MULTI-LEVEL GOVERNANCE IN THE EU.

Does it Work?

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1. Introduction

> Multi-level governance can be defined as an arrangement for making binding decisions that engages a multiplicity of politically independent but otherwise interdependent actors – private and public – at different levels of territorial aggregation in more-or-less continuous negotiation/deliberation/implementation, and that does not assign exclusive policy competence or assert a stable hierarchy of political authority to any of these levels (Schmitter 2004: 49).

Even a descriptive and exhaustive definition of multi-level governance (MLG) as the one above does not really do justice to the complexity of the phenomena that are captured by this term and of the term itself. As I will argue below, after performing a historical and conceptual analysis, the essence of multi-level governance consists in its drawing attention to three novel developments of contemporary political life. *Political mobilization* occurs as much within institutional boundaries and through conventional procedures as across these boundaries and outside these procedures. *Policy-making* no longer separates neatly policy-makers from policy-receivers, nor does it distinguish between public and private actors, but rather needs to enlist all types of actors in all types of roles throughout the policy process. The *polity* addressed by political mobilization and producing policy decisions are less and less understandable as fixed and established, as institutions are constantly adjusted and procedures are constantly tinkered with by the decision-making processes themselves. Changes, in other words, are taking place at all levels of analysis: politics, policy and polity.

Yet, if multi-level governance were just a catchy descriptor of independent transformations, it would not add much to what has been argued and studied by entire cohorts of scholars in the past thirty years. It would tell us nothing more than what each component word independently conveys: governing at multiple levels. For multi-level governance to tell us more than the sum of its parts and be worthy of analysis and exploration, it must contain, at least implicitly, a general proposition concerning the interrelations among these three sets of changes. As I shall try to argue, multi-level governance is a concise summary of the following general propositions:

- whenever the scale of economic or political activity is expanded or shifted (in our specific context, from state to sub-state or supra-state levels), a qualitative change occurs to the actors that get mobilized at these levels

- private actors may acquire a public function while public authorities may act as private groups, thus engendering a blurring of the *public-private* dichotomy so entrenched in the conceptual history of "state"

- such a blurring does not happen by chance; rather, it is precisely by claiming their "public" nature that certain interests can mobilize at levels which are not contemplated within the existing institutional order and it is precisely by acting as "private" interests that certain authorities can mobilize at levels which are not contemplated within the existing institutional order

- therefore, not just the blurring of private-public, but also of *substate-suprastate* and *domestic-international* dichotomies is inherent in the redefinition of the existing institutional order

- these dynamics do not occur automatically, but are driven by the agency of actors that find in the redefinition/blurring of these levels a way to strengthen their own position and to pursue goals that they consider important and legitimate

- as these dynamics are strengthened if they can be projected as legitimate, new legitimacy discourses will be fashioned and new evidence will be mobilized in support of the newly crafted normative arguments

- the distinction between positive and normative analysis also gets blurred, in the sense that being able to demonstrate that a given development is normatively desirable makes its actual occurrence more likely, as actors will be encouraged and sustained by its normative desirability, and in the sense that being able to show that a given development is in effect taking place makes it more desirable, as actors will be encouraged to find normative desirability in developments that they cannot counter

- consequently, the debate about these developments will have both an empirical and a normative character, some scholars preferring to engage (produce, package) the empirical evidence, while others prefer to engage (elaborate, spell out) the normative arguments; yet both sets will basically engage in the same debates, neither set being able to boast greater "objectivity" than the other

- prefiguring a specific end-result of these developments, just as looking back for similar past developments, will mostly produce disappointing results, as our

capacity to foresee the future (even, placing ourselves in the past prospectively) inevitably falls short of the complexity of the task and of our understanding of such complexity

- consequently, it is more advisable to chart with as much precision and as much detachment as possible what is getting undone than trying to anticipate what may eventually result.

In order to chart what is "getting undone", we must have a full appreciation of the current situation and the changes that are taking place. This is no easy task, which can be attempted only by banking on the theoretical argumentations, empirical analyses and normative discourses done by others – provided that one can maintain oneself true to the charted course and the chosen standards of precision and detachment. In the following section, I will perform a brief historical analysis of MLG, leading to a three-fold analytical scheme in the third section. The fourth section will then apply the proposed scheme to EU cohesion policy with particular reference to Germany and the UK. The fifth section will discuss the input and output legitimacy of the decision-making arrangements described by MLG, and the last section will conclude whether or not MLG "works".

2. Historical analysis

The reflection on MLG spans by now at least fifteen years, since the seminal article by Gary Marks (1992) where it was first proposed as a useful concept to understand some of the decision-making dynamics within the European Union. Until then (simplifying quite a bit, cf. Rosamond 2000), the field of EU studies had been dominated by the theories of neo-functionalism and inter-governmentalism which purported to explain not only how the European Union had come about, but also how it functioned. It was generally assumed that the same forces which explained the creation and evolution of the European Union would also explain its functioning: whether the fundamental unit of analysis were states defending and promoting their national interests in an inter-governmental arena or they were rather market forces which inevitably attracted individuals, groups and firms towards the supranational level, the forces of integration explained also the functioning of the integrated entity.

Marks (1992) had the merit of calling into question this dichotomous view of European integration and of inserting a conceptual wedge between the two theoretical poles. By highlighting the lack of attention of both theories to "flesh-and blood" actors – whether

because trapped in their institutional roles and therefore always making the interest of the institutions they represented, as for inter-governmentalism, or because moved by the powerful economic and social forces of the market, as for neo-functionalism – he called attention to phenomena that could not be easily accommodated by either theorization. In order to avoid the Scylla of the *raison d'état* and the Charybdis of impersonal market forces, Marks (1993, 1996) introduced the visions, passions and interests of real life individuals and asserted the autonomous explanatory force of a third paradigm, that of multi-level governance. This quickly became a catch-all phrase that indicated phenomena taking place at three different analytical levels – that of political mobilization (politics), that of policy-making arrangements (policy), and that of state structures (polity)[1] – and across different governmental levels.

The first, and for a long time only, application of MLG "theory" was in the realm of cohesion policy, as it was in this realm that unconventional mobilization dynamics and decision-making patterns were most apparent (Börzel 2002; Bukowski, Piattoni and Smyrl 2003; Hooghe 1995, 1996; Hooghe and Marks 1996; Jeffery 2000; Keating and Hooghe 1996; Le Galès and Lequesne 2002; Marks et al 1996). Other applications were later attempted in different EU policy realms, such as environmental policy (Jordan 1998), as well as in non-EU settings (Rosenau and Czempiel 1992). Since then, the concept has caught on and the number of scholars using it has veritably exploded. In reality, the "destructive part" (*pars destruens*) of the original Marks' argument was stronger than its "constructive part" (*pars construens*). The weapon that had allowed him to create a conceptual space for MLG (i.e., to say what MLG *was not*), that is, its "actor-centredness", was not as useful in erecting the MLG construction (i.e., to say what MLG *was*), although stimulating and suggestive of other types of investigation that could depart from that (see, e.g. the effort at exploring the personalistic, informal component of many governance arrangements pursued by Christiansen and Piattoni 2003, Stacey and Rittberger 2003, Mak and van Tatenhove 2006). Indeed, MLG theory building proved to be a much harder task, to which other scholars also contributed, and which is not yet completed.

To begin with, Marks himself audaciously sought to use the concept to describe not just a peculiar type of decision-making arrangement (*policy*), but processes that were transforming societal mobilization more generally (*politics*) (Marks et al. 1996). In a direct confrontation with inter-governmental state-centrism, even in its liberal version (Moravcsik 1994), the

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[1] A political economy reading of the political implications of European integration is suggested in Hooghe and Marks (1997).

proponents of MLG challenged the contention that non-state interests could aspire to make their impression on EU policymaking only by operating through state representatives, that is, that they could not successfully challenge the "gate-keeping" capacity of the central state. Three were the main contentions of liberal inter-governmentalism: 1) that governments could effectively keep the *center-periphery gates* (thus deciding which sub-national formations could be given the right to represent themselves in the EU political process as carriers of legitimately distinct interests); 2) that they could keep the *state-society gates* (thus retaining the power to select which social groups could be chartered as legitimate carriers of private or collective interests); and 3) that they could keep the *domestic-foreign gates* (thus functioning as the sole legitimate representatives of domestic interests, whichever their level and nature). Marks et al. (1996) drew attention to the role that *non-central* state authorities and *non-governmental* organizations made to the daily politics of the European Union and therefore to their capacity to cross the *domestic* gates without the keepers' permission.

The debate, in the field of regional or cohesion policy, boiled down to deciding whether sub-national authorities were willing and capable of contributing to the policy-making process without the supervision of the central national governments. Their formal or informal involvement in European regional policy gave them an extra argument in their struggle with their central governments for larger devolutionary powers (Sharpe 1979, 1993) and thus fanned regionalist aspirations for autonomy (Bourne 2003; Jeffery 1997a, 1997b; Jones and Keating 1995; Keating and Jones 1985; Piattoni 2003). Involvement of the regional level in structural policy had also potentially significant polity implications: if regions were deemed essential for the success of structural policy, then also those states which lacked a "third" level were expected to create it. Hopes were raised for an upcoming "Europe of the Regions" (Anderson 1991; Christiansen 1995, 1996; Jeffery 1997a,1997b; Loughlin 1996). Far from functioning as vigilant keepers of the territorial gates, national governments were unaware that the fences were being torn down.

At a minimum, Marks et al. (1996) had drawn attention to the capacity of *non-central* state authorities both to move (even remove) the center-periphery gate and to cross without *laissez-passer* the domestic-foreign gate (this is the "multi-level" component of MLG). Attention was thus drawn precisely to the fact that the relevant levels of the "EU game" were not only the national and the supranational (as in the famous two-level theorization by Putnam (1988) so eagerly utilized by liberal intergovernmentalism), but there were other levels which mattered as well.

> The point of departure for this multi-level governance is the existence of overlapping competencies among multiple levels of governments and the interaction of political actors across those levels. … Instead of the two level game assumptions adopted by state centrists, MLG theorists posit a set of overarching, multi-level policy networks. … The presumption of multi-level governance is that these actors participate in diverse policy networks and this may involve sub-national actors – interest groups and subnational governments – dealing directly with supranational actors (Marks et al. 1996: 41-2).

In this attempt to flesh out the potential of MLG theory, Marks' agenda was usefully complemented and strengthened by that of Liesbet Hooghe who had autonomously pursued an interest in regional mobilization for quite some time (Hooghe 1995, 1996), thus tapping into the abundant resources of a different type of literature: that on sub-state nationalism (Keating and Jones 1985; Jones and Keating 1995). Transformations that were taking place at the EU level, and seemed uniquely determined by inter-institutional dynamics within the EU, revealed interesting parallels with developments which had their roots in regional mobilization and were therefore external, and initially perhaps even hostile, to the EU (but internal to the member-states).

Moreover, Marks et al. (1996) had also drawn (or refreshed) people's attention to the forays that *non-governmental* organizations made to the daily politics of the European Union thus marauding past the state-society gate (and this is the "governance" component of MLG). They thus joined forces also with the literature on new transnational social movements (Della Porta and Diani 2006) and the reawakening of political contention in Europe (McAdam, Tarrow, Tilly 2001; Imig and Tarrow 2001; Tilly and Tarrow 2007) that supposedly had their roots in the emergence of post-materialist values in the late sixties and seventies. The works of Marks and McAdam (1996) and Marks et al. (1996) testify to this convergence.

Even though some of the empirically oriented "Europe *and* the regions" literature often concluded that the regions which best promoted their interests still did so by working through their national governments (cf. Hooghe 1996, Hooghe and Keating 1994, Jeffery 2000), the essence of the MLG reflection necessarily pointed in the direction of a confusion (*con-fusion*) of established processes and hierarchies and the emergence of new configurations of powers and competencies. The "actor-centredness" of MLG emphasized how the different levels were travelled and linked by actors moving rather freely across (for the moment formally still in place) traditional levels and spheres of authority. The new processes were, therefore, not just *multi-level*, but also *multi-actor* – meaning that different types of actors linked different governmental levels and populated the policy networks thus formed. However, by challenging

the gate-keeping capacity of the state, Marks et al. (1996) were implicitly also calling attention to the changing nature of the state in Europe, hence inviting a reflection on the polity dimension (see infra) .

Once asserted, MLG theory began to be applied to the exploration of the arrangements for the production of EU policies and, more generally, to the overall functioning of the EU. This is by now generally referred to as the "post-ontological" phase in EU studies (Wiener and Diez 2004). Having momentarily shelved the existential (ontological) question of what forces were driving European integration and what kind of political construct it would eventually become, scholars began to direct their attention to the ways in which the EU actually functioned and produced authoritative decisions. Scholars were also reacting to objective developments in the European Union. The completion of the Single Market and the creation of the Economic and Monetary Union signalled the completion of economic integration. The Union was by now a powerful machine producing regulation, disbursing funds, promoting competition. Whether it was to be considered "less than a state, but more than an international organization" (Sbragia 1992), "a regulatory state" (Majone 1994), a "composite" (Tilly and Tarrow 2001), "fused" (Rometsch and Wessels 1996) or "compound" (Fabbrini 2007) polity or an "interpenetrated system of interest intermediation" (Kohler-Koch 1999), the EU was producing impressive amounts of legislation and otherwise affecting most aspects of the life of European citizens. How were these authoritative decisions being made? Who actually participated in the decision-making process? How effective, responsive, accountable, democratic was this *sui generis* polity?

The reflection on MLG – like that on network governance, committee governance and the new modes of governance – ends up almost inevitably analyzing all three aspects of state-society interactions: political mobilization, policy-making, and polity restructuring. Trying to confine analysis of MLG to only one of these analytical planes would be futile and deprive this concept of its main source of interest and fertility. MLG is interesting precisely because it spans across different analytical levels – hence the maddening task of devising a "multi-level framework for analysis" (Citi and Rhodes 2007) to study multi-level governance! – and because it points to inherently dynamic arrangements. The step from the description of policy-making processes and patterns of political mobilization to the theorization of how individual member states and the EU polity are being restructured is as inevitable as it is demanding. It means engaging portentous issues (the structuring of the political space) and mammoth literatures (on state formation, different state forms, different models of democracy, etc.) in

their own right.[2] As the theorists of MLG themselves acknowledged, proper theorization on how the new type of mobilization and policy-making was redefining the state – that is, the institutional structures of centre-periphery, state-society and domestic-foreign relations – was, at the time of their writing, still out of sight.

> However, MLG theorists have not framed clear expectations about the dynamics of this polity. If, as these theorists claim, competencies have slipped away from central states both up to the supranational level and down to the sub-national level, then, ceteris paribus, one would expect greater interaction among actors at these levels. But the details remain murky and, part from a generalized presumption of increasing mobilization across levels, they provide no systematic set of expectations about which actors should mobilize and why (Marks et al. 1996: 42).

The third phase in MLG studies, then, increasingly concentrated on precisely the process of constructing a multi-level polity and on its expected features. In many ways, this marks a return to the original ontological agenda of integration studies, somehow closing the analytical circle. Scholars were by now suggesting that MLG indicated processes that, through the slow accumulation of policy decisions and political mobilization, were transforming the political structure of the European Union, the structures of the individual European member states and, perhaps through similar dynamics elsewhere, of the state *tout court*. This line of inquiry has its roots in the attempts of scholars who, while studying changes in the public administration and in the territorial articulation of national states, sought to explain real-life developments. Two notable examples will suffice. On the one hand, R.A.W. Rhodes (1988, 1996, 1997) analysed the disaggregation of British governmental and territorial structure. On the other, Fritz Scharpf (1988, 1994, 1997, 1999, 2000) investigated the aggregation and coordination of diverse policy preferences in Europe. In both cases, though taking concrete territorial entities as their point of departure, MLG was elaborated as a quintessentially theoretical problem. MLG studies thus acquired an increasingly more abstract and authentically theoretical overtone and produced attempts at general theorizations such as those of Hooghe and Marks (2002, 2003; Marks and Hooghe 2004).

Connecting with similar reflections made by economists (Frey and Eichenberger 1999), in numerous contributions Marks and Hooghe elaborated two ideal-types of MLG, Type I and

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[2] Bartolini (2005) and Ferrera (2005) have engaged in precisely this task by utilizing a surprisingly similar approach derived from the Rokkan-Hirschman model. Although they would probably object, it is tempting to subsume their work too under the rubric of MLG.

Type II, in an attempt to define the theoretical space within which the empirical instances of inter-governmental relations, that were emerging for example in cohesion policy, could be inscribed. Their goal was to theorize the "unravelling of the state" (Marks and Hooghe 2003) and the emergence of new patterns of relations between different levels of government that had traditionally been conceived as hierarchically ordered, or at least nested into one another, and that were now challenging or bypassing these established relations without, however, completely superseding them.

According to Marks and Hooghe, (ideal)Type I MLG resembles more conventional federal systems, which establish a stable division of labour between a limited number of levels of government with general jurisdiction over a given territory or a given set of issues and mutually exclusive membership. (Ideal)Type II MLG, for the moment still lacking a well-identified "real-life" referent, appears as an anarchical, fluctuating superimposition of single purpose jurisdictions with overlapping memberships. In an attempt to derive theoretically typical modes of action from different governance systems, Marks and Hooghe stated that different types of mobilization could be associated with these two MLG ideal-types: a "voice" type of action in Type I MLG systems and an "exit" type of action in Type II MLG systems, as one would logically expect from, respectively, actors trapped in fairly stable and ordered systems of governance and actors free to move easily across numerous and unconnected systems of governance, respectively.

Chris Skelcher (2005) moved this line of thinking further by elaborating a general theory of how systems of governance develop "jurisdictional integrity". Also according to Skelcher, Type I MLG is the type we (think we) know better because it is "the predominant mode within national polities" (Skelcher2005: 94). The process of state-building imposed order onto surrounding territories by asserting the exclusive jurisdiction of national centers onto competing would-be national centers and creating a "hierarchically ordered system of multi-purpose governments" (ibid.).

> Type II governance tends to flourish specifically when there is a need for a tailored governmental body to address an issue that is not susceptible to policy action by a Type I organization, for example, in the international arena and when there are particular functional governance problems. The empirical data … show that Type II governance occurs extensively in settings where the high boundary integrity of Type I governmental systems produces a competency constraint, in other words where mainstream governmental organizations are unable to respond flexibly to policy issues that intersect their jurisdictions (Skelcher 2005: 94).

Type II governance normally coexists with Type I governance in the same overarching polity: "is generally embedded in Type I governance" (Hooghe and Marks 2003: 238). Typically, in contemporary societies, Type II jurisdictions get superimposed onto one another in a disorderly fashion and to Type I jurisdictions. We often observe overlaps between the one and the other jurisdictional type among which, in case of conflict, it may be difficult to adjudicate. In this case, according to Skelcher's terminology, we have "*polycentric governance*". Challenges to jurisdictional integrity (hence confusion and overlap) may come from above or below, when super- or sub-ordinate jurisdictions step forward to manage more effectively given policy issues (thus fanning integrative or devolutionary processes), or from the side, when same-level jurisdictions trespass jurisdictional boundaries (thus triggering aggregative processes). Interestingly, and in accordance with an actor-centred approach to MLG, Skelcher observes how "The boundary spanning behaviour of individuals operating at the margins of their jurisdictions embodies a deeper motivation to challenge and recast the existing patterns of governmental authority" (Skelcher 2005: 96).

Moreover, relational integrity is more complicated for Type II than Type I governance. Type I governance, in practice, is nothing less than the conventional nation-state:

> Type I bodies are constructed, discursively in terms of their formal authority, as the government for that community of citizens. The body is embedded in a political process that makes it the focus of the expression and allocation of community values. There is an infrastructure of democratic rule by elected representatives that provides symbolic and substantive means for securing legitimacy, consensus and accountability. Type II bodies, by contract, have properties that lead to weak 'democratic anchorage' (Skelcher 2005: 96).

So, while the conceptual dichotomy between Type I and Type II governance is clear, it is less simple to devise concrete modes of boundary regulation (processes) and less easy to build institutions for their regulation and adjudication (structures).

Type II MLG structures borrow some of the legitimacy, consensus and accountability mechanisms from Type I governance structures, but also attempt to create mechanisms of their own. Generally speaking, though, they exist in an "institutional void" and must rely on the force of interpersonal relations for their continuing existence. Normally speaking, the legitimacy of Type I MLG structures derives from the procedures by which they are regulated (rules, roles and norms), while the legitimacy of Type II MLG structure depends on their

effectiveness and on the "navigational skills" of their management. Clearly, these are two distinct normative planes, and yet these two types of governance coexist in contemporary democracies and characterize, in particular, the European polity. According to Pierre and Peters (2000), these two types of governance coexist in a "negotiated order" typical of situations in which the new institutional level, in this case the European Union, is trying to get institutionalized in a context which is still dominated by existing institutions.

The new order presupposes the weakening and the overcoming of the old order, and yet governmental institutions live well past the reasons for their coming into being also because they manage to mobilize a wealth of expectations, myths and loyalties that, by shaping individual behaviour, tend to grant them staying power (cf. Jachtenfuchs 1995). But these are questions that will be taken up in the fifth section.

3. MLG's conceptual space

Summarizing the conceptual history reviewed so far, the term "multi-level governance" denotes a diverse set of arrangements, a panoply of systems of coordination and negotiation among formally independent but functionally interdependent entities that stand in complex relations to one another and that, through coordination and negotiation, keep redefining these relations. It is also itself a "multi-level concept", because it moves across and connects different analytical planes and raises different normative questions. Let us recall the main points made in the course of the conceptual analysis carried out above.

MLG is at the same time a theory of political mobilization, of policy-making and of polity structuring, hence any theorization about MLG may be couched alternatively or simultaneously in *politics*, *policy* or *polity* terms. The levels which are connected by MLG may be understood as *territorial levels* (supranational, national, subnational), each commanding a certain degree authority over the corresponding territory and the individuals residing in it, but also more generally as *jurisdictional levels*, identified with regard to a certain function and to the constituents who are interested in the performance of that function. The challenges which they face are of an objective nature (asserting jurisdictional integrity over the selected territory or function) and of a subjective nature (securing relational integrity in terms of legitimacy, consensus and accountability), hence the need to study both their empirical and a normative implications. MLG thus raises theoretical, empirical and normative questions that require commensurate answers in terms of empirically falsifiable propositions.

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I here propose a graphic elaboration (Figure 1) of the conceptual space within which MLG (and the cognate concepts of network governance, committee governance and the other new modes of governance) are located that should help identify the empirical propositions to be tested.

Figure 1

As already remarked MLG is an inherently dynamic concept that crosses several analytical boundaries or "gates": that between center and periphery, that between state and society, and that between the domestic and the international. The origin of the axes identifies the (ideal-typical) sovereign state, as it has been theorized since the seventeenth century: a territorial system endowed with high boundary and relational integrity (cf. Bartolini 1998). The first axis (X_1) describes movements away from the unitary state towards federal and confederal configurations along a formal power dimension (center v. periphery). We know that what makes the federated units strong vis-à-vis the center are both formal attributes (legislative and fiscal competences, for example) as well as less formal, but nevertheless crucial, characteristics (such as cultural distinctiveness, administrative capacities, etc.): the first axis can be thought of measuring primarily the former but as being sensitive also to the latter. The second axis (X_2) describes movements away from the sovereign state theorized by realism and intergovernmentalism and towards increasingly structured modes of international cooperation and regulation, as theorized by neo-functionalism (anarchy v. regime). International regimes subject (albeit willing) sovereign states to their disciplining rule, thus limiting and constraining the autonomy of the individual states. International relations thus increasingly shed their character of pure anarchy and acquire the traits of regulated regimes. The third axis (X_3) portrays movements away from the clear-cut distinction between the public and the private, between *lex* and *jus* (state v. society). Movements away from the origin show increasing degrees of involvement of "public" groups in authoritative decision-making, policy implementation, monitoring and evaluation (Ruzza 2004).

Three intersecting planes and a three-dimensional space are thus formed. The plane delimited by X_1 and X_2 is the one travelled mostly by the literature on regionalism: comparative studies on devolutionary trends in Europe or on the emergence of a "third level" in Europe typically connect changes in center-periphery relations with the stimuli (various push and pull factors) coming from the international context (because of the heightened competition bred by

globalization, because of the regulatory osmosis encouraged by Europeanization, or simply because of cross-national emulation). Similarly, the "Europe of the regions" literature postulated a causal correlation between growing Europeanization and the strengthening of regional identities while the literature on "Europe with the regions" reduced the causal claim to a mere correlation with the European Union simply acting as an additional structure of political opportunities that only some regions were willing and able to effectively exploit. Again, on this plane we would find studies that demonstrate the gate-keeping capacity of national states, that is, their ability to thwart the attempt of the regions to cross the gates to the international arena without the keeper's consent. Likewise, we would find here studies of the ingenious ways in which regional authorities used their manifold (particularly social, economic and cultural) resources to conduct their own brand of foreign diplomacy (*para-diplomacy*) establishing regional offices in Brussels, opening up to cultural exchanges, entering cross-border cooperation agreements, engaging in twinning exercises, lending assistance to their "co-regional" living abroad, and so on. The varied literature on regional mobilization in Brussels and elsewhere belongs, in other words, to this plane.

The second plane is formed by the X_1 and X_3 axes and hosts attempts at exploring the varied governance arrangements that increasingly feature non-governmental organizations, civil society organizations, policy advocacy coalitions and other expressions of organized civil society in authoritative decision-making and that study their interrelation with the devolutionary processes at work within individual national states. The problematique best explored along this plane is one that postulates (necessary or causal) correlations between growing devolution and growing civil society involvement in governance arrangements. The White Paper on Governance probably most strongly promoted this correlation between regional and local authorities, on the one hand, and civil society organizations, on the other, in the formulation, implementation, monitoring and evaluation of Community policies. In particular, the Marks and Hooghe theorization of Type I and Type II MLG could be easily depicted by a line connecting two rather advanced points on the X_1 and X_3 axes representing, respectively, a highly federalized system (on X_1) and a highly fragmented system (on X_3).

Whether the correlation is seen as a (desirable) empirical development or as a causally necessary phenomena would be worth exploring. It would be interesting to assess whether the increasing involvement of regional and local authorities (whether they hold a democratic electoral mandate or are simply appointed by the national government) in the policy-making process next to various expression of civil society organization induces a confusion between

the public nature of the former (clearly Type I governance structures) and the private nature of the latter (clearly Type II governance bodies) – a "privatization" of regional and local authorities as well as a "publicization" of civil society organizations. This latter hypothesis is indeed plausible and the trend may even be validated and reinforced by the existence of Type II governance formations such as international associations of regional and local authorities that represent Type I governance institutions as if they were private members of a club through conventional lobbying activities. Indeed, it could even be hypothesized that any movement towards the sub-ordination of formerly autonomous Type I governance bodies (the European member-states) to a super-ordinate body (the European Union) necessarily implies the demotion of their subordinate Type I articulations (the regions and localities) to Type II governance formations. This is a strong hypothesis indeed, which would however be worth exploring and testing. But this would mean entering the space described by the three planes: the analytical space of MLG proper.

The third plane is the one described by the X_2 and X_3 axes: on this plane we can locate the vast literature that tries to chart the mobilization of transnational groups such as international social movements and advocacy coalitions. The mobilization of these new global actors has been studied independently by sociologists, but has also been set in correlation with the process of European integration. The European Union and the other international organizations provide novel structures of political opportunity for the mobilization of groups once confined within national or local borders. Without explicitly challenging the hierarchy of territorial jurisdictions, these groups nevertheless cross the boundary between the domestic and the international without waiting at the gates nor asking for permission from national authorities. By representing values and principles diffused in the international society, which cannot be effectively channelled by other political formations (such as political parties) nor by the national states themselves, these movements claim to represent *public* interests and perform *public* functions (Ruzza 2004). Also at the international level, in other words, the trespassing of the public and private takes place. We must not forget, in addition, that this is clearly also the plane of the conventional theories of European integration, particularly of neo-functionalism, which predicated the creation and evolution of the European Community on the spontaneous mobilization of social groups across national borders and the creation of functional spillovers. While intergovernmentalism should be situated along or very close to the X_2 axis, so as not to deviate from a state-centred interpretation of the creation of international organizations and regimes, neofunctionalism would be found somewhere at the

outer rim of X_2X_3 plane, since both the supranational and the social dimensions of European integration must be fully taken into account.

Finally, *the three axes together identify the space of variation of multi-level governance*. In the light of the conceptual analysis performed above, it is clear that, in accordance with its original formulation, MLG *levels* must be first and foremost understood as territorial jurisdictions rather than as territorial and functional levels. By connecting these levels above and beyond their standard hierarchical or nested relations, it was argued, the Community pushed for a transformation of center-periphery relations and for a redefinition of the boundaries of the respective territories and jurisdictions (X_1X_2 plane). The subsequent theorization of Type I and Type II MLG, then, entertained the possibility that the Union might not just upset traditional territorial hierarchies, but also foster the creation of purely functional MLG arrangements and thus connected the X_1 and X_3 axes to form the X_1X_3 plane. Because they involve not only territorial jurisdictions and their lawful authorities but also the corresponding expressions of civil societies, MLG arrangements challenge also more analytical boundaries between public and private spheres of authority, between state and civil society. Moreover, since the European Union gives regional and local authorities and societies ample opportunities for involvement across national borders, also the boundary between the domestic and the international spheres is trespassed (X_2X_3 plane). The analytical space of MLG is rightfully the whole volume identified by the three axes.

4. Empirical analysis

Despite the conceptual refinement of MLG carried out above, we are not yet capable of generating testable propositions of a "if… then" nature either of an empirical or of a normative nature. I believe we should do this. After all, one of the tasks of scientists is to formulate theories, test them and discard them should they not prove able to explain the facts. Lest this sounds positivist (it is!), let me acknowledge the very real possibility that the process of constructing and using these analytical tools may create the reality they are supposed to describe and explain. This is one of the many valuable lessons that we learnt from constructivism and discursive analysis. Social reality is never only made of purely objective facts detached from the subject that tries to apprehend them, but it is constituted through the very process of learning and knowing. Social scientists construct reality while they study it. For this reason, EU scholars must be extra-careful not to become, in their turn, involuntary instruments of rule: by simply studying and writing about governance, they lend existence,

coherence and an aura of legitimacy to what may well be inchoate, disorderly and elitist attempts at getting a few things done – exactly by whom and for whom remains to be seen. This is why, I believe, trying to get back with one's feet on the ground is all the more important. MLG may be a very appealing concept, but how much of EU governing does it capture? Does it describe a contingent state of affairs or a fundamental dynamic of European integration? Is this way of arriving at binding decisions fair, inclusive, effective? Should it be upheld as a desirable benchmark and should it be transposed to other institutional contexts? I will take up the first two questions in this section and leave the other two to the next.

The exploration of the theoretical contours of MLG led us to go quite significantly beyond what most scholars would identify as the essence of MLG. Using Marks' words, the essence of MLG is that of "a system of continuous negotiations among nested governments at several territorial tiers" (Marks 1993: 392). This system of negotiations, according to the same author, gives rise to arrangements in which "supranational, national, regional and local governments are enmeshed in territorially overarching policy networks" (Marks 1993: 402-3). It would thus appear that, in order to test whether a given policy-making process is or is not an instance of MLG, one would need to check whether: 1) different levels of governments are simultaneously involved in policy-making; 2) non-governmental actors are also involved, at different governmental levels; 3) the interrelationships that thus get created defy existing hierarchies and rather take the form of non-hierarchical networks.

I will use this minimal definition to assess the empirical relevance of the concept of MLG, that is, to determine whether MLG describes accurately (at least some instances of) EU policy-making, whether it constitutes a "novel" (hierarchy-challenging) form of mobilization and what impact such mobilization may have on the structure of the European polity. The various governmental levels – supranational, national and subnational – are often connected in network-like arrangements. Instrumental in connecting levels are both institutional actors – who may be willing to ignore hierarchical constraints in order to assemble the knowledge, resources and consensus necessary to attain desired policy goals – and non-institutional actors – who may cooperate with the governmental tiers (or contest them) in order to steer policy decisions, influence implementation, assess results. The mobilization of societal actors, therefore, is both part and parcel of a novel understanding of "governing as governance" and can serve to connect different governmental levels even where direct inter-governmental relations may prove difficult or excessively stifled by formal and legalistic hierarchical relations.

It will, therefore, be possible to consider as instances of MLG also policy processes in which subnational interests are voiced by non-governmental organizations even in the absence of the formal participation of the subnational government in the network. It is a characterizing trait of governance that institutional and non-institutional actors often cross their respective boundaries and swap tasks and modes of action. Sometimes they take on board each other's characteristic concerns and claims. To give an example, when Italian regions were still forbidden to open regional offices in Brussels because this would constitute a case of "foreign relations" which were the exclusive competence of the national government, they nevertheless entertained relations with the European institutions in Brussels through offices that were run by Chambers of Commerce (for example, the Chamber of Commerce of Lombardy) , by Universities (for example the University of Turin, Piedmont) and by public-private partnerships (for example, Emilia-Romagna's ERVET). In other words, the regional governments, although formally absent from the Brussels scene still kept their antennae up thanks to their collaboration with non-governmental organizations. The full and formal presence of regional or municipal governments in policy arrangement is, therefore, not strictly necessary in order to be able to qualify them as genuinely multi-level.

European Regional Development Policy (ERDP) is an excellent example of this type of dynamic. The trigger for ERDP reform in the mid-eighties is most commonly identified with the impending completion of the single market, through the Single European Act (1986) and the Treaty on the European Union (1992), and its expected consequences.[3] Jacques Delors, the mastermind of the Structural Funds reform, had sponsored the production of a highly influential White Paper on the completion of the single market (CEC 1985) and was, consequently, acutely aware of the need to accompany market-enhancing reforms with equally powerful market-correcting measures. He had taken his cues from the reflections that circulated in the Commission and that were eventually contained in the influential Cecchini report (CEC 1988). This report forecast that the completion of the single market would benefit the core regions of the Community (the "golden triangle" or "blue banana" – from the colour used to highlight the European regions with the highest per capita income – extending from roughly Manchester to Barcelona passing through London, Paris, Brussels, Frankfurt and Milan) but would penalize the weaker peripheral regions unless their difficulties were

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[3] Lest this sounds like a functionalist argument – that the cause of the reform was the expected balancing effect the completion of the Single Market would have on the poorest regions of the Community – well, it is! Sometimes functionalist arguments work because there is enough continuity in political action to allow leaders to anticipate the consequences of future decisions and try to counteract their negative impact beforehand.

countered by some special measures. These economic forecasts were implicitly confirmed by the recent experience of the declining regions of the north (mostly in the UK) and the still developing regions of the south (mostly in Italy) which had not made any real progress since the mid-seventies. This evidence apparently convinced the representatives of the member-states to agree to a substantial increase in the structural funds, from roughly 7.0 million ECU to 14.0 million ECU between 1988 and 1992 and to a further dramatic increase, from roughly 18.2 million ECU in 1993 to 30 million in 1999, as a way of compensating the weaker regions of the Community for the foreseeable difficulties (Mazey 1995, Armstrong 1995). In 1999, structural funds would take up more than a third of the EU budget (35% or 27.4 bn ECU) from a trifle 9% (or 7 bn ECU) in 1986 (Wishlade 1996).

Scholars wondered why member-states would agree to such a significant increase in the financial endowment of a policy with a clear cross-European redistributive impact and designed in such a way as to involve subnational authorities that may have not even existed or had never played such role and responsibility in the decisions on how to use these funds. These provisions potentially entailed significant reductions in sovereignty both vis-à-vis the Community and vis-à-vis the subnational tier. On the one hand, the utilization of increasingly large shares of a growing Community budget for Community-wide purposes appeared to shift shares of sovereignty from the member-states to the Commission (upward shift in sovereignty). On the other, the involvement of lower levels of government in the decisions governing the allocation of these funds seemed to shift parts of sovereignty from the member-states to the regions. As already mentioned in the Introduction, the question was mostly pitched at a theoretical (polity) level, as calling into question the dominant theories of European integration regarding the challenges to the of the nation-state to guard the domestic-international gate as well as the center-periphery gate.

The reform of the Structural Funds contained procedural details that indeed seemed to imply a certain surrender of sovereignty on the part of the member-states in favour of their regional tiers and, ultimately, to the Community itself. The principles contained in the reformed Structural Funds – programming, concentration, additionality, subsidiarity, and partnership – could indeed affect national sovereignty. *Programming* and *concentration* meant that funds should not be dispersed among many disparate and small projects, but needed to be concentrated on few truly deserving objectives and areas in such a way as to try and make a real difference. The effort in favour of the targeted areas should be protracted in time and last for the duration of the entire programming period (initially five, then six, and ultimately seven

years). These two principles together implied that the funds could not be used to buy off small "local constituencies" and to create patronage-induced consensus – a practice well known in many European areas, both north and south. The *subsidiarity* principle turned out to be even more contentious: initially conceived to indicate that "decisions should be made at the level closest to those affected by them" – which, in the original thinking of the Commission, meant regions and cities – it was eventually reinterpreted to indicate that "decisions should be made at the Community level only if the problems could not be satisfactorily handled at the national level", a version of subsidiarity preferred by the member-states.[4] Even today the interpretation of this principle keeps oscillating between these two meanings, signalling that the tug-of-war between supranational, national and subnational institutions is not over. The *additionality* principle stipulated that Community funds could be disbursed only if national governments contributed matching funds, thus preventing member-states from considering Structural Funds as sheer reimbursements of budget contributions and limiting their freedom to use a portion of the national budget as they saw fit. The *partnership* principle, finally, required the active involvement of subnational authorities in the ideation and implementation of the programmes that would guide the disbursement of the funds, thus rendering them accomplices of this subtraction of sovereignty. At the limit, it implied their creation where a regional (NUTS II) level did not exist, a veritable intrusion into the autonomy of member-states' freedom to organize territorially as they preferred.

These provisions, therefore, imposed actual and symbolic "sovereignty costs" that affected the different member-states in different ways. Unitary states might be expected to be affected more deeply by this aspect of the policy than regionalized and federal states and,

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[4] The on-line glossary of the European Union states that: "The principle of subsidiarity is defined in Article 5 of the Treaty establishing the European Community. It is intended to ensure that decisions are taken as closely as possible to the citizen and that constant checks are made as to whether action at Community level is justified in the light of the possibilities available at national, regional or local level" (http://europa.eu/scadplus/glossary/subsidiarity_en.htm)**.**

Article 3b of the *Treaty on the European Union* (formerly article 5 of the *Treaty establishing the European Community*, consolidated version 2002) reads: "The Community shall act within the limits of the powers conferred upon it by this Treaty and of the objectives assigned to it therein. In areas which do not fall within its exclusive competence, the Community shall take action, in accordance with the principle of subsidiarity, only if and in so far as the objectives of the proposed action cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale or effects of the proposed action, be better achieved by the Community" (http://eur-lex.europa.eu/en/treaties/dat/11992M/htm/11992M.html)**.**

The Treaty of Lisbon contains a *Protocol on the principles of subsidiarity and proportionality* that states: **"**Before proposing legislative acts, the Commission shall consult widely. Such consultations shall, where appropriate, take into account the regional and local dimension of the action envisaged (http://eur-lex.europa.eu/en/treaties/dat/12007L/htm/12007L.html).

understandably, to try to fight back more vehemently.[5] However, the difficulties of implementing cohesion policy must not be underestimated in the case of federal member-states either. These two issues together reveal that polity consequences might indeed be implied by policy provisions. Hence, MLG can and should be interpreted and discussed also as a theory of European integration and of the transformation of the nation-state.

When we look at the *British case*, we discover that nothing is as clear-cut as it appears at first. The long tug-of-war between the British government and the Commission regarding the additionality principle (McAleavy 1993 and Bache 1999, but see also Bache 2008: Chs. 7-8) as well as the anti-devolutionary reforms of the Thatcher governments were dictated more by the *political goal* of weakening Labour strongholds in the northern periphery and among social partners and regional development authorities than by a concern for the protection of the sovereignty of the British state.[6] Similarly, we discover that the Commission never really wanted to challenge states' sovereignty, but only wished to implement a social and economic cohesion policy that would supplement and ultimately support the construction of the Single Market. The additionality issue acquired an inflated, polity significance, but started off as a contest between two institutional orders, each pursuing legitimate policy goals.[7] Perhaps all major political transformations begin as limited squabbles over jurisdictional boundaries: in this case, over whether it pertained to the Commission or to the member-states to decide which regions would receive Community development funds and how. The details of the additionality and Rechar controversies are contained in McAleavy (1993: 93ff). "[…] the deadlock between the European Commission and the UK government represented more than a mere squabble over accounting procedures for public expenditures. Rather, it was the test case of the extent to which the Commission is able to get beyond the member state governments' 'gatekeeping' position to determine the ultimate destination of funds" (McAleavy 1993: 89). The significance of the Rechar controversy lies in its showing that an alliance between sub-

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[5] I will review this centre-periphery tug-of-war in the section on empowerment (below), as this broader concept is more suited to encompass the range of developments in centre-periphery relations that MLG brings about.

[6] "The Thatcher government's general embrace of the market, coupled with a much greater emphasis on the electoral utility of regions, led to a partisan reassessment of relations with sub-national groups. The complete lack of a Conservative electoral base in the North East prompted the central government to substantially narrow group access to ministerial decision-making. The West Midlands, on the other hand, secured official status as an assisted area in 1984, an acknowledgement by the Cabinet of the region's mounting economic problems as well as political centrality to the Tory majority" (Anderson 1991: 432-3).

[7] "The UK government made no attempt to argue that it was the eligible regions themselves which benefited directly from ERDF. The essence of the Commission's grievances was therefore that grants are not directed where they are most needed; at the very best, assuming that anticipated ERDF receipts are taken into account, they are used by the government to supplement the global budget in the fields eligible for EDRF support" (McAleavy 1993: 95).

national authorities and supranational institutions can bring even a strong centralized and unitary state like the UK to heel. The other interesting aspect of this controversy, that vindicates the greater accuracy of MLG in pointing to the relevance of real actors' policy visions and political interests above the more stylized accounts of European integration and policy-making, is that British Commissioner for Regional policy Bruce Millan, former Secretary of State for Scotland and, therefore, strong advocate of the need to assist the Scottish coal pits, was eventually responsible for the escalation of the Rechar controversy. It is plausible to suppose that, in his previous capacity, he should have become familiar with the difficult situation of the Scottish coal fields and that he could not tolerate that Community funds, that had been earmarked for those areas, should end up helping other regions. Rechar was a Community initiative, hence specifically designed for the reconversion of coal-mining areas. McAleavy (1993: 98-99) provides very telling details to the effect that the Rechar initiative had been due to "years of lobbying by a UK-led partnership" (ibid: 98).

In fighting the Rechar initiative and the additionality clause of ERDF, Margaret Thatcher was at the same time fighting against Labour bastions in the minefields (the memories of the Miners' Strike in 1984-85 were still alive), Scottish minority nationalism, and European supranational institutions – all simultaneously embodied by Regional Policy Commissioner Bruce Millan (confirmed also by Bomberg and Peterson, 1998: 232). It was easy for him to forge an alliance with the Coalfields Community Campaign (CCC) and the National Union of Mineworkers (NUM), which led to the Commission's decision to freeze the Rechar Funds allocated to the UK for 1992-3.

"[…] the alliance forged between the European Commission and British local authorities during this dispute was one of the factors which led to the retreat by central government and the emergence of a policy commitment that may now allow European regional development policy to operate in the interests of the targeted regions of the UK. Although not heralding the arrival of a 'Europe of the Regions' era, the Rechar dispute reminds us of the importance of the subnational level of government in Europe's political construction" (McAleavy 1993: 90).

This alone confirms that ERDP, and particularly Community initiatives, entail movements on all three planes simultaneously, as predicted by MLG: X_1X_2, because they signal the forging of an alliance between sub-national authorities and supranational institutions; X_2X_3, because they are the result of the direct mobilization of functional interests and civil society organizations on the international scene; and X_1X_3, because they presuppose a close working relation at the local level between sub-national interests and authorities. Personal research conducted in the early nineties in the Italian region of Abruzzo allowed me to collect evidence

of just this type of collaboration between small entrepreneurs and regional authorities, which eventually led to their participation in the STRIDE initiative aimed at connecting small firms with one another and to central facilities funded by the Region (Piattoni 1996). "Rejecting both state-centred and neofunctionalist frameworks, we need explanations of European Community policy-making in the field of regional development that encompass all levels of the new and complex inter-governmental relationships involved" (McAleavy 1993: 104). MLG provides this kind of explanation.

Likewise, when we look at the details of the *German case*, we discover that part of the story entailed the visions of the actors involved and that the Länder authorities felt that they had a moral commitment to even out economic conditions first and foremost among their own citizens. "All that one has to do is to travel to some of Germany's border areas … to realize that no matter how bad things are in Portugal, these areas have to be helped. It is the obligation of national policymakers to orient themselves to the national average, not to the EC average" (Anderson 1991: 437). The other aspects of ERDP reform that the German authorities resented was the excessive complexity of the procedures, originally intended to make sure that funds would be effectively spent on the policy goals. These regulations had been designed primarily for regions with weaker policy capacities, so they were clearly too exacting for the much more capable Land authorities. In this case, the question was one of *policy vision*, not of sovereignty. A second important reason for the cold reception of ERDF on the part of the German Länder authorities was the Commission's intention to involve social partners and representatives of civil society in the consultation process, a commitment which has grown over time. The German statist tradition welcomes the involvement of social partners and civil society organizations in corporatist arrangements, but only insofar as they are chartered by the state which retains monopoly of public power (Offe 1981). Länder political authorities, that had until then dominated the redistributive policy network and felt they were the authentic representatives of the regional "public" interest, resented being put on equal standing with other "private" societal interests.

In the UK, on the contrary, in agreement with a tradition of self-government and in partial compensation for the non-existence of regional political authorities, the involvement of civil society representatives was not an institutional novelty but, instead played well into the hands of the British central government that wanted to retain control over ERDP (Bache 1999, 2005). The reluctance of the UK government to *institutionally empower* regional authorities (Bache and Jones 2000) did not prevent it from fostering their *policy*

empowerment. "Whitehall has created new networks encompassing a smaller subset of participants – local authorities and relevant governmental officials – to handle ERDF issues. Regional civil servants quickly adopted a 'mothership' role, encouraging local authorities to take advantage of the new source of regional assistance… These new networks have strengthened the British state as gatekeeper in this policy area" (Anderson 1991: 432-3). Bache (2008) supplies a detailed analysis and sophisticated discussion of how the traditional notion of British sovereignty encompassed by the "Westminster model" in fact contained also elements that could accommodate an expanded role for sub-national authorities.

The empowerment of European regions as a direct consequence of their involvement in cohesion policy is widely considered MLG's "proof of the pudding". Unless regions manage to break free from their central governments' oversight and acquire freedom of manoeuvre, hopes for a future Europe of the Regions are stillborn. Liesbet Hooghe (1995, 1996b) and Gary Marks (1996) have gone to great lengths trying to clarify that *MLG does not imply endorsement of the "Europe of the Regions" vision, but more modestly of a "Europe with the Regions" scenario*. The difference between the two, as recalled above, is essentially that in the "Europe with the Regions" scenario nation-states still play a significant role alongside the regions, whereas they are supposedly completely replaced by them in the "Europe of the Regions" one. Nevertheless, the literature has shown a stubborn tendency of equating the two (e.g., Jeffery 2000: 2), often counting failure to arrive at a "Europe of the Regions" as a refutation of MLG. The source of such confusion lies in the difficulty of assessing with any precision the degree to which increased regional mobilization (politics) and participation in cohesion policy (policy) translate into gains of institutional powers and legal competences (polity). This is the reason why the German and the UK cases have appeared to provide such damming evidence against MLG: Germany, because it is a case in which regional mobilization and policy involvement implied a *loss* rather than a gain of institutional powers and legal competences; the UK, because significant mobilization and policy involvement did *not* translate into *any gain* in institutional competences and legal powers at all. Clearly, the process of regional empowerment must be analysed more carefully and its links with political mobilization and policy involvement assessed more precisely.

The word "empowerment" refers to several rather different processes. Empowerment is often understood as the *increased freedom of subnational authorities to connect with similar authorities or with supranational authorities without the permission of the national governments*. In this sense it coincides with mobilization, hence it has already been reviewed

above. Empowerment is also understood as the *increased capacity of subnational authorities to make decisions without seeking the prior approval of their national governments*. Such greater capacity may derive from the greater availability of financial, relational and ideational resources thanks to participation in CP (*policy empowerment*) or it may derive from changes in the formal powers of sub-national authorities (*institutional empowerment*). In this case, regions that receive EU structural funds and that can influence the way in which they are spent are *de facto* (if not *de jure*) empowered vis-à-vis their national government as well as other regional authorities. Bache (2008) calls these two dynamics, respectively, the *horizontal* (or Type II) and the *vertical* (or Type I) dimensions of governance. Finally, empowerment is sometimes understood as improved institutional performance, hence it points to the learning processes triggered by exposure to the "good practices" circulating in the EU (*administrative empowerment*).

With regard with the British experience, Bache establishes precisely this same relationship between policy empowerment and institutional empowerment by remarking that: "In this emerging multi-level polity [i.e., Britain], a distinction can be drawn between emerging Type I multilevel governance, with clearly and formally defined territorial layers of government proliferated by devolution, and type II multilevel governance, which captures the complex array of quangos, agencies, and partnership that exist not only at the clearly delineated territorial spaces defined by formal government, but also in the spaces between and below (intraregional, subregional, sublocal, etc.)" (Bache 2008: 101). German regions, as we have seen, found themselves partially disempowered by cohesion policy, as German governmental representatives could directly bargain in Brussels over the amount and destination of the structural funds to be distributed in Germany without necessarily having to secure the prior consent of the Länder, as was instead the case under domestic arrangements. It is, therefore, understandable that the German Länder, which already enjoyed significant institutional powers, should acutely perceive the curtailment of the domestic policy powers they exercise particularly in the Bundesrat and in the highly instititionalized consultative forums that decide on the distribution of development funds (a process known in Germany as *Gemeinschaftausgabe*), without really gaining any additional institutional power from their involvement in EU cohesion policy. Such a curtailment of their institutional powers induced the German Länder to "strike back" and demand compensatory powers. Participation in the cohesion policy-making process, conversely, entailed a significant gain in policy powers for British regions, which could have eventually led to an upgrade of their institutional powers as

well. In the event, German Länder obtained to be heard on all questions touching on regional issues before the federal government takes an official position in Brussels and to send a regional minister to represent Germany at Council meetings in which regional issues are decided (Jeffery 1996). They obtained these powers by threatening to withhold consent for the Single Market with a negative vote in the Bundesrat, that is, by using to the full their domestic institutional powers.

Let us draw this discussion to a close. First, one thing is to expect that cohesion policy would empower the regions of Europe, in the sense of making them more capable of contributing to the policy-making process (*policy empowerment*), while an altogether different issue is to expect that cohesion policy should bring about a redefinition of the institutional or even constitutional set-up of the member-states (*institutional empowerment*).[8] While both may be understood as developments towards multilevel governance, they remain two very different processes that, understandably, imply different degrees of resistance on the part of central governments. Only institutional empowerment would be captured by movements on the X_1 axis. It would thus appear that regions are not *directly* institutionally empowered or disempowered by cohesion policy, but only indirectly so. Institutional empowerment is a complex process through which regions may eventually translate their good policy performance into augmented institutional powers. In order to do this, regions must be able to project themselves as reliable cohesion policy partners by supplying good ideas for programme formulation, efficient monitoring of the funds, negotiational skills for the partnership exercise, and incisive evaluation of the results. Subsidiarity may be invoked and shares of sovereignty may be claimed, and may eventually be ceded, only if the lower tiers of government prove to be policy efficient.

"Europe of the Regions", then, does not indicate, at least initially the facile and illusory hope that one and the same "level" could help attain all good things at once. Nor was it a slogan behind which all European regions should find reason to rally, shelving their very real diverging interests and their equally real different understandings of what constitutes a proper division of labour between centre and periphery. And yet it is precisely this naïve interpretation which is sometimes implied by the sceptics who want to prove the illusoriness

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[8] Bache (2008) speaks of increases in vertical and horizontal governance to indicate, respectively, the acquisition of powers and competences on the part of the regional tier (what I call here institutional empowerment) and the establishment of governance schemes that involve in various ways also private interests, interest groups and members of the local civil society (what I call here policy empowerment). According to Bache, increases in vertical governance lead towards Type I MLG, increases in horizontal governance lead towards Type II MLG.

of this phrase by recalling the great diversity of sub-national institutional articulations and their incapacity to collaborate on all issues (cf. Christiansen 1996, Jeffery 1997, Elias 2008). What was not and is not illusory is the idea that *a competitive process of mutual recognition by subnational authorities – whether administrative or legislative, provided they express real links with their corresponding societies – and of recognition by EU authorities could lead to the legitimation of these tiers of government as fundamental interlocutors for any policy that crucially impinges on the Community's territory*. This is the "Europe of the Regions" that MLG reveals. The process that eventually led to the Westphalian system of states was based not so much on an improbable harmonious collaboration of all would-be states against the Emperor or the Pope, but by a ruthless competition coupled with the mutual recognition of that principle of sovereignty which eventually sealed the victory of the territorial state form of rule over all others.

5. Normative analysis

I already remarked, while discussing the policy cases, how the glossy terminology employed by the Commission reveals, under a veneer of good-will and cooperation, the fault-lines of this mobilization. Thus, the *partnership* principle that should govern multi-level consultations and negotiations surrounding the Structural Funds of cohesion policy rather reveals the difficulty of supranational institutions, central governments, sub-national authorities, social partners, and non-governmental organizations to find a common ground on which they all can meaningfully contribute their vision, expertise, and capacities throughout the various policy phases. Particularly non-governmental and civil society organizations sit often uncomfortably next to the other governmental tiers within the structures created for MLG. Social partners are organized nationally at industry level, and, although they sometimes have regional offices, these are normally not equipped with the relevant territorial planning capacities. The other civil society organizations, in their turn, are organized around "values" and do not necessarily have the expertise to contribute significantly to developmental matters. Conversely, the ideas and capabilities that these organizations can provide do not necessarily find their optimal fruition at the regional level. As economic and "value" issues cannot be uniformly apportioned, no single territorial level will be the most appropriate for all of them. Sometimes, partnership arrangements remain symbolic exercises through which the "partners" reciprocally acknowledge each other's potential role to the policy solution. Sometimes, the only "solution" is to agree on the effort to cooperate and to reiterate the need

to pursue partnership. Occasionally, when developmental issues acquire specific cultural or ethnic dimensions – hence, a "value" dimension – because they affect regions with a particular cultural (linguistic, religious or ethnic) profile, then local NGOs and CSOs can indeed contribute ideas and solutions to a situation which is the product of a "cultural division of labour" (Hechter 1975). Otherwise, they remain aloof of the debates surrounding SF allocation and utilization.

Subsidiarity is the term which simultaneously conceals and reveals the competence conflicts between governmental levels and between institutional and non-institutional actors. Non-governmental organizations had no particular structural or cognitive difficulties getting organized at both the national and international level and getting regulations approved. The same applied to economic actors that could provide valuable technical input and thus contribute to shaping the final decisions. It were rather the national authorities that felt bypassed by regulations that were decided at the supranational level and then often activated and implemented at the local level. The fight over subsidiarity bears witness to the ongoing need to find a level at which all relevant actors can meaningfully contribute to authoritative decision-making. The temporary solution to this problem has been to leave matters open for case-by-case specification and to further jockeying between the various levels.

What is common to these "principles" is that they point to the problems related to the mobilization of actors with different jurisdictional boundaries and different competences, and that they propose rather open-ended "solutions". None of these "solutions" dictates that one specific territorial level should be clearly pre-eminent in any given policy phase nor do they indicate which one level is best for tackling all policy issues. MLG, then, correctly draws our attention to the problems of compatibility between the scope of the problem at hand and the jurisdictional reach of the governmental and non-governmental actors called upon to solve it, and suggests that solutions must be found flexibly, policy issue by policy issue, and phase by phase. As no single level of government could become the level at which all problems find their ideal solution, MLG indicates the coexistence of shifting and flexible governance arrangements within which different territorial governmental and non-governmental actors contribute whatever they can to the problem at hand.

…the EU's 'polity' legitimacy is both fragile and fragmented and has to contend with the much more robust existing 'polity' structures of the member states. Moreover, it involves a number of cross-cutting 'regimes' operating between different aggregations of 'polities'. Thus the legitimacy of any EU constitution requires *constitutional dialogues* at both the 'polity'

and 'regime' levels, with the two to some extent cutting across each other (Bellamy and Castiglione 2003: 23, emphasis added).

In discussing the normative standing of MLG, we can distinguished between input and output legitimacy. On the *input side*, MLG contributes the participation and the representation of interests that are not always authorized in their national contexts to be involved in policy-making or not always in the same manner: subnational, functional, and civil society interests.

Authorization. Actors representing subnational and non-governmental interests are authorized first and foremost by the Union itself – their involvement is mandated in the Treaties – even though their selection is governed by domestic rules. The recognition of their role in EU policy-making, thus, creates a direct link between these actors and the Union which bypasses the member-states. Such a link has enormous symbolic importance because, by accrediting these actors as carriers of specific and legitimate claims vis-à-vis the European polity, the Union seeks in exchange their legitimation. This inevitably creates tensions between them and the central governments, both in member-states where these levels do not exist or are not involved in domestic policy-making and in member-states where they exist for different purposes or they are differently involved in policy-making.

Representation. Subnational authorities, social partners and civil society organizations represent first and foremost their constituencies – subnational electorates, functional interests and public values – but they also represent the right of the European people to be consulted through channels that are more proximate to them then conventional national channels. In the words of the first President of the Committee of the Regions, Pasqual Maragall, the regions represent Europe's "grass roots" (Schöbel 1997). What is acknowledged and represented by MLG institutional and non-institutional actors, then, is the interest of the local territories – the "peripheries", with an old term that gains new significance in the construction of the European polity – to participate in the making of those decisions that shape their destinies. The type of representation that is afforded to subnational authorities, social partners and civil society organizations, however, is far from full or perfect.

Only a subset of regional and local authorities gain representation, at any one time, in the Committee of the Regions and those that do are selected by the national governments from a range of candidates normally proposed by national associations of regional and local authorities. All sorts of balances – between large and small, rich and poor, industrial and agrarian, central and peripheral, left and right, strong and weak – are struck through this

selection process. This resulting mix, that was interpreted for a long time as a source of institutional weakness, in reality serves to ensure that no one governmental tier gains supremacy over the others and ends up representing itself which, as Scharpf warned, might lead to the "joint decision trap". What is being represented by the CoR are not individual regional or local governments, then, but the *right of regional and local governments to be consulted when decisions that influence their lives are taken*. This is why the Committee, although defined by the Treaties as a consultative body, must be considered as a sui generis "representative chamber" (Piattoni 2008). The regional and local representatives that meet therein are not "experts" to be consulted for their technical knowledge as would happen in other committees, but are rather "experts" in sounding and relaying the point of view of the peripheries of Europe. Social partners and civil society organizations are represented in the Economic and Social Committee (Smismans 2000), but are much more active lobbying directly the Commission and the Parliament and their national governments (Ruzza and della Sala 2007, Della Sala and Ruzza 2007). This is, by the way, true also of the regional and local authorities who do not disdain using lobbying methods typical of functional and civil society organizations. The blurring of public and private that I discussed in theoretical terms in the second section of this paper is revealed also by the similarity of the methods employed by governmental and non-governmental actors to press their case in the EU.

Participation. All of these interests – subnational, functional and civil – contribute their input also through direct participation in policy-making, the essence of MLG. This is the context in which they have the possibility of being most incisive, but also where they still experience difficulties and do not always rise to the task. In the ascending phase of decision-making, when regulations and directives are decided, subnational, functional and civil society representatives are sounded for their opinions, but the extent of their influence on policy decisions is hard to measure. It is in the implementation phase, though, that they can be most effective. By acting as watchdogs and by directly getting involved in policy implementation, NGOs make policy side by side with national and subnational authorities. It is thanks to the collaboration between functional and civil society groups and subnational authorities that many "territorial" policies are implemented.

On the *output side*, MLG arrangements contribute to the creation and diffusion of information on policy outputs and thus allow the European people to assess the responsiveness of their governments to their policy preferences and to hold them accountable for their actions.

Transparency. Thanks to the involvement of subnational authorities, social partners and civil society organizations, MLG promotes the production and diffusion of information particularly to publics that would otherwise be left uninformed as to what the EU does. Regional offices in Brussels keep abreast of the issues debated in Community quarters and relay this information back home thus prodding active subnational authorities into action, through the many channels – the offices themselves, the Committee of the Regions, the interregional associations, the national governments – available to them. The same is true of civil society organizations. The generation and diffusion of information is thus directly functional to participation, but whether it actually contributes to making the activities of these actors more transparent to their respective constituencies and to the public at large – thus allowing for an assessment of their input – is more difficult to say. Transparency is still one of the most problematic aspects of EU democracy and one that MLG arrangements only minimally help to ameliorate. Surely transparency could be greatly enhanced if subnational governments (those endowed with legislative powers) asked for the vote on the basis of what they do in Brussels and if civil society organizations kept their membership informed on their Brussels activities (Ruzza 2004).

Responsiveness. In order to try and influence EU policy-making in such as way as to respond to their constituencies' preferences, subnational authorities, social partners and civil society organizations must both diffuse information on the EU and on their own activities and ask for the opinion of their constituencies on the matters decided through MLG. It is unclear whether they do that and whether responsiveness would really contribute to EU democracy even if they did. Responsiveness is affected by several factors: 1) the degree to which constituencies' preferences are known, which is directly related to representation and transparency; 2) the degree to which subnational authorities, social partners and civil society organizations can really hope to influence policy-making, even if they knew their constituencies' preferences and had committed themselves to promoting them in MLG arrangements; 3) the degree to which it is even wise or desirable that subnational authorities, social partners and civil society organizations are really responsive as this would stifle decision-making at the EU level and might thwart the pursuit of policy solutions that, although responding to the preferences of no particular constituency, might still constitute "better" legislation for all.

The "loose coupling" that characterizes MLG arrangements (Benz 2000) should, at the same time, reduce the risks of the "joint decision trap" (Scharpf 1988) – that would occur if MLG actors requested full recognition of their constituents' preferences or pressed for the

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acknowledgment of their role in policy-making, above and beyond the substantial contribution that they can make – and contribute to better legislation, that is, to policies more responsive to the "general interest" because decided after real deliberation. Tight coupling, it is feared, would instead lead to ineffective legislation and frequent deadlocks. Clearly, responsiveness is a question of balance: to what extent should the preferences of specific peripheries or social groups be forsaken for the good of the Union as a whole? How can constituents assess whether their representatives' choices were dictated by a sincere quest for the common good or not rather by inefficiency and carelessness? No fast and ready answers exist on this score. What would certainly help, though, would be for subnational authorities, social partners and civil society organizations to articulate their position and explain their choices to their constituents, that is, for them to engage in those discursive activities that Schmidt (2006) recommends to national governments.

Accountability. Explaining and justifying are the essence of being held accountable : deficits in responsiveness could be more than compensated by surpluses in accountability – or even by sincere attempts at acting accountably. Subnational authorities, social partners and civil society organizations that give account of their actions and subject themselves to the eventual sanctions, would by that alone reinforce the linkage to their constituencies that is at the basis of both representation and responsiveness. Accountablity in MLG arrangements, can also be secured by other levels of government and by non-institutional actors. In other words, thanks to the flattening of hierarchies and the simultaneous involvement of institutional and non-institutional actors, each actor can be held accountable by all others. This bounty of forums to which actors must give account, though, may both contribute to and detract from actual accountability: many eyes see better than two, but "too many eyes" could end up conveying a confusing image (Bovens 2007, Benz and Papadopoulos 2007).

The discussion of MLG legitimacy revealed several critical issues, but also pointed to it potential contribution to EU democracy: in particular the necessary, yet uneasy coexistence between territorial and functional interests and the creation of a constitutional order that allows territorial and functional interests to participate and contribute to policy-making without however binding supranational institutions to suboptimal solutions caused by the incapacity of lower levels of government or societal interests to agree on shared solutions. MLG arrangements are best suited for those policy issues that have a clear territorial impact. A few issues immediately appear to have these characteristics: these are policy issues that involve fixed infrastructural investment (e.g., cohesion, but also agriculture) and that have

clear repercussions on the territory (e.g., environment, but also transportation). We saw, however, that many more policies may be handled locally even if they do not appear at first sight to have a clear territorial impact (e.g., higher education, but also welfare services). When policy decisions are likely to affect in a differentiated way people living in fairly circumscribed territories, then the involvement of lower levels of government is necessary.

6. Conclusion

There is no simple conclusion to the discussion of how MLG contributes to understanding EU governance: whether it works and is democratic. MLG arrangements appear flexible enough to accommodate different national constitutional orders, institutional practices, and political cultures but, at the same time, distant enough from all of them to create problems for all of them. MLG arrangements contribute to EU democracy in a number of ways: 1) they entrench the right of the "peripheries" to be involved in decisions that concern their material and cultural destiny (the "grass roots"); 2) they do so in such a way ("loose coupling") as to avoid the deadlock that is normally associated even with cooperative federalist settings in which each actor has veto power over the final decision; and 3) they foster the creation of more organic ties between subnational authorities and their local societies that tend to produce locally responsive outputs, and yet also foster the formation of broad alliances across peripheries and between institutional and non-institutional actors, and territorial and functional interests, that tend to produce generally responsive outputs.

There is no single, undisputed level of government whose scope is large or narrow enough to control all possible negative and positive externalities of policy decisions: for this reasons, multiple levels of government and governmental and non-governmental actors should be involved in the search for legitimate policy solutions. The coexistence between these two sets of actors – territorial and functional interests – is always problematic. In member-states, it is sometimes resolved in favour of territorially representative institutions, sometimes in favour of functional interests (Klijn and Skelcher 2007, Benz and Zimmer 2008). In a multi-level Union a balance can be achieved only through the de facto assimilation of the two types of actors qua carriers of public interests within a higher political and constitutional order. I suggest, with Howse and Nicolaidis (2001), that this political and constitutional order might be loosely termed "federalist".

Federalism is all the more apt an approach to the role of MLG arrangements in EU democracy because it can accommodate the coexistence of not just the two or three levels of government that regular federations normally contain, but of four or five different levels. "Europe is well poised to develop a theory of federalism suitable to its confederal tendency and its greater number of 'levels' of governance than any prior federation" (Howse and Nicolaidis 2001: 11). Moreover, also the issue of the state-like nature of the EU receives satisfactory treatment within this approach:

…we should not understand the promise of federalism through the lenses of the modern idea of state sovereignty, that is as a kind of truce between competing sovereignties, through the division of competence or the hierarchical ordering of authorities. … Since there is no ideal, stable division of sovereignty, or balance of centralization and decentralization, from the perspective of democratic legitimacy, the implication of this analysis is that we will have to search for stability elsewhere – in various norms, institutions, and mechanisms by which citizens bargain on an ongoing basis, and governments bargain on their behalf, for adjustment and re-adjustment of roles of concurrent policy fields. The legitimacy of multi level governance will depend on the legitimacy of these norms, institutions and mechanisms (Howse and Nicolaidis 2001: 13-14).

Indeed, the European "obsession" with the Bodinian conception of the state (cf. Elazar 2001: 39) stands in the way of a reflection on the state-like qualities of the European Union that do not yet amount to a given state form or a given model of democracy. "Common to both the EU and the US is a set of challenges to governance, which in both polities are connected to the special nature of the problem of legitimacy in the context of multi-level governance, of federalism in the broadest sense of the term" (Howse and Nicolaidis 2001: 5). This is a fruitful comparison, as much can be learned by comparing and contrasting the two experiences.[9] "'New Europe' has already begun the experiment of emancipating the federal idea from statist categories of sovereignty and constitutional supremacy. …the nation-states in Europe are increasingly using their 'Union' to implement a principle of mutuality and horizontal 'delegation' of competences and authorities from which the 'United' States may to learn a lot" (Howse and Nicolaidis 2001: 5-6).

As the phenomena detected by MLG are just incipient transformations, which are only partially reflected in formal reconfigurations and constitutional texts, we necessarily have to

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[9] For more direct EU-US comparisons that mobilize the theory of federalism see Sbragia (1997, 2007), Elazar (1993), Fabbrini (2007).

look at process manifestations, that is, at dynamics in the policy and politics dimensions. Primary evidence in support of MLG, therefore, came from developments that were described as outward movements from the origin of the autonomous, sovereign and specific state into the space delimited by the three planes (see Figure 1): 1) as increasing subnational mobilization and involvement in policy-making particularly at the EU level, sustained both by the Commission's attempt to find institutional allies for its policy programs and by the desire of (some) subnational authorities to claim back command over their own destinies ($X_1 \longleftrightarrow X_2$); 2) as increasing transnational social movement activism on "value" issues, welcomed by some EU institutional and individual actors as a way of promoting particularly cherished agendas ($X_2 \longleftrightarrow X_3$); and 3) as increasing mobilization and involvement in policy-making of civil society organizations at the subnational level, in turn connected with the growing interest of local political classes to engage the problems of their territory and of the new saliency of the subnational territorial level for policy-making ($X_1 \longleftrightarrow X_3$).

Among the many concepts that could be mobilized to describe this political and institutional tug-of-war – network governance, committee governance, organic governance, functional governance, new forms of governance – MLG draws particular attention to the mobilization of the competences, knowledge, and values that are associated with specific territorial jurisdictions. While many a-territorial jurisdictions may get formed as a result of the attempt to effectively tackle given policy problems, and develop their memberships, allegiances and values, MLG stubbornly reminds us that the consequences of these a-territorial jurisdictional activities will be ultimately felt in given territories by the individuals that inhabit them. Responsibility for tying the many policy knots into a coherent whole must be taken by some territorial authority, and the arguments made to justify policy solutions must ultimately make reference to territorial constituencies, their right to steer their collective destiny, and the relationships among territorial constituencies.

How exactly this coexistence can be achieved varies enormously depending on the specific powers of the territorial jurisdictions, the strength of the a-territorial jurisdictions, and the normative values mobilized by them. As we have seen, in the different member-states, the various governmental levels are not only equipped with different institutional powers, but are also endowed with specific legitimating values that derive from deep-seated understandings about how society should rule itself and what relationship it should have with the state (Dyson 1980, Skinner and Stråth 2003). And contrary to what the literature assumes (Schmidt 2006, but see also Börzel 2002b), compound polities like Germany do not necessarily have an easier

time adjusting to MLG than do simple polities like the UK (cf. Bache 2008). Policy and institutional empowerment are not currencies that can be exchanged on a par everywhere in the EU.

In Germany, the idea that governmental levels should negotiate policy agreements – thus transcending the mere activation of the respective institutional powers enshrined in the constitution – solidified into a practice (*Politikverflechtung*) at the end of the 1960s, thus consolidating the tradition of cooperative federalism. Extremely complex negotiations ensued and, due to the existence of cross-vetoes, they often resulted in decisional stalemate ("joint decision trap", Scharpf 1988). Once the EU level was factored in and joint-decision making was in danger of becoming ever more complex, the decision-making process was somehow simplified by the fact that the important decisions were made in Brussels by national governments. German Länder, while independently very active on the EU scene, resisted being marginalized institutionally at the EU level. For them, institutional powers were not just that – powers – but mobilized also normative values that had and have a real hold among both the legislators and the people.

In an almost mirror image, in the UK, only Scotland, Wales and Northern Ireland enjoy legislative powers at home, yet they are not granted any special rights of participation at the EU level. While also the English regions and municipalities appear entirely capable of participating very constructively and skilfully in EU negotiations and policy-making, they have a much harder time then cashing in these skills domestically by acquiring greater institutional powers. Indeed, it is not clear that they even want that. English local government is grounded in civil society and has ample room for choice on how to achieve the goals set by the central government: in that sense the compatibility of this tradition with much of EU MLG is striking. Their legitimacy lies in getting things done, not in vying for more institutional powers. The population itself, seeped in these same values, was indeed reluctant to add an "unnecessary layer of government" onto the existing structures – the Regional Government Offices (Bache 2008) – that the UK government had created in the late 1990s in order to attract the Structural Funds.

Other stories – different in the details, but similar in their broad conclusions – could be told about the difficulties of other member-states in adjusting to EU MLG. Each story tells us of a different, temporary balance that gets struck between territorial and a-territorial jurisdictions, between policy and institutional powers in the different member-states as mediated by value-infused state traditions. Theory-building tries to purge these stories of all proper names of

persons and places and to build propositions with general validity (Przeworksi and Teune 1970). We can thus codify the various (partial, temporary) equilibriums and create typologies to organize the evidence. Klijn and Skelcher (2007) have made such an effort at "conjecturing" the possible relationships – incompatibility, complementarity, transitional, and instrumental – between representative democracy, typical of territorial jurisdictions, and governance networks, typical of non-territorial jusridictions. There are several ways of handling policy problems which imply the creation of non-territorial jurisdictions, each capable of developing its own normative discourse vis-à-vis its own constituency to justify the policy solutions that it generates (Skelcher 2005). Yet none is self-sufficient and each jurisdiction must coexist with territorial ones, at least for the time being.

What for me has been the most significant conclusion that can be drawn from a study of MLG and which is captured by movements on the X_1X_3 plane, is that subnational governmental mobilization is most effective and significant when it is coupled with the mobilization of subnational civil society. Subnational governmental authorities are all the more successful in claiming for greater powers from their national governments to the extent that they can plausibly demonstrate that they represent their local civil society and that they have forged organic links with it. As shown by Bukowski, Piattoni and Smyrl (2003) and by Keating, Loughlin and Deschouwer (2003), many regionalist movements started as civil society mobilizations and successively sustained the participation of regional authorities in EU policy-making. In their struggle for greater formal powers, subnational authorities are greatly advantaged by being able to claim that they do represent subnational societies. This is because only in this case can they *successfully tap on the legitimating powers that derive from both the territorial state tradition and the civil society functional tradition.*

But perhaps the strongest claim captured by movements on the X_1X_3 plane – and probably the single most important contribution of MLG to the study of governance, European integration, and the transformation of the nation-state – is that *by mobilizing trans-nationally and by participating in EU policy-making, in association with or in opposition to national states, sub-national authorities and civil societies end up sharing some of each other's defining traits.* Sub-national authorities end up promoting their territorially defined interests through lobbying activities, *as if they were no longer general interest authorities but just particular interests.* Social movements and non-governmental organizations, in turn, end up sharing some of the responsibilities of the territorial authorities and acquiring a public function, *as if they were not just particular interests but public interests.* If it should be proven that this dual

convergence takes place whenever states relinquish part of their sovereignty to supranational organizations such as the EU, then we would have a major proposition that no other governance or state transformation theory has so far made.

Is this dual transformation genuinely novel? Students of the American continent may observe that this is precisely what happened when the independent but united "States of America", in the plural, transformed themselves from a union of states to a union of states and peoples, becoming the "United States", in the singular. According to Fabbrini (2007), the European Union is also becoming a "compound democracy" – a union of states and their peoples – under the impact of historical contingencies, functional imperatives, and political choices (yet see Sbragia 2007 for a sceptical view of the possibility for convergence between the EU and the US). The solution to the problematic accommodation of territorial and sectional interests that he sees offered by compound democracy is, from a constitutional point of view, not dissimilar from a "loosely coupled" system of negotiation among institutions and the "interests" thereby represented not dissimilar from a multi-level system of governance.

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Figure 1. MLG's analytical space