the expansion of the European Union the focus seems to shift and more will be invested in the new regions. However, this will not directly affect the western European regions in the coming years.

Small municipalities can therefore certainly benefit from the relationships they have with municipalities across the border. They can also benefit from the policy of the EU, important is to get access to the European network and once they are in, they can benefit from the network and opportunities the EU has to offer. Whether this succeeds depends on the municipalities and the costs/benefits analysis they make, but the opportunities are available.

6.2 Final remarks

This study shows that policy discourse at different levels might have advantages as well as disadvantages for small municipalities. They have to bear the consequences of conflicting policy processes, however, they can also benefit from local problems that are discussed at a higher level and therefore have a greater influence on the national policy discourse. The EU appears to have the most power when it comes to collaborations in subsidized partnerships. This study did not look at the next stage in funding when applications are approved and phase of monitoring and control had occurred. This phase often seems to be even stronger influenced by the policy discourse of the EU but that can be a topic of possible further research.

This case study was performed in the Dutch-German border area. Therefore, besides English these two languages have also played a role in this research, which was not always for the best. Because of translations from German to Dutch and then to English again, some information can be lost or difficulties can occur.

The combination of the MLG and Governance discourse theory was new and therefore it was sometimes difficult to find the right way to combine these two and reflect that in the results. This research uncovers that CBC and CBA is often not based on profoundly structured contexts but as developed solution to practical problems. Only when it is seen as an opportunity to policy makers, cross-border policy will be developed. The OMC focuses mostly on national level. Propositions are made by member states and in cooperation with the European Commission they come to an agreement. These agreements on the national level will be monitored and controlled by the national government but have to be in line with EU policy. This can indirectly influence the cross-border policies of small municipalities, however for them this will not lead to greater involvement in policy making on the European level.

Multi-Level Governance theory is based on a shift from government to governance. To small municipalities this means that they can be part of a strong institutionalized European multilevel form over governance, which makes them part of an independent coordination and cooperation unity. In practice however, it often seems the case that it is a struggle between underlying discourses and finding a way to make a suitable policy to the benefit of the municipality.

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Mariska van der Giessen, 2012: Expert on MLG and INTERREG

Mathilde van Diemen, 2012: BDZ (German Affairs Office)

Participatory observation:

Runder Tisch meeting February 2012

Appendix 1: Labels used in discourse analysis policies of Vaals, the Netherlands and Europe¹

Vaals	Nederland	Europa
Leefbaarheid	X	
SWOT	X	
Imago	X	
Vergrijzing	X	X
Sociale cohesie		X
Sociaal armoede beleid		X
Euregionale samenwerking (hier; Aachen/Plombières)	X	X
Bedrijventerrein/campus	X	
Aantrekkelijke woonomgeving	X	
Toerisme	X	
Evenwichtige bevolkingsopbouw	X	
Krimp	X	X
Campus ontwikkeling	X	
Geaccepteerde verscheidenheid		X
Gezamenlijke identiteit	X	
Zelfredzaamheid van de samenleving		
Euregionale aangelegenheden	X	X
MVO	X	X
Meertaligheid	X	
Integratie		X
Afstemmen educatie en arbeidsmarkt	X	X
Mobiliteit	X	X
Participatie burgers en bedrijven	X	X
Kwalitatief goede woonomgeving	X	
Duurzaamheid	X	X
Authenticiteit		X
Schakel in toeristische (Eu)regio		
Integraal beleid	X	
Strategische allianties	X	
Nabijheid tot burgers		X
Samenwerkende overheden	X	X

1

*structuur visie infrastructuur en ruimte: Nederland concurrerend, bereikbaar, leefbaar en veilig (2012)

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*Nota Pieken in de Delta (2006) Ministerie van economische zaken

*Strategische visie Vaals 2020 (2007) Gemeente Vaals

*Europe 2020: A strategy for smart, sustainable and inclusive growth (2010) European Commission

*Regional and Local Government in the EU Member States (1996) The Committee of the Regions

Appendix 2: Freedom of movement and residence²

Recht van vrij verkeer en verblijf

Labels tekst 2004/38/EG	Inhoudelijk van toepassing op situatie Vaals
Voorwaarden verblijf langer dan 3 maanden	x
Mobiliteit	
Eisen aan lidstaten inschrijfprocedures	x
Beperking uitzettingsrecht	x
Gevoel van Unieburgerschap	
Bevorderen van Europese integratie	
Openbare orde	
Openbare veiligheid	
Volksgezondheid	
Discriminatie richtlijnen	x
Grondrechten	
Fundamentele vrijheden	
Ziektenkosten verzekering	x
Voldoende bestaansmiddelen	x

² Europees Parlement en de Raad van de Europese Unie (2004) Richtlijnen 2004/38/EG. (Betreffende het recht van vrij verkeer en verblijf op het grondgebied van de lidstaten voor burgers van de Unie en hun familieleden).

Appendix 3: Labels for guidelines for establishing an EGTC³

richtlijnen(2006/1082/EG)

Doordat lidstaten vaak moeilijkheden ondervinden bij grensoverschrijdende samenwerking is het Europese regionaal beleid herzien en wordt de Europese groepering voor territoriale samenwerking in het nieuwe geïntegreerde beleid verwerkt. Een EGTS is een samenwerkingsverband tussen lidstaten, regionale of lokale overheden op het grondgebied van ten minste twee lidstaten(2006/1082/EG).

labels:

Juridische entiteit of één lid rechtspersoon

Handelingsbevoegdheden nationale wetgeving
Deelnemers uit minimaal 2 lidstaten
Statuten
Economische en sociale cohesie
Handelingsbekwaamheid
Subsidiariteitsbeginsel
Evenredigheidsbeginsel
Territoriale samenwerking
Statutaire zetel
Lidstaten
Regionale overheden
Lokale overheden
Publiekrechtelijke instellingen
Internationale accountantscontroles
Facilitering en bevordering
Eu gefinancierde programma's en projecten
Overeenkomst
Statuten
Taal
Lidmaatschapsgelden
Samenstelling
Begroting
Ontbinding
Rechterlijke bevoegdheid
Rapportage
Evaluatie

³Europees Parlement en de Raad van de Europese Unie (2006) Richtlijnen 2006/1082/EG (betreffende het oprichten van een Europese groepering voor territoriale samenwerking)

Appendix 4: labels social cohesion policy⁴

Richtlijnen economische en sociale cohesie

(2006/702/EG) L291

Nabijheid

Duurzaamheid
Concurrentievermogen
werkgelegenheid
Herstructureringsprogramma's
Cohesive
Evenwichtige ontwikkeling
Sociale en territoriale cohesie als kader voor
structural funds
Uitbreiding EU
Ongelijkheid tussen regio's aanpakken
Regionale, lokale en sociale partners in beleid
betrekken
Duurzame ontwikkeling
Focus op kennis, innovatie en human capital
Gender gelijkheid
Verbetering infrastructuur
Balans tussen duurzaamheid, milieu en groei
Werkgelegenheid
Cross-border cooperation

⁴ European Council October 2006, Council Decisions on Community strategic guidelines on cohesion (2006/702/EC)