Cross-Border Regionalisation in the ‘New Europe’ – Theoretical Reflection with Two Illustrative Examples

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Regionalization has recently become a catchword both in political practice and academic discourse. Even if the idea of the ‘Europe of the Regions’ is no longer uncritically accepted, regional imagination still frequently informs the analysis of the European political order. This article seeks to chart alternative ways of understanding political change in Europe. It first outlines the current understanding of the role of regions in Europe, and seeks to put contemporary ideas into historical perspective. The article then examines the standard way of analyzing regionalism, the ‘top-down, bottom-up’ metaphor. By looking at the scales of politics from a social constructionist perspective the article shows that this widely-used metaphor does not adequately capture much of the political history of region-building, nor is it able to identify the relations of power involved in regionalization in the era of expanding trans-boundary linkages and networks across state borders. By illustrating cross-border regionalization with examples from Karelia and Catalonia, the article seeks to assess some of the tensions that arise between the new deterritorialized forms of trans-regional governance and the traditional democratic practice, which is still tightly connected to areal political spaces both institutionally and in terms of inhabitants’ collective identity. The article argues for a heightened awareness of the relational social power characteristic of network governance and potential leaks from the ‘territorial containers’ of democratic practice.

Regions in Europe

A lot of faith has been vested in ‘the region’ as a motor of economic development, as a vehicle of local democracy, and as a level of government in Europe. The appreciation of regions was particularly high in the 1970s and 1980s when several European states launched decentralisation policies and regionalist movements were able to exert pressures on state governmental structures. The European integration process, together with globalisation of the economy and post-Fordist forms of production, have further encouraged this enthusiasm by pointing at an increasingly important role for the region as an intermediary functional space. These developments have coincided with a renewed interest in regional identities and cultures both among researchers and policy makers. Thus, the slogan ‘Europe of the Regions’ was coined to denote the new political, cultural, and economic changes in Europe.
order which was expected to augment, and perhaps even challenge, the system of governance based on European nation-states.¹

More sceptical views about the role of the region have been put forward recently. Studies have shown that regional success stories, such as Catalonia, Baden-Württemberg, and northern Italy, are exceptions rather than the rule. The European meso-level government is vaguely defined and incoherent, and the institutional status of regions varies from country to country, and even within countries (e.g. Spain). In most cases regions have not become important mediators for local democracy, as the scale is too broad for people’s everyday concerns. In this regard municipalities and other local communities have retained a strong role.² Furthermore, economic growth rates and regional Gross Domestic Product levels per capita still vary greatly between the European regions despite the cohesion policies of the European Union. Over the past decade, regional income disparities have widened in nearly all EU member states. Similarly, regional differences in unemployment rates have also increased and in many countries this has gone hand-in-hand with a more unequal distribution of personal income and a fall in the share of wages in total income.³ In all, several factors indicate that the region has commonly failed the expectations of becoming a strong arena of political and economic regulation, or a general solution to the problems of the post-Fordist global economy.⁴

Yet, it is an undeniable fact that European integration and its concomitant economic and cultural changes have restructured the relationships between regions, states, and the European Union. Today’s Europe is not the group of Keynesian welfare states of the Cold War era, but a more fragmented and complex arena where institutional and non-institutional actors, representing different, segmented and overlapping interest groups, participate in the co-ordination of public policies. This arena, and the regions’ role in it, can be seen differently depending on the perspective adopted. From a sociological point of view, new power alliances have emerged within the private sector and across the private-public divide in attempts to create viable strategies for economic growth in localities (cities) and regions. Actors representing the institutional region, or co-ordinating private interests on a regional level, may be involved in informal and heterogeneous policy-making networks which include European, national and local actors both from public and private sectors.⁵

From a political science perspective, most European regions have not acquired a strong governmental and institutional status, but nevertheless are faced with the task of governance. Following Bob Jessop governance can be understood broadly as attempts to attain collective goals and purposes in and through specific configurations of governmental and non-governmental institutions, organisations and practices.⁶ Thus, instead of a coherent and ready-made regional system
upon which European policy-making could be built, we should expect to find a more fluid, less systematic, and a highly diversified field of regional governance, where regions perform very differently depending on their ability to mobilise and co-ordinate both human and economic resources for collective goal-attainment. Here regions such as Wales, Catalonia, and the Northern League are showing good performance, partly due to the strong identity of the regions, while in most European countries interests remain relatively weakly organised at the regional level.\(^7\)

Finally, from a geographical perspective the European regional level lacks coherence, with the exception of the NUTS-divisions produced for EU policy-making and statistical purposes. This is an inevitable result of the different traditions and histories of regional divisions in the member countries.\(^8\) In some cases the map of European regions, most often based on NUTS II regions, corresponds well with the popular understanding of the cultural and/or functional regions of the country. However, often it does not, as in Finland where the provinces, whether historical or functional, are much more numerous than the NUTS II regions.\(^9\) Thus, while the region may serve as a convenient label for a certain (meso, intermediary) ‘level’ of governance and policy, it is also important to appreciate the particular geography of regions as concrete places and contexts. This geographical diversity of Europe is a challenge for research in at least two ways. First, by shifting attention to particular paths of development it negates over-blown arguments about the end of the nation-state and the region-based reorganisation of the European political space. Second, in attempts to understand the current transformations of European political order, it raises the issue of how EU policies, transnational economic influences, and local, regional, and national cultural traditions are translated into actions by policy-making networks.

By looking at regionalisation across state borders this article seeks to contribute to our understanding of the nature of the European political transformation. It first traces the outlines of the modern imagination of politics as related to space – the assumption of spatial congruence between cultural identity, economic activity, and political processes. By describing the rise of regional discourses in Europe it attempts to locate the region as a political space, and to point out some major weaknesses in the mainstream conceptions of the relationship between the state and the region. The article pays particular attention to one influential pattern of thought, the frequently used twin metaphors of ‘top-down’ and ‘bottom-up’, and contrasts it with a social constructionist understanding of political scales. The article argues for the latter as a useful theoretical avenue for attempts to identify the relations of power involved in trans-boundary regionalisation.
The article then looks at how regionalisation can be conceptualised as a form of networking which both reproduces and departs from the modernist understanding of the relationship between politics and areal space. To question the political and cultural reorganisation of Europe, the logic of region-building is discussed and illustrated by looking into the prospects of regionalisation in Karelia and Catalonia. The two areas stretching across state borders represent quite different geographical contexts where the EU policies, imaginations of a new spatiality, and political, economic, and cultural agency come together. By discussing recent developments in Karelia and Catalonia the article also seeks to chart some of the tensions that arise between the new deterritorialised forms of trans-regional governance and the traditional practices of democracy, which are still tightly connected to areal political spaces both institutionally and in terms of inhabitants’ collective identity.

The article argues for a heightened awareness of the relational social power characteristic of network governance and potential leaks from the ‘territorial containers’ of democratic practice. Furthermore, the article argues that the new Europe is less a ‘Europe of Regions’ than a ‘Europe with regions’. Regions certainly play a role in the new European political order, but seldom as institutional actors. They are often more influential through the regional variation of political tradition, economic performance and cultural particularities which affect the ways in which European, national and local policies are translated into practice in different contexts. Yet it is also likely that some of the more economically and institutionally powerful regions will continue to have an impact on the European political order. Consequently, the political processes on European, national, regional, and local levels are in dialectic, rather than in determining, relationships with each other. To understand this overlapping and multiple nature of governance in the ‘New Europe’, it is necessary first to look at the geographical imagination informing the modern conception of the spatiality of politics.

**The state against regions?**

In the 20th century the spatiality of politics has come to be framed in a thoroughly regional imagination in two connected ways. On one hand, political spaces are conceived of as either containers (states), arenas (localities, geopolitical spaces), or constituencies (territorial co-presence of citizens) each of which set the stage for political contestation areally. Wide agreement exists that the nation-state has been the dominant scale in the European political order. On the other hand, where doubt has been cast to the hegemony of the state, it has largely been done with reference to alternative geographically...
circumscribed communities of various sizes and compositions. Thus, the diminishing role of state as a political power has been equated with the increasing irrelevance of its status and borders in the face of global economic and information flows and structures of transnational governance. Alternatively, the growing competition over investment capital has been attributed to cities and regions as the new power containers of the ‘glocalised’ world.

While the social scientific analysis of politics has rarely dealt with space and spatiality in explicit terms, a particular understanding of spatiality has been implicit in the modern political discourse and theory. This stubbornly areal imagination of politics is characterised by the assumption that territorial congruence between cultural, political and economic relations is the ideal form of political space. Such thinking can be seen as nostalgia for the modern nation-state, but it can be also be applied to various political scales ranging from the local to the international. In this article the areal imagination of various overlapping social relations is approached through the concept of region, which has figured strongly in western discourses on the fundamental organisation of social relations across space.

The word region derives from a Latin word *regere*, which means to rule. While this may suggest that the concept is an inherently political one, historically such a connection cannot be upheld. The particular connotations of ‘region’ have varied greatly over time and across different cultural contexts. However, a politically influential (western) conception of region as a functionally and/or relationally formed spatial entity can be traced back to the governmental and scientific discourses informing social policy-making in several European countries in the 19th century. At that time the states were growing increasingly powerful in the regulation of society. The emerging social sciences reflected this by developing theories of society where the latter was assumed to be an integrated whole defined by the state territory. Importantly, the concept of region also gained prominence. It did so particularly in attempts to rethink and formulate policy for a society composed of socio-spatial unities, rather than mere individuals. Thus, it was not only the nation state that was naturalised as a scale in the analysis of social processes: on a smaller scale ‘region’ emerged as a natural constituent part of ‘society’, replicating the vision of ‘fundamental spatial congruence between political, social and economic processes’.

The rise of the nation-state in the late 19th and early 20th century tended to marginalise the concept of region in many social science discourses, which increasingly came to equate modern society with the state and its territory. Nevertheless, the region became an important intellectual nexus for increasing governmental concern in the regulation of society. What I have elsewhere termed the ‘invention of region’
encompassed the enhancement of the representation of space by maps and statistics, and the desire to control the socio-spatial consequences of the liberalisation of economic activities, both of which were inseparably connected to the modernisation of governmental practice in 19th century Europe. While the state set territorial bounds to society in social scientific analyses, the importance of region was quickly realised by policy-makers and nation-builders in many countries. Regions figured strongly in attempts to reform administrative systems and level disparities in social conditions. Sometimes regional descriptions were used for the popularisation of the principle of cultural ‘diversity in unity’ so important for nation-building.\textsuperscript{24} Furthermore, in some political and governmental discourses the region emerged as an expression of the various spatially congruent orders and relations of the ‘liberal civil society’, thus reinforcing a particular understanding of how politics is related to space.\textsuperscript{25}

While there is ample evidence of the political dominance of the nation-state in the 19th and 20th centuries, it has also been shown that the areal conception of politics was not restricted to the state level. The processes of state formation were as much international as domestic, and they contributed substantially to the construction of the ‘local’, ‘regional’ and ‘international’ as political scales.\textsuperscript{26} Consequently, these ‘levels’ of society were taken for granted, and often reified as political scales in modern thought. To the degree, in fact, that it is still difficult to view society without resorting to this 'layer cake model' of political space. For the predominant ways of thinking, discussing, and acting politically, the areal has become the given spatial concept, while the political scales have taken a life of their own as separate levels.\textsuperscript{27}

This type of thinking has commonly been reproduced in the ‘top-down’ and ‘bottom-up’ metaphors which often portray the regions and the state in opposition to or outright contradiction with each other. While sometimes helpful in reflecting social power structures, these metaphors run the risk of fixing the regional as something clearly distinguishable from the national, while in reality these often are inseparably linked in social practices and only become significant in the actors’ accounts of the scales of their activities and alliances.\textsuperscript{28} They also rely too much on the idea of regions as the harbingers of a ‘New Europe’ and a departure from the modernist conception of political space, while in reality the regional scale emerged more or less in association with the formation of nation-states. Thus, what at first sight may seem like a revolutionary development may turn out to reproduce, albeit on a smaller geographical scale, the patterns of thought developed over the past two centuries of a territorially confined imagination of politics.\textsuperscript{29}

What is at stake here is not the political weight of European regions as such. In fact the evidence suggests that the regional scale did not
enjoy any particular salience before the Second World War.\textsuperscript{30} Rather I am arguing that the top-bottom dualism not only fails to address adequately the recent regionalisation processes in Europe, but it also may effectively prohibit a deeper understanding of the ‘scale politics of spatiality’.\textsuperscript{31} By pointing at areal spaces and competing levels, rather than real political, social, and economic actors, the metaphor grossly simplifies the processes of regionalisation and depicts spatial congruity where none can actually be found. Hence, new theoretical and methodological approaches should be applied in attempts to understand contemporary changes in the European political order. In the following section I briefly look into attempts to distinguish between different types of regionalisation, and then take tentative steps toward the conceptualisation of cross-border regionalisation without resorting to the top-down/bottom-up dualism.

**Regionalisation: new political spaces for whom?**

The minimum definition of regionalisation is any number of social, political and cultural activities which bring about regions, however defined. Thanks to recent theoretical developments inspired by social constructionist epistemologies, there is currently a broad understanding of regions as social constructs and socio-spatial processes, rather than fixed entities with definable essence.\textsuperscript{32} Regions do not exist ‘out there in the real world’, independently of their representations, but rather they are constructed and remade in association with manifold social practices ranging from the routines of everyday life to institutional projects.\textsuperscript{33} These practices subject regions to a discursive logic not reducible to any single essence of regions. Thus, there are as many different kinds of regions as there are discursive communities producing texts and images of regions.

Space does not permit me to review the broad literature on different forms of ‘new regionalisms’ in Europe. Suffice to say that it has been typical to categorise the developments by distinguishing between different forms of regionalisation, and/or different kinds of regions.\textsuperscript{34} Some of the main analytic distinctions run along the above mentioned lines between regionalism from below, emanating from local activities and identities, versus top-down regionalisation defined by national governments or the EU. It is also commonplace to distinguish between regionalisation as the formation of groups of countries and the formation of sub-national territorial entities.\textsuperscript{35} Another categorisation refers to different kinds of regions. For instance according to Michael Keating and John Loughlin there are economic, historical, ethnic, administrative, and political regions, each type being definable according to particular criteria.\textsuperscript{36}
The distinction between top-down regionalisation and bottom-up regionalism may readily seem to specify who these new spaces are for. However, as the discussion above indicates, the dualism between state/EU centered and locally/regionally based initiatives in regionalisation is based on a deceptive simplicity. It suggests that we can easily dissociate the interests of, for instance, national or EU actors from those of the local or regional ones, while these in fact most often feed into each other within overlapping social networks. A sweeping oversimplification, the top-bottom dualism regularly acquires a political meaning precisely because it serves in framing political issues as the confrontation of one 'level' with another. Therefore it may be part of the very discourse of regionalisation, rather than a tool in its analysis. 37

Importantly, the top-down/bottom-up dualism fails to address adequately both the question of agency and the issue of power in regionalisation processes. For instance, it is not clear how local is the ‘local’ company, whose strategies have an international reach. Conversely, a national or EU politician whose political career depends on the judgement of a local constituency is hardly a pure top-down actor. Where the top-down metaphor fails in illuminating the logic of region building, the idea of network may be more useful. 38 In fact, the discussion referring to regions, regionalisation or other areal spaces actually often refers to networks of social, political and economic actors involved in the negotiation of, for example, regional economic development strategies. It is along with such network related activity that region-building most often takes place as a constant, yet contested, bargaining for mutually beneficial outcomes of co-operation among actors that define themselves in regional terms. 39

As physically based and neutral as such geographical areas as the Alps-Adria region, Barents region, or the Mediterranean arch may seem, they nonetheless are historically contingent products, constructed by actors who have something at stake in the process. 40 Instead of regions being formed by social processes, there are regional formations – networks of actors – consisting of governmental, economic and cultural agents with overlapping interests which can be addressed by defining them regionally. These formations are not necessarily institutionally strong, but they may function well as loosely organised passageways for all kinds of networks striving toward regional governance. 41

Despite the central role of agency in regionalisation, the issue of who exactly is involved in the ‘common regional interest’ is seldom made explicit. This makes regionalisation a thoroughly political process, and a potentially effective way of exerting influence in various fields of social life. A particular form of networking, it commonly takes place in and through the co-ordination of social practices with the goal
of achieving beneficial ends, whether economic, cultural, administrative, or political. I have therefore found it useful to emphasise what the agents of regionalisation have in common, rather than highlighting the different scales or interests they might represent. The most obvious similarities arise from shared assumptions concerning the rationale of regionalisation, and the language in which the regional worlds are delineated.

Like any human activity, regionalisation is dependent on the use of language. A wealth of texts and images of particular regions is produced by the actors involved. Hence, the regionalisation processes can empirically be analysed through the texts and images in which economic, cultural and political issues are dealt with in language which portrays, or seeks to establish regional formations. To a certain degree, then, it is possible to study regionalisation processes merely by exploring their textual and iconographic surfaces. However, it should be borne in mind that these texts and images do not come out of thin air, nor does their evolution follow a mystical intrinsic logic, but rather they are inseparably connected to economic, cultural and political practices. Thus the proliferation of discourses of regionalisation should be viewed against the profound transformations in Europe over the past decade or so, as well as the potential gains that economic, political and cultural actors expect from the formation of networks, alliances, and co-operative schemes.

Regionalisation is best understood as a discursive practice employing a spatial metalanguage which enables the networked actors to ally with each other strategically. The spatial contours of networking are sometimes defined by relations of interdependency. However, when actors seek to expand their capacity to governance, they may do so by entering into relations with allies beyond this dependency. In the latter case we can refer to regionalisation as ‘scale jumping’, that is, as the politics of scale which proceeds through the construction of spatially more extensive networks of association, and hence, what Kevin Cox calls ‘spaces of engagement’. Conversely, actors controlling resources located within particular areas may form, in Michael Keating’s terms, ‘place-based inter-class coalitions of political, economic and social actors devoted to economic development in a specific location’. The processes may be tension laden as often there are conflicts of interests between social, economic and governmental agents. However, while the development discourses often are contested, this is less frequently the case with their regional settings.

Regionalisation, border and identity in Karelia and Catalonia

Regionalisation across state borders may take place as a relatively uncomplicated process of actor networking and the discursive
production of regions. In fact, there are several examples of cross-border and transnational regions in Europe constructed through the networking of social, political, and economic actors. Often cited examples are the Barents sea region (Nordland, Tromsø, Finnmark, Norrbotten, Lapland, Murmansk, Archangel and the Karelian Republic) and ‘Four Motors for Europe’ (Baden-Württemberg, Lombardia and Rhône-Alpes). Co-operation between the neighbouring regions of Catalonia, Midi-Pyrénées and Languedoc-Roussillon, and the Finnish and the Russian Karelias represents smaller scale ‘spaces of engagement’ being constructed across state borders.

Karelia is an interesting case among the European border regions in at least two respects. On the one hand the region has a long history of being a frontier zone between eastern and western cultural traditions, although one that trade relations and cultural influences have perforated in many ways. In the course of history the region has belonged to both Finland and Russia, but following the Second World War most of what was known as Karelia in the Finnish side was ceded to Russia. On the other hand, for seven decades the Karelian border region was a dividing line between two distinctive political systems and ideologies, a fact that contributed to the non-permeable nature of the border. A low degree of integration has been typical of state borders dividing the former socialist and capitalist countries. The combination of these cultural and historical realities, and their reflections in the spatial identity of the people living near the border, condition the emerging cross-border linkages in Karelia.

On the Russian side of the border the Republic of Karelia forms part of the Russian Federation and has a joint border of almost 700 kilometers with Finland, and hence the European Union. This border area and socio-economic development in the Republic of Karelia are currently under transition. Recent research suggest that the striking differences in living standards, and politico-administrative cultures between Finnish and Russian Karelia provide difficult conditions for cross-border regionalisation. Thus, despite EU support in the form of Interreg and Tacis programmes, the Karelian region is unlikely to emerge as a powerful economic, cultural or political ‘space of engagement’ in the near future.

The case of Catalonia is equally interesting in terms of the relationship between cultural identity and regionalisation. In contrast to Karelia, Catalonia exemplifies the meanings and functions of the state border dividing an ethno-linguistic region within the European Union. The ‘Greater Catalonia’ (els Països Catalans) is often seen as consisting of Catalan cultural areas in the Spanish side of the border (the autonomous region of Catalonia, the Balearic islands, the eastern part of the region of Aragon, and the region of Valencia), but also of the ‘North Catalonia’ in southern France (the province of Pyrénéés-
Orientales in the southern part of Languedoc-Roussillon region). In the 20th century the leaders of Catalan nationalism have increasingly sought to emphasise the region’s cultural distinctiveness from both the Spanish and the French states. However, in the early 19th century the Spanish and French national identities divided the local population in the Franco-Spanish borderlands of the Cerdanya valley. This points to the significance of state borders in the negotiation of national identities. In fact, according to Peter Sahlins it was precisely the inhabitants of the valley who sought to establish a clearly defined borderline to distinguish between the Spanish and the French sides. The respective national identities were first accentuated and substantiated in connection with the demarcation and disputes over the borderline. This suggests that interrelated and complex national and regional identities are an integral feature of the social, cultural and political life in the Catalan borderlands.

Catalonia is an interesting case also in economic terms. It is currently one of the more prosperous regional economies in the European Union. In addition to the culturally driven region-building in Catalonia, there are several economically motivated efforts at regionalisation taking place in the northeastern Spain. Catalonia participates in inter-regional co-operation as one of the ‘Four motors for Europe’, along with Baden-Württemberg, Lombardia and Rhône-Alpes. Another regionalisation effort is the Mediterranean arch, which consists of the Mediterranean coastal areas of Italy, France and Spain. Also Catalonia forms a ‘Euroregion’ with its neighboring areas of Languedoc-Roussillon and Midi-Pyrénées in France, comprising the ethno-linguistic Catalonia as a whole, but also areas with French cultural tradition. A decidedly loose definition of objectives characterises the Euroregion initiative, launched officially in 1991, ranging from establishing a general principle of co-operation among various actors in the participant regions to the goal of co-ordinating regional projects of co-operation with parallel actions taken by the respective state governments. At the same time a strong commitment to the common market development in Europe is underlined, together with the role of the Euroregion as an interlocutor between the local communitarian politics and the politics on the European Union level.

In Catalonia trans-regional networks are many and involve numerous prominent actors. They also seem to effectively integrate the local, regional, national and transnational spaces of engagement. For instance, the career paths of several prominent Catalan politicians weave together activities in local and regional, but also in national and European representative institutions, thus fostering the creation of extensive networks of governance. A case in point is Jordi Pujol, long time president of the Generalitat de Catalunya, a highly respected politician in European institutions, and the leader of CiU
(Convergència i Unió), which for the past two decades has been the strongest political coalition in elections for the Catalan regional government. Pujol has consistently emphasised the government’s readiness to enter into agreements with Spanish actors and the state for mutual material benefit. Projects explicitly aiming at multi-level governance, such as the Euroregion initiative, suggests a willingness among the Catalan political elites to favor networks of co-operation for enhanced self-government, rather than to strive for national (regional) separatism. In fact, this networking gains solidity from a strong Catalan identity, constructed not only in opposition to the Spanish (Castilian) state, but also as a ‘project identity’ reflecting the region’s dynamism and economic growth. The latter is evident for example in the official rhetoric of the regional government, which promotes a rather loose definition of Catalan identity: ‘Everyone who lives and works in Catalonia is Catalan’.60

The border region of Karelia has little in common with Catalonia, except for its location near an international boundary. The Republic of Karelia is among the poorest regional economies in the areas bordering Finland. Moreover, North-Karelia is one of the most depressed areas within Finland with unemployment figures among the highest in the European Union. Any cross-border linkages and co-operative initiatives are therefore facing a context defined by shared peripherality and pressing problems of economic and cultural survival. Furthermore, challenges to cross-border regionalisation in Karelia arise not only from poor economic performance of the border region, but also from deeply rooted cultural distinctions reflected in the Finnish and Russian identities. The recently launched EU programs, such as the Karelian Interreg (implemented from the beginning of 1997), therefore need to overcome both economic (material) imbalances and culturally constructed divisions which afflict the Karelian border region.

The task is difficult and not in the least helped by the lack of coordination between the different European Union cross-border initiatives. Efforts to create long-standing linkages and co-operative projects in Karelia have met with problems caused by sectoral divisions between Interreg and Tacis programs, designated to EU internal and external borders respectively. To counteract these difficulties the authorities of the Karelian border regions are in the process of establishing a Euroregion, which is expected to enable more coordination in issues of mutual concern, as well as better possibilities to utilise European Union funding for cross-border co-operation. However, many problems still have to be resolved before the Euroregion can be established. For example, the Finnish central government is still somewhat reluctant when it comes to delegating ‘foreign affairs’ issues to the discretion of regional councils.61 Also the Republic of Karelia may have difficulties in finding resources for
Euroregion activities that may require a council composed of the regions’ representatives, an office with personnel, and/or semi-permanent working groups.\textsuperscript{62} In this respect Karelia is still far from being a political space crossing the external border of the European Union. The Republic of Karelia has not been able to utilise its politically privileged position within the Russian federation, but has remained peripheral both from the Finnish and the Moscow perspective.\textsuperscript{63} The deep income gap between Russian and Finnish Karelia is likely to condition any efforts at cross-border co-operation in the foreseeable future. Furthermore, the existing joint ventures and direct foreign investments have faced severe difficulties because of the Russian economic crisis in the autumn of 1998. Both the uneven conditions and the faltering economy highlight the importance of the European Union initiatives in the area. Tacis and Interreg programmes have been utilised for transferring know-how and material resources to Russian Karelia. However, while important in many respects, these projects have usually had very limited life span and reach. Their immediate influences are most often confined to the network of actors concretely mobilised and resourced by the projects.

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The apparent ease with which the social, political and economic elites generate initiatives for cross-border networks and produce illustrations of trans-boundary Karelia may conceal the low degree of identification with the emerging cross-border region. To understand how broad based regional identity is related to key-actor driven regionalisation, it may be useful to distinguish between a \textit{nominal} identity and a \textit{virtual} identity, where the former is the \textit{name} and the latter the \textit{experience} of an identity.\textsuperscript{64} Regional discourses are important in the communication of nominal identity. However, the degree to which people organise themselves around these nominal identities depends on the contexts in which they arise, on the social position of the people involved, and the nature of their activities. The regional images and discourses may be familiar to many, but their role as the constituents of regional identities is contextually contingent. There are several examples of actor networks involved in cross-border regionalisation unable to strike responsive chords in the larger population of the areas.\textsuperscript{65} Often the latter remain captured by a geographical imagination defined by the traditional state boundaries, while networks construct new spaces of engagement across them. In other words, even though regionalisation may be a familiar process to the larger population, through for instance media and education, the \textit{experience} of the region thus depicted and named may not feed into positive identification with the cross-border community.

On the basis of the discussion above, the processes of regionalisation in Karelia and Catalonia can be interpreted as actor networks seeking to expand their capacity for governance. While the
future of the ‘Euroregion Karelia’ is still uncertain, it illustrates well the push within several European border regions towards increased capacity for governance through networking. Euroregions are commonly seen as avenues for better access to the European Commission and EU funding. For the individual authorities participation offers the chance to be prepared in terms of an established partnership, as commonly required by the European Regional Development Fund initiatives and programmes. Furthermore, precisely because it opens direct connections between regional authorities and the European Union, networking provides the former with more elbow room in negotiations with their own national governments in issues of regional development, decision making, and representation of interests. Not surprisingly, networking seems to have quickly obtained a central place in the contemporary ‘multi-level governance’.

The processes of regionalisation also permit the development of politics disconnected from areal spatiality. This is the case both in Karelia and in Catalonia where the networks of governance extend well beyond the regions’ institutional boundaries. What is less clear is how consistent this form of political activity is with the citizens’ desire for democratic participation. A vast majority of the population of these border regions remain in their every-day lives very much connected to the relations of local interdependency. There is an obvious risk that decision-making involved in network-based governance may escape the control of the areally defined political constituency. Another interesting question is the role of shared language and culture in cross-border regionalisation. It remains to be seen whether the Catalan language and cultural tradition are able to integrate people across the Franco-Spanish border, thus serving as a platform for an emerging cross-border identity. Despite the favorable conditions of linguistic affinity across the border it may well be that the modern ideal of spatial congruence between political, cultural, and economic processes is not easily achieved. In all, the experience from Karelia and Catalonia seems to support the claim that the relationships between regions and states are far from being simply contradictory or conflicting, and that they cannot be adequately described in terms of a single dominant direction (for example from top-down or bottom-up).

Conclusions

In this paper I have sought to accomplish two inter-related tasks. First, my aim has been to outline the current political-economic transition in Europe with reference to recent literature dealing with the history of modern geographical imagination, and the rise of the regional question in Europe. Second, I have explored the issue of cross-border regionalisation as a form of networking for the negotiation of cross-
border co-operative schemes, resulting in discourses of regions. This approach puts emphasis on governance rather than government, and along with that, views political and economic activities in the context of cultural identity.

The multifarious processes of regionalisation have commonly been interpreted as a sign of profound transformations in European political space. Among the issues debated is whether the emerging regional question is merely a logical continuation in the long disintegration process of the great European polyethnic empires, or an altogether new development reflecting the late modern networked forms of organisation in the areas of communication, technology, culture, and economy. In the former case we could understand regionalisation as a ‘ghost of the past’, that is as the freeing of historical ties of regional and ethnic loyalties from their imprisonment in the modern, but not yet fully developed, territorial state-system. In the latter case regionalisation would rather represent the promise of an entirely new model for the formation of political spaces, new ways of organising power relations, and new ways of conceiving the relationship between space, power and identity.

On the basis of the preceding discussion it seems that the two interpretations are complementary rather than exclusive. Supporting the former view, the examples from Karelia and Catalonia make it difficult to sustain the claim that the nation-state has suffered a significant blow to its role as the dominant political organisation in Europe. Also the idea of ‘Europe of Regions’ as a radical departure from the political space defined by the traditional state system, seems to be an overstatement carrying a strong element of wishful thinking. This judgement can be made on two grounds. First, the language of regionalisation reproduces the modern conception of politics. Discourses on regions still involve the imagination of the political based on the spatial overlap of collective identities, economic agency and political space. Not only the founding geographical imagination and the goals of regionalisation, but also the criteria according to which its success is evaluated, reflect a traditional understanding of the organisation of viable political space. Second, although regionalisation may be an important issue to the elites involved, it is usually less important to the larger population. Irrespective of the importance which may be attached to cross-border regionalisation by institutionally-based actors, the processes have enjoyed a very mixed appreciation among the people living in the border areas. Even in cases where it is possible to point at historical, cultural, and linguistic affinity across state borders, like in the Catalan, Spanish-Moroccan or in the Hungarian border areas, spatial identities based on the sovereignty of the state appear to prevail rather than yield to new regional identities.
Nevertheless, the idea of an emerging new political order in Europe has also found support, most visibly perhaps in the proliferation of regionalisation processes based on political and economic networking. While there are many traditional elements present in the 'New Europe', it is my understanding that regionalisation will bring about a more polycentric Europe. The European Union has launched policies which actively foster cross-border initiatives and regional co-operation both within the EU and across its external borders. Numerous economic, political, and cultural actors have also placed importance on cross-border regionalisation in attempts to expand their capacity to governance on various scales. This interest suggests that integration and cohesion across state borders are widely seen as having development potential in the EU, and that there is a will among politicians and economic actors to seize the opportunity to form new regional alliances, so as to utilise the funding provided by the EU programmes, as well as enhance their capacities through strategic networking.

Thus, independently of whether we look at the cultural, political and economic success of cross-border regionalisation, or its modernist conceptual foundation on the idea of 'region', it is very difficult to come to the conclusion that cross-border regionalisation represents a complete break with the modern political order in Europe. What is new in the European regionalisation processes may lie more in what the actor networks do, than in the spatial discourse they produce. Regionalisation as networking, that is, as a particular way of forging strategic alliances and transnational co-operative schemes, may well bring about a ‘New Europe’. What remains an open question is whether regional networking among political, social and cultural elites creates spatially disembedded political formations, and if so, will policy-making then divorce from its traditional territorial base and disappear into complex intergovernmental and public-private networks. This may be the paradox of the ‘Europe of the Regions’: it carries the promise of a new political space which follows a thoroughly modernist script, while in reality it is being constructed through experimentation in new, increasingly deterritorialised forms of politics.

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Notes


10. V. Wright. 'Intergovernmental relations and regional government in Europe: a sceptical view' in P. Le Galès and C. Lequesne (eds.) (note 2) pp. 111-129.


17. W. Connolly. 'Democracy and Territoriality', Millennium 20/3 (1991) pp. 463-84. Low note 12) p. 241. There is no doubt that Connolly and Low hit the mark in dubbing 'politics of place' the modern conception of political space. However, in referring to 'place' they run the risk of stigmatising some of the most inspiring and innovative recent treatments of the political as related to the spatial, for example Agnew (note 13); J. Agnew and J.S. Duncan (eds.), The power of place: bringing together geographical and sociological imagination (Boston: Unwin Hyman 1989); M. Keith and S. Pile (eds.), Place and the politics of identity (London: Routledge 1993); S. Pile and M. Keith (eds.) (note 14). This risk can be avoided by discussing region instead of place.


23. Häkli (note 20). Perry Anderson has also discussed 'the invention of region', but in the context of post Second World War Europe. See Anderson (note 8).
30. For example Claval (note 24); Le Galès (note 2).
37. See also P. Vartiainen. The Strategy of Territorial Integration in Regional Development: Defining Territoriality, Geoforum 18 (1987). 117-26; Smith (note 26).
38. Cox (note 27); Le Galès (note 2); A. Smith. 'The sub-regional level: key battleground for the Structural Funds?', in P. Le Galès and C. Lequesne (eds.) (note 2) pp. 50-66.
39. See Keating (note 1); Cox (note 27).
41. Le Galès (note 2) p. 264. See also Smith (note 38).
43. Neumann (note 32).
45. This illuminative conceptualisation has been put forward by Kevin Cox (note 27). He distinguishes between 'spaces of dependency' and 'spaces of engagement', where the former refers to
the concrete spatial ramifications of social life conceptualised as various relations of dependency among actors, and the latter to ways enhancing the capacity to control events and dependencies by engaging in actor networks on a larger or smaller 'scale'.


47. For example Neumann (note 32) p. 15.


54. Interreg is a European Union Community Initiative with the goal of promoting the development of coherent regional strategies across national frontiers and overcoming national barriers to economic and spatial development in border communities. It has been implemented since 1989 (Interreg I 1989–93 and Interreg II 1994-1999). The Tacis cross-border cooperation programme was initiated in 1996 as an extension of TACIS, EU's aid programme for the NIS (New Independent States) and Mongolia. It provides the possibility for cross-border cooperation between EU member countries and non-EU countries, particularly the Russian Federation. European Commission Directorate General XVI. First Cohesion Report (1996).


57. See also C.H. Williams. Territory, identity and language', in M. Keating and J. Loughlin (eds.) (note 1) pp. 112-138.


67. Low (note 12); Cox (note 27).


69. Harvie (note 18) p. 65.


71. For example Delli Zotti (note 44); G. Éger and J. Langer (eds.) (note 34); Smith (note 38).