

States of convergence in territorial governance

Cole, Alistair Mark; Harguindéguy, Jean Baptiste; Stafford, Ian; Pasquier, Romain; De Visscher, Christian

Published in:
Publius

DOI:
[10.1093/publius/pjv001](https://doi.org/10.1093/publius/pjv001)

Published: 01/04/2015

Document Version:
Peer reviewed version

[Link to publication](#)

Citation for published version (APA):

Cole, A. M., Harguindéguy, J. B., Stafford, I., Pasquier, R., & De Visscher, C. (2015). States of convergence in territorial governance. *Publius*, 45(2), 297-321. <https://doi.org/10.1093/publius/pjv001>

General rights

Copyright and intellectual property rights for the publications made accessible in HKBU Scholars are retained by the authors and/or other copyright owners. In addition to the restrictions prescribed by the Copyright Ordinance of Hong Kong, all users and readers must also observe the following terms of use:

- Users may download and print one copy of any publication from HKBU Scholars for the purpose of private study or research
- Users cannot further distribute the material or use it for any profit-making activity or commercial gain
- To share publications in HKBU Scholars with others, users are welcome to freely distribute the permanent publication URLs

TERRITORIAL GOVERNANCE IN WESTERN EUROPE: SECOND-ORDER STRONG
IDENTITY REGIONS BETWEEN CONVERGENCE AND DIVERGENCE

Alistair Cole, Jean-Baptiste Harguindeguy, Romain Pasquier, Ian Stafford and Christian de Visscher

ABSTRACT

This article engages with questions of policy convergence and divergence in a period of economic crisis and ongoing political decentralisation. Has economic crisis recentralised decentralisation? Or is the evolution of governance (national and sub-national) driven fundamentally by diverging, mainly domestic pressures? This question is investigated via mainly synchronic empirical investigation into one family of ‘second-order strong identity’ regions: Andalusia (Spain), Brittany (France), Wales (UK) and Wallonia (Belgium). The central finding is that converging pressures, and in particular the requirements of normative Europeanization, have been intensified by the context of the fiscal and sovereign debt crisis since 2008. We conclude that economic crisis strengthens existing collective action registers, while undermining the territorial capacities of second order strong identity regions.

Are States in contemporary Europe driven to enforce new forms of territorial convergence under the impact of economic crisis, enhanced European steering and international monitoring? This article engages with questions of policy convergence and divergence in a period of economic crisis and ongoing political decentralisation. Debates about convergence and divergence are usually framed in relation to the capacity of *nation-states* to pursue distinctive policies. Pressures of hard and soft convergence and divergence also affect the styles of and rules governing inter-governmental relations; the institutional, material and constructed capacities of sub-national administrations and the reform of regional and local service delivery.

The empirical data underpinning this article is focused mainly on sustained empirical investigation of sub-national governments and governance communities in four ‘second order strong identity’ regions (Andalusia, Brittany, Wales and Wallonia), where data was collected over an 18 month period from

November 2012 to May 2014.¹ This family of regions share many characteristics. They are economically challenged yet have a distinctive and developed territorial capacity. They each have ingrained traditions of social-democratic party control. These regions face stark economic challenges and problems of economic adaptation. They are traditionally pro-European regions, or at least regions benefiting from substantial EU investment. They have a strong sense of regional identity. They have variable degrees of decentralised authority: as a minimum, each has a directly elected regional Assembly with powers ranging from a general competency to partial legislative authority. The four regions exist in states that cover the range of logical possibilities for comparison: a loose federal state (Belgium), a hybrid state with some federal characteristics (Spain), a predominantly unitary state modified by forms of asymmetrical devolution (United Kingdom) and a decentralised but still unitary state (France). The EU context provides the core similarity between these states, with three of the four participating in the euro and signed up to the Treaty on European Stability and Governance (TSGG).

Any analytical grid will tend to orient the vision of the researchers towards certain features of territorial governance (Foster and Barnes, 2012). Is the framework proposed appropriate for the question in hand? The approach adopted is designed to capture broad transnational material trends in political economy and regulation, as well as contextually rich accounts of interactions within four comparable European regions. Regions are first situated in relation to the States of Convergence typology, which is conceptualised as a heuristic device for analysing variation between places, countries and policy fields. Using a zooming in/zooming out technique, regions are then compared (in the concluding section) in terms of the operation of their territorial policy communities in the broader context of economic crisis and political decentralisation.

There are two plausible hypotheses of the relationship between economic crisis and territorial political dynamics, both drawn from the work of French sociologist Pierre Bourdieu (1980). The first is that economic crisis produces responses that are interpreted by reference to existing beliefs and action

repertoires: actors interpret crisis in terms of their existing mental maps or *habitus* (Dobry, 2009). The second hypothesis is that material crisis undermines the cohesion and understandings that bind members of a territorial community together, producing an initial situation of *hysteresis* (the inability of accepted modes of behaviour to achieve anticipated outcomes) and eventually provoking a ‘third-level’ change in the form of a paradigm shift (Hall, 1993). In the first case, economic crisis might be expected to strengthen internal territorial cohesion and sustain resistance to exogenous change. In the second, economic crisis reveals the ineffectiveness of existing models, undermines existing action repertoires, and, after a timelag, empowers alternative economic and territorial models. These hypotheses were explored empirically by a series of semi-structured interviews with comparable actors in our four regions. ² This study is also based on a broad review of the scientific and grey literature on devolution and decentralisation, fiscal federalism, territorial governance and politics in Europe.

THE STATES OF CONVERGENCE: A FRAMEWORK OF ANALYSIS

The ‘States of Convergence’ typology is proposed as the starting point for understanding the interplay between convergence and divergence pressures, on the one hand, and processes of territorial adaptation and translation on the other. The typology identifies four distinct forms of policy convergence and divergence. ‘Hard’ convergence is ‘top-down’ in nature. It operates on the basis of clear institutional and policy templates and commitment to ‘download’ these; it involves specific criteria, intrusive monitoring and sometimes sanctions for non-compliance. A soft convergence perspective emphasises the exchange of policy relevant information, benchmarking ‘best practice’ or at least cognisance of other models. In our typology, soft divergence focuses on a specific form of lesson-drawing or policy learning whereby organizations and institutions construct themselves against perceived negative models. Our final position is labelled hard divergence, which is understood in terms of the persistence of deep underlying structures that pre-shape institutional pathways.

Table One summarizes the comparative theoretical framework³. Results are the outcomes described by the concepts of convergence and divergence. The concepts of hard and soft refer to mechanisms. Mechanisms are dynamics that can be driven or constrained by processes emerging and evolving at different dimensions of collective action: for example, structures, ideas, institutions and interaction. In his work on causal mechanisms, Tilly stresses the likely combination of what he labels as environmental, relational and cognitive variables, but warns that ‘we cannot decide in general or in advance how the elements interact’ (Tilly, 2001, 38). In the main body of the article, we now present comparative findings in relation to the core research questions of convergence, divergence, the economic crisis and decentralisation. Taking the scale identified in Table One, we regroup our main findings according to assumed positions on the convergence-divergence continuum.

TABLE ONE

STATES OF CONVERGENCE

		RESULTS	
		<i>Convergence</i>	<i>Divergence</i>
MECHANISMS	<i>Hard</i>	EU regulation, fiscal pressure, economic competition, ranking and rating	Path dependent institutions, state traditions, distinct varieties of capitalism.
	<i>Soft</i>	Lesson drawing, policy learning, benchmarking, cognitive Europeanisation	Constructed divergence against negative models

CONVERGENCES

Our first strong hypothesis is that of convergence (Knill, 2005; Pollitt, 2001; Bennett, 1991). One widely cited definition of convergence is as ‘the tendency of societies to grow more alike, to develop similarities in structures, processes, and performances’ (Kerr 1983: 3). Contemporary European States are subject to powerful and potentially converging transnational economic, ideational and institutional pressures, which spillover into their management of inter-governmental relations. Different empirical referents of hard convergence might encompass fiscal coordination (Dyson, 2014), technical norms (Borraz, 2007), policy conditionality (Page, 2000), conformity to new trans-

national policy instruments (Lascoumes and Le Galès, 2004, Gilardi, 2005), respect for formal democratic and market norms by the European Union (EU), the International Monetary Fund (IMF) and the World Bank, or the external imposition of tough performance indicators by these international organisations (Eymeri-Douzans and Pierre, 2010). There are two versions of a convergence hypothesis: hard and soft. The relationship between economic crisis and territorial governance is interpreted in this article as a contender for hard convergence, as is a certain form of Europeanisation. Soft convergence, on the other hand, is better captured either in terms of institutional isomorphism or looser pressures towards emulation and policy transfer.

Has economic crisis recentralised decentralisation?

If the hard convergence hypothesis is robust, then broader exogenous fiscal, economic and political pressures drive domestic policy change. In extreme cases, such as that of Greece, where the Troika (the European Commission, the IMF and the ECB) has intervened directly in domestic institutional arrangements, there would appear to be a clear association between externally imposed efforts at state retrenchment and domestic policy change (Zahariadis, 2012). More routinely, convergence presuppose an increasing oversight by the European Union (EU) into internal budgetary affairs, including local government and welfare expenditures. Across Europe devolved or regional governments are facing enhanced international economic monitoring (embodied by the ratings agencies), European budgetary supervision (the ‘Six pack’, the TSGG) and a reinvigorated EU-level control over member-states and their sub-state governments. In Germany, for instance, demands for greater Länder autonomy from more powerful regions have run against countervailing trends of fiscal equalisation, tighter federal controls over expenditure and borrowing, central definitions of minimal standards in fields such as education and administration and a model of European integration that has challenged traditional Land competencies (Benz, 2007; Vetter, 2010). In Spain, the economic crisis has produced new budgetary and regulatory controls over the autonomous communities (Sala, 2013;

Colino, 2013)⁴. Even in highly decentralised Belgium, the economic crisis has empowered the Belgian central bank in its dealing with the regions and communities. ⁵For instance, officers of the Central Bank do not hesitate to check if (and how) the Governments of those entities comply with the latest developments of the European System of National and Regional Accounts (ESA, 2010).

Has there been a general trend across Europe towards strengthening central financial steering driven by economic crisis and fiscal consolidation? That economic crisis strengthens central government control over regional and local government financial circuits is a plausible hypothesis. As central governments are now threatened with stiff fines if they do not control the revised budget and debt criteria, enshrined in the TSGG, they are less willing to tolerate 'spendthrift' local and regional authorities. What does the balance of evidence point to? In France and Spain, the proportion of local and regional government expenditure directly transferred by central government grants has been rising (usually with forms of hypothecation). Enhanced centralisation of local financial circuits could be observed in France, for example, mainly as the result of a major tax reform in 2010 that involved the abolition of the local collection and setting of business rates and its replacement by a more centralised formula-based method of tax collection (Le Lidec, 2011). President Hollande has not rescinded the measure and has frozen, then reduced the overall block grant to local authorities as part of the effort of budgetary rigour (Cole 2014). In Spain, though many competencies have been devolved or are shared with central government, 80% of the autonomous communities' financial resources are transferred by centre. Our investigation in Andalusia revealed a region under sustained financial pressure, suffering budgetary cuts from central government, a decreasing performance of regional taxes and a drying up of bank loans (Harguindéguy, Pasquier and Cole, 2015; Ruíz Almendral, 2013; Simon Cosano et al., 2013). Even more than in France and Spain, public finance remains a highly centralised policy field within the UK (Trench, 2013). The Welsh policy community has demanded enhanced fiscal autonomy, but politicians were careful not to call into question the core block grant mechanism of financing devolution, based on the Barnett formula.

The case of Belgium, finally, represents an opposing trend in terms of public financial management; once the sixth reform of the State has been fully implemented, the Federal government budget will be limited to servicing the national debt and funding part of social security, with many other functions having been regionalised (Deschamps, 2013). To ensure the stability of the economic and monetary union of Belgium, the Federal Authority maintains its authority for matters of monetary policy, price policy, policy on competition, income policy and (part of) social security policy. The Belgian case raises the issue of the relative lack of linkage between the post-2008 economic crisis and changes to the institutional architecture of the state; the causes of ever deepening decentralisation are linked to community competition, communitarisation and regionalisation that have their roots in Belgium's uneven history (de Visscher and Laborderie, 2013). If perceptions of socio-economic injustice remain on both sides, the key drivers are institutional; there is a high degree of polarisation on institutional questions between the main Flemish and francophone communities. The one key area where the federal and federated units make common cause is in terms of agr Common Agricultural Policy eeing efforts to be made to reduce the debt (interviews, 2014). Retaining credibility as a good European player incited the main actors to agree on key measures of budgetary retrenchment; controlling the public debt was experienced less as an intolerable constraint than as a gauge of managerial credibility (Beyer and Bursens, 2013).

Rather more general analysis of the impact of the economic crisis on the decentralised and devolved forms of government revealed contrasting findings in our regions. Wales and Wallonia, in rather different ways, were tied up with endogenous programmes of state reform, and socio-economic issues of economic crisis were given less saliency than in either Andalusia or Brittany. In Wales, at the time of empirical investigation (November 2012-July 2013) the Welsh Government had begun a process of streamlining public service provision, encouraging collaboration between service providers and introducing timid performance management measures, but local government spending on frontline

services had been sheltered from the worst of the cuts. Welsh political debates were tied up in constitutional futures: whatever happened in the Scottish Independence referendum and its aftermath would have an impact on Wales. Likewise, the panel in Wallonia (interviewed in early 2014), though touched by economic crisis, was preoccupied with implementing the sixth state reform programme and deeply anxious about the prospect of further institutional and political deadlock after the 2014 federal elections.

The French and Spanish regions, on the other hand, were more fully engaged with enduring economic crisis and the effects of the economic downturn on the broader territorial model. In both regions, a general sense of pessimism was shared by representatives of all parties, employers' organisations, associations and trade unions. There was heightened consciousness of the crisis. In Brittany, there was a deep sense of pessimism about the future of the Breton model of intensive agriculture, inspired by the massive layoffs or plant closures in 2013 at food producers Doux, Tilly Sabco and Gad. In Andalusia, the atmosphere was also generally pessimistic; the crisis had highlighted the contradictions of the 'state of autonomies'. When forced to choose, Andalusian elites preferred solidarity between regions (using the historical debt of Spain towards Andalusia as an argument for continuing transfers) over differentiation and enhanced autonomy.

Converging Europeanisation? An end of the Europe of the Regions?

The European Union is sometimes presented as the symbol of hard convergence, especially by euro-sceptics. In what direction is the relationship between European integration and regional governments heading? Empirical investigation in the field of European integration revealed clear differentiation between these traditionally pro-European regions, all key beneficiaries in the past of EU structural

funds and the Common Agricultural Policy (Tuñón, 2010; Cole and Palmer, 2011; Pasquier, 2012; Beyers and Bursen, 2013).

The principal cause of variation related, first, to whether or not a region is within the Eurozone and, second, to the degree of influence exercised domestically in relation to monetary policy (a highly Europeanised policy domain). Interlocutors in the euro-zone Regions were conscious of operating in the context of a hardening budgetary regime. The Fiscal Compact Treaty (TSGG), agreed in December 2011 and signed in 2012 by 25 of the then 27 EU member states, strengthened the automatic penalties to be paid by states who are unable to control their debt, or to bring into line their budgets to zero deficits by 2015. ‘Reverse QMV’ will make it much more difficult for states to avoid automatic penalties should they prove unable to fulfil the strict Stability Pact criteria⁶. The TSGG came after a significant fiscal and budgetary tightening in the form of the Six Pack and the Two Pack, allowing the European Commission, through the European semester process, a much more intrusive oversight into national budgets (including commenting upon national budgets before they have passed the parliamentary stage) ⁷. The European Semester process produces annual reports on the strengths and, more usually, structural weaknesses of all EU states (including those, such as the UK and the Czech Republic, not having signed the TSGG). The details of these reports filter down into fields such as the housing market, wage indexation, pension ages – the core of traditional economic sovereignty. Numerous competencies dealt with by local and regional authorities are concerned; especially in those areas of infrastructure and investment such as road building, urban transport or education that required long-term capital investment.

Interlocutors in our three euro-zone states expressed varying degrees of engagement with the European project. In Brittany, interviewees stressed their fundamentally pro-European sentiment: Europe was part of the Breton ‘DNA’ (interview). One of the core novelties of the 2013 round of interviews, however, related to disillusion with the European Union as an institution (though not with

the European ideal). The ‘neo-liberal’ European model of the Barroso Commission was contrasted unfavorably, in interviews, with the traditional Breton model of partnership, cooperation, support for public services and direct aids from the French government. In Andalusia, also traditionally a strongly pro-European region, fieldwork suggested diminishing enthusiasm for the European project. Interviewees regretted diminishing resources from the EU and the budgetary consequences of complying with the troika’s demands. Above all, the PP-led government in Madrid was blamed for using the crisis as an argument to recentralise control over a number of policy sectors and tighten budgetary steering (AUTHORS, 2015). Belgium offered another interesting case of disjunctive Europeanisation. In the words of one interlocutor, Belgians were the ‘last Europeans’, now that even neighbouring Netherlands and France had moved in a less pro-European direction. One interviewee believed Belgians to be ‘naïve’, however; the European semester process and the recommendations made by Brussels to stop indexing salaries with inflation were met with consternation by the Belgian government⁸. The commitment to zero deficit budgets by 2015 was proving extremely difficult for Belgium’s regions and communities, as well as its local authorities; another interlocutor predicted damaging consequences for the level of infrastructural investment. In the case of Wales, finally, the UK’s position outside of the Eurozone and the TSGG was perceived by interviewees to limit the impact of direct European budgetary supervision. Welsh Government sources articulated a staunchly pro-European discourse, with the EU seen as a benevolent fund-provider⁹. There were clear signs of tension with UK premier Cameron and the commitment to hold a referendum in 2017 on the UK’s future membership of the EU.

Even in the Belgian case, the fieldwork suggested diminishing enthusiasm for the Europe of the Regions. Against this general conclusion, some distinctions can be drawn, the most obvious of which is between: Spain and Belgium, whose regions were at the forefront of attempts at budgetary discipline, and Brittany and Wales, somewhat further removed. Membership of the Eurozone certainly played itself out as one of the key differentiating variables between our regions. Beyond the UK exception, three positions were identified: one (Wallonia) of Europeanization facilitating coordination

across community divides and, in some sense, empowering regions to participate in budgetary retrenchment; a second (Andalusia) whereby the sacrifices required to conform to budgetary adjustment as a result of the economic crisis were deeply felt (but Madrid was principally blamed), and a third, that of traditionally pro-European Brittany, feeling a sense of (temporary) betrayal.

These various factors strengthen arguments based on hard convergence: at the very least, the external context (the EU and other international organisations) weighs increasingly heavily on domestic public management and choices. The direction of change is broadly similar across euro-zone countries. Convergence pressures are never simply implemented according to a trans-national template, however; they require strategic and discursive choices that lie more squarely within the realm of human agency. On this condition, we conclude provisionally that the economic crisis is producing tensions between the EU, central governments and second order strong identity regions.

This conclusion invites a reinterpretation of the existing literature on European integration and regional governance. Studies of the impact of European integration on regions have typically been articulated in the language of multi-level governance, an approach that usually sustains a decentralisation narrative in the broader context of Europeanisation. One recent fine-grained definition, for example, identifies three axes to multi-level governance : internal decentralisation, domestic-international pressures and reconfigured state-society relations (Piattoni, 2010). Multi-level governance theorists emphasise the networks created around co-financing of regional and structural programmes, the institutionalisation of regional representation at EU level and the transnational activity of the regions (Marks, 1993; Hooghe and Marks, 2001; Keating, 1998). There are links to debates on territorial governance and Europeanisation. Carter and Pasquier (2010) identify strategic Europeanisation as being one active response to European integration that can empower regions in terms of their own identity, strategy and networks. In contrast to strategic Europeanization, Carter and Pasquier (2010) identify normative Europeanization as the process whereby domestic laws and

regulations are adapted to conform to EU directives and rules. Such top-down Europeanization is typically analysed in terms of reception, of adaptation, of goodness of fit, or conforming to European templates and best practice (Börzel, 2002; Ladrech, 2010). The above survey suggests that the economic crisis has reduced the space available for strategic Europeanisation and enhanced the constraints of normative Europeanisation, experienced by three of our four regions in terms of the constraints of the revised Stability pact, the new budgetary treaty, the new European fiscal architecture and the rules of competition policy. Stand-alone fiscal autonomy was weakened and traditions of public service delivery and public investment were threatened, even in traditionally unconditional Belgium. In these social-democratic regions, ‘neo-liberal’ hard convergence was experienced as a weakening of political capacity, even when (in the Belgian and Spanish regions) Brussels was not directly targeted.

Soft convergence: the limits of learning

In our framework, ‘soft convergence’ involves a form of indigenized convergence, a more or less conscious effort to import tools or instruments that have demonstrated their worth elsewhere. The concept draws upon Rose’s (1991, 21) analysis of lesson-drawing, which he defines as ‘a program for action based on a program or programs undertaken in another city, state or nation, or by the same organisation in the past.’ Within the relevant literature, the effectiveness of this process is contingent on a range of factors, such as the availability of information, comparability of cases and a capacity for institutional isomorphism (Rose, 1991; Evans and Davies, 1999; Dolowitz and Marsh, 2000; Radaelli, 2005). A soft convergence perspective emphasises the regular exchange of policy relevant information, benchmarking ‘best practice’ or at least cognisance of each other’s national practice.

One indicator of potential soft convergence lies in the diffusion of neo-managerial policy instruments, assumed to respond to demands for enhanced efficiency, economy and effectiveness (Eymeri-Douzans and Pierre, 2010). The rise and trans-national diffusion, firstly within OECD countries and then worldwide, of new public management (NPM) has been remarkable since the early 1980s (Hood, 1998). The content of this neo-managerialist repertoire includes well-known features such as agencification, benchmarking, performance indicators, accreditation procedures, citizens' charters, management by objectives, programme budgeting, one-stop-shops, public-private partnerships and delegation of public missions to private entities. These flagship recipes and techniques have repeatedly been broadcasted as 'best practices' in international and European forums, as witnessed, for example, by the various programmes and networks on 'good governance' and the administrative reforms handled by the World Bank, the IMF, the OECD and the EU (Eymeri-Douzans and Pierre, 2010; Cole and Eymeri-Douzans, 2010).

None of our regions comfortably fitted the NPM model, however. In Brittany, the Breton model of cross-partisan consensus was based on negotiated compromises rather than binding targets (Pasquier, 2012). In Andalusia, the available evidence suggests that agencies have been captured by political parties and involve clientelistic politics by other means (Porrás-Nadales, 1994; Robles-Egea and Aceituno-Montes, 2013). In Wales, new public management ideas of competition, arms-length agencies or the private management of public goods have had difficulty in gaining legitimacy, as they are defined as being against the constitutive beliefs of Welsh (and to a lesser degree Scottish) devolution (Cole and Stafford, 2014). The strongest case is that of Belgium, where policy learning played an important role in the circulation of managerial models between Flanders, the Federal Authority and Wallonia, following the Copernicus reforms of the 1990s. In contrast to both Flanders and the Federal Authority, French-type legalistic mechanisms initially hampered the introduction of managerial reforms in Wallonia, but the French-speaking part of the country has moved gradually towards modernization since the decade 2000 thanks to economic investments (the so-called Marshall Plan) and EU funding (Brans, de Visscher and Vancoppenolle, 2006; de Visscher and Montuelle,

2010)¹⁰. In at least three of the four cases, however, there was only limited convergence of form; less a case of institutional isomorphism, in short, than one of instrumental endogenisation of cross-national fashions.

Our four regions were also compared in terms of a standard question asked of each of our interlocutors about models. From this overview, Wales stands out as the exception. In its first decade, the policy entrepreneurs driving Welsh devolution developed an original form of benchmarking and policy learning based on using examples from other Small Country governments to justify policy directions and choices, especially in the field of employment, education and training. Early years' learning examples from Finland and Denmark, for example, were specifically identified as a source of inspiration for the *Learning Country*, the comprehensive early statement of the devolved Welsh government's education policy¹¹ There was not much evidence of bilateralism making a difference in our other three regions. In Andalusia, there were very few reference points elsewhere. The overwhelming comparators were within Spain – the other autonomous communities, with a particular observation of the evolution of political and institutional developments in Catalonia. The Andalusian panel adopted a dual and rather paradoxical position towards the Catalans. On the one hand there was resentment towards Catalonia; several interlocutors expressed their belief that Andalusia has at least as strong a claim to a more autonomous future as Catalonia. This sense of institutional competition was counterbalanced by a realistic viewpoint about Andalusia's future; as a poor region on the steps of North Africa that did not have the means to consider a future outside of Spain. In the case of the French region of Brittany, cross-national policy learning was in the main limited to formal relationships, either bilateral Memoranda of Understanding (such as with Wales), or relationships mainly in the context of EU programmes. There was much less inclination to evoke foreign models, though this varied somewhat according to sector.¹²

In the case of Belgium, finally, interlocutors identified distinctive styles between the Flemings and the Walloons. The francophone community shared a number of prevailing beliefs associated with their powerful southern neighbour, France: public service oriented, favourable to state economic interventionism, on the centre-left, in quest of a new model based on preserving the region's industrial legacy (Plan Marshall) as well as adapting to new challenges. In the broader political context, there was a small *rattachement* movement, favourable to joining Wallonia to France, but this remained that of a small minority. From the francophone perspective, the Flemish community was seen as much more neo-liberal, market-friendly, looking to Anglo-Saxon democracies for inspiration. The overview of our four regions thereby provided some evidence of indirect cross-national learning, but much less evidence of interaction-based learning and agent-based policy transfer.

DIVERGENCES

Two versions of a divergence hypothesis were presented in the introductory section: the constructed (soft) and the material (hard). *Constructed divergence*, in our typology, focuses on a specific type of cognitive or interactional mechanism whereby organizations and institutions construct themselves against perceived negative models. *Hard divergence* is understood in terms of the persistence of deep underlying structures that pre-shape institutional pathways. It is caused by the path-dependent development of institutions, economies, legal orders or bounded governance concepts.

The first decade of post-devolution Wales illustrated how *constructed* divergence works. This mechanism is to be understood both positively, in terms of defining a domestic political programme, and negatively, by identifying England as a neo-liberal adversary. In the positive frame, interviews with Welsh politicians and civil servants from 2001 to 2010 were replete with references to Team Wales, to cooperative modes of public service delivery, to policy innovation, to small country

governance, to ‘genuinely joining up’ policy (AUTHOR 1, 2012)¹³. In the opinion of one interlocutor: ‘We’ve got better structures in Wales than in England. We’ve got Team Wales, we’re small and we work closely together’.¹⁴ Defining the devolutionary project in terms of joined-up public service delivery and against market solutions (believed to prevail in England) was a constitutive article of faith for many policy-makers in Wales (Martin and Webb 2009, AUTHOR 1, 2012). In the negative frame, Welsh policy entrepreneurs explicitly rejected English policies in education, orientated around league tables, academies and perceived heavy handed inspection regimes and health, specifically the creation of foundation hospitals and the purchaser-provider split. In the field of public services reform, while England introduced hard edged, top down performance regimes, policy makers in Wales preferred ‘partnership’ between central and local government (Greer, 2007; Andrews and Martin, 2010). The Welsh government announced a ‘bonfire of the quangos’ and, in 2004, integrated most agencies into the governmental machinery. The devolved administration in Wales also rejected the involvement of private firms and finance in providing and investing in public services, for example by refusing the use of Private Finance Initiatives (PFI) utilised extensively in England to build new hospitals (Birrell, 2009). There were, arguably, sound political logics to each of these decisions. But were officials discouraged from drawing positive policy lessons from English experience under the broad steer to develop ‘Made in Wales’ policies? The evidence, though inconclusive, suggests this to be the case¹⁵. Such divergence was at least in part- constructed, insofar as it relied upon identifying neo-liberal England as a negative model as much as upon evidence-based comparisons¹⁶.

Constructed divergence is the weakest position in our typology. Theoretically, it raises ontological problems of causality and methodological issues of process-tracing. But it also stimulates causal insights by identifying similar mechanisms at work in comparable regions. In all cases, constructed divergence is based on perceptions of the material realities facing regions. In Andalucia and Brittany, constructed divergence is one dimension of the territorial repertoire, though processes of ‘othering’ are mainly a function of political opportunity structures, party politics and the established modes of

centre-periphery interaction. The French region of Brittany has a specific mode of operation, based on alternating identity-based and material claims for special treatment. Identity markers are very present in dealings with Paris, in claims made upon public resources, in the demand for differential treatment and resentment of 'Jacobin' logic of centralisation (AUTHORS 1 and 2). The Spanish region of Andalucía shares some of these broad trends, notably using regional identity markers to promote territorial claims in Madrid. The two regions differ, however, in the importance of the partisan variable. While Breton claims are generally promoted on a cross-partisan basis, the core driver in Andalucía is the partisan one, with the centre-periphery relations more dependent on party balance than established mechanisms of regional brokerage.

In Belgium, contemporary francophone politics and policies (specifically the representation of a separatist-minded Flanders undermining the Belgium state) are best explained as a consequence of the hard divergence process going back to the end of the 19th century. From the Walloon perspective, decentralisation has hollowed out the Belgian state and cast its future existence into doubt. The Flemish and French-speaking communities were also at loggerheads over financing the Welfare state. If Flanders complained of subsidising contemporary Walloons, for most of Belgian history, our francophone interlocutors insisted, the reverse was true: Wallonia had supported Flanders, at least for the first century of the Belgian State.

The strongest argument for constructed divergence is in the early years of post-devolution Wales, when ideas and political preferences were stronger than legal tools in helping to shape the initial ambition of the newly devolved institutions. Even if it stands out as the exception, post-devolution Wales provides a critical case which suggests that processes of ideational institutionalisation are especially strong at the early phase of organisational foundation.

Hard divergence: path dependent outcomes and state traditions

In Table 1, hard divergence was identified in terms of path dependent outcomes. It is necessary to set boundaries for discussion of divergence. Absolute divergence, measured in terms of GDP per head, for example, lies beyond the limitations of this article. Any measure of hard divergence needs to combine qualitative and quantitative data, if it is to achieve its objectives. Here, the emphasis is placed on deep underlying structures that might shape territorial pathways, beyond the choices of individual actors. In the ensuing section, hard divergence is interpreted in terms of state traditions and national institutional and administrative arrangements. The basic presupposition is one of institutional resilience – or at least the need for regions to develop strategies to navigate the obstacles provided by entrenched institutional structures, legal systems, professional organisations, patterns of party politics and existing ideational frameworks. Institutional variables, from this perspective, ultimately shape the pathways of state reform and decentralisation.

In their work on sub-national democracy in Europe, Loughlin, Hendriks and Lidstrom (2010) identify state traditions and democratic types as independent variables that are compared across 27 countries and mobilised to explain subnational democracy, understood as the dependent variable. The ‘state tradition’ approach, originally introduced by Dyson (1980), provides a heuristically insightful typology that helps to organize states into groupings. Page and Goldsmith (1987) provided the classic distinction of northern and southern families of European sub-national experience. They contrasted countries with Napoleonic traditions like France, Spain and Italy, with their strong states and weak local government from the functionally stronger local governments in states like Sweden and England (Page and Goldsmith 1987; Page and Goldsmith 2010). In their more recent comparative study, Loughlin, Hendriks and Lidstrom (2010) identify five clusters of states: the British Isles, the Rhinelandic states, the Nordic states, the Southern European states and the new democracies.

Evidence from this survey is mixed. In none of our regions does state form or state type determine trajectories. Three of our four states were initially unitary, and/or Napoleonic models (France, Spain, Belgium); only the original version, France, has retained sufficient features to be easily recognised as coming from a Napoleonic lineage. If we are reluctant to reason in terms of static state types, the structure of opportunities differs in each of our regions. The Breton model, for example, is best understood as part of a repertoire that promotes regional influence within the state-centric political opportunity structure of the French Fifth Republic. Lobbying the French State (and the EU) for increased resources to rescue Brittany from its isolated geographical position has formed a core feature of the Breton repertoire for several decades (Pasquier, 2004). In Spain, the state tradition is much more contested. One perspective on the 1978 Spanish constitution insists on its incomplete nature, torn between rival readings of nation and nationality and rival unitary and regionalist logics (Delgado del Rincón, 2010). Though the Spanish state appears to have several federal-like features, it has never assumed a federal heritage (for instance the lack of a Second Chamber representing the autonomous communities). In Spain, the partial and incomplete process of state formation played itself out in tense relations in our fieldwork between Andalusia, the only Socialist Party-led region, and the Popular Party-led government in Madrid.

In the Case of Wallonia, and Belgium more generally, reference to a state tradition is not especially helpful. Interviewees consistently expressed doubts about the future of the country and recalled the artificial nature of the creation of the State itself in 1830, as a buffer state between France and the Netherlands to a large degree imposed by foreign powers. The nature of the Belgian state had considerably changed with the rise of Flemish cultural, then political concerns. Initially the model of a European unitary state, Belgium has evolved through a federal phase and is now, arguably, staring at a confederal future or the breakaway of separate Flemish and Walloon states (Deschouwer and Reuchamps, 2013; Swenden, 2013). The critical juncture occurred in the 1970s when the three main national parties (Christian-Democrats, Liberals, Socialists) split and in 1980, with the move to a

federal status that broke with the previously consociationalist arrangements and gradually aggravated the communitarianisation of Belgian politics and society.

Somewhat paradoxically, given the lack of formal existence of a British State, the case of Wales and the United Kingdom lends some support to a state tradition approach. The type of state represented by the United Kingdom has an impact upon service delivery in many ways. Devolved government in Wales retains key features of a recognisable Westminster-style majoritarian-style democracy, the calls for all-inclusive politics or joined up democracy notwithstanding. The testimonies we received in the 2012-2013 wave of interviews were highly revealing of the accidental and somewhat irrational distribution of service delivery responsibilities between layers of government. The doctrine of parliamentary sovereignty and an unwritten constitution allow such a pattern of institutional asymmetry to exist across the UK. The doctrine of subsidiarity is difficult to operationalise in the case of the United Kingdom, in the absence either of a formal written constitution or a constitutional court to act as an arbiter between levels of government (Cole and Stafford, 2014). Public services in England and Wales are less routinely subjected to administrative tribunals or constitutional courts for arbitration than in nearly all continental European states, whether of the federal or unitary variety. While the creation of a separate legal jurisdiction for Wales might alter this state of affairs, even this would fall far short of a constitutional court to render definitive judgements, or even a Council of State to arbitrate on issues of public law. Westminster-style democracy would appear, in the Welsh case, to present an obstacle to rethinking the distribution of competencies (reserved, transferred or shared powers) between layers of government in more than a historically contingent and rather erratic manner.

In sum, each region operates within the context of a specific state configuration and is necessarily influenced by constitutional and legal rules, national (and regional) political opportunity structures

and institutional and electoral procedures. But each region has also evolved well beyond its genealogical origins.

CONCLUSION

Processes of hard and soft convergence and divergence operate in distinctive ways depending upon whether formal outputs, informal outcomes, political discourses or institutional innovations are considered. The four positions identified in our typology are more ('soft') or less ('hard') receptive to human agency. Hard convergence and divergence as *results* are best explained by material macro-level variables (economic indicators, institutional pathways and legal orders), which create tensions, sometimes evolve in opposing directions and require individual or collective level interventions. 'Soft' convergence and divergence as *mechanisms* allow more room for human agency, specifically strategic choices and forms of discursive legitimisation, though they are ultimately bounded by harder material constraints. Table 2 presents our preferred explanations for the cases covered in this article. The article has identified the forces pushing for hard convergence. The financial crisis has provided evidence of some recentralization of decentralization, whereby the latest phase of EU integration has forced central governments in most instances to exercise a tighter supervision over local and regional government expenditures. Belonging to the Eurozone acts as a formidable convergence regime in some respects. Hard convergence arguments are much less convincing in terms of institutions; even common trends such as NPM appear shaped more by domestic traditions than by a genuine cross-national template. Converging pressures do not necessarily produce converging outcomes or outputs (Radaelli, 2005). On balance, however, the forces identified as those of hard convergence are gaining ground, at least in the field of normative Europeanisation and budgetary norms. Hard divergence, on the other hand, is confirmed in key senses by the persistence of centre-periphery cleavages, territorially specific party systems (especially in Wales and Belgium) and (to a lesser degree) national administrative pathways. None of our very different EU states could be described in terms of static state traditions. Europeanisation has produced a lessening of divergence in legal systems and in the

provenance of much public policy. But state structures, party systems and the political rules of the game still make most sense nationally. Schmidt's (2006) diagnosis of a dangerous gap between (national) political competition and (European) policy formulation appears at least as pertinent at the regional level.

TABLE TWO

STATES OF CONVERGENCE AND CAUSAL MECHANISMS

<i>State of convergence</i>	<i>Drivers</i>	<i>Causal Mechanisms</i>	<i>Results</i>
<i>Hard convergence</i>	Europeanisation as conditionality Empirical referents (e.g. budgetary instruments)	Intrusive monitoring Sanctions for non-compliance	Gaining ground in Andalusia and Brittany, preoccupied with economic concerns Wales and Wallonia bounded up with constitutional futures and political dynamics
<i>Soft convergence</i>	Institutional Isomorphism Interaction (policy learning) Cognition (benchmarking)	Logics of emulation Spillover from hard convergence Diffusion	Limited policy transfer and interaction Ideational soft convergence in terms of future priorities (Unemployment, Economic reconversion, Education, Political decentralisation,

			Preserving public services)
<i>Soft divergence</i>	Constructed divergence	Othering	Elements in each territorial model, but limited sustainability
<i>Hard divergence</i>	Institutional pathways, bounded governance, party and interest structures	Logics of appropriateness Path dependency Zero sum interactions	Losing ground? Europeanisation has produced a lessening of divergence in legal systems and in the provenance of much public policy

Soft convergence and constructed divergence are better conceptualised as processes that actively bridge the two dimensions of structure and agency. Our survey uncovered some evidence of *constructed divergence*, which served a precise political purpose: but nowhere was this an adequate basis upon which to base political institutions. If evidence of cross-national networks was rather limited, our survey demonstrated substantial *soft convergence* in relation to the problematisation of regional priorities, as gauged in responses to a common question asking interlocutors to identify the three principal challenges over the next five year period. This measure was intended to capture how our panels of comparable actors envisaged the future of their respective regions. Beyond regional specificities, five common challenges emerged, irrespective of state type. In order of priority, these concerned: unemployment, and especially youth unemployment; economic reconversion and the adaptive capacity of established territorial models; education and the levels of basic skills; political decentralisation, its challenges and opportunities, and, finally, the preservation of public services.

In each region, there was soul-searching about the capacity of existing territorial models to cope with economic crisis, the challenges of reconversion and high unemployment. There was a general acceptance that the levers of macro-economic policy escaped the control of regional decision-makers, though interlocutors in each region provided some evidence of policy innovation and looked to investment in education to raise economic skills in the medium term. In each case a concern with political decentralisation came after the first three socio-economic issues. These social-democratic regions all identified the preservation of public services (especially health and education) as core to preserving their own territorial model. The most significant distinction was between the two regions caught up in a process of ongoing political decentralisation (Wales and Wallonia) and the French and Spanish regions, which appeared more directly affected by the direction of economic crisis. But the strong similarity of the identified core challenges supports a conclusion based on ideational soft convergence.

Our second order strong identity regions emphasise their distinctive features as intervening variables that 'territorialise' sector and public service delivery. Debates on territory are thus germane insofar as territorial actors operate as facilitators of convergence, or prophets of divergence. Rather than accepting either a convergence, or a divergence master hypothesis, our central argument is that institutional, material and identity-focused variables interact not only to produce divergence or convergence at the meso-level, but also to filter perceptions of convergence and divergence in public service delivery. Is there a linkage between material and constructed capacity? There is certainly a material basis to regional identity: the most autonomist-minded European regions are usually those with a more developed sense of material (including stand-alone fiscal) capacity, richer regions such as Catalonia, Flanders, Bavaria, Lombardy and (in some respects) Scotland. But what about Andalusia, or those cognate regions such as Wales, Wallonia and Brittany that we have labelled as second order strong identity regions? These regions had more limited control over core macro-economic levers, and

a fragile basis for enhanced material capacity. But they each sustained a coherent territorial narrative that mixed signifiers from the centre-periphery and the left-right axes. In each case, we identified a mode of territorial action that was based on influencing central government and the EU, in a pattern of multi-level governance.

Two plausible hypotheses were presented of the relationship between economic crisis and territorial political dynamics: first, that economic crisis reinforces existing beliefs and action repertoires (actors interpret crisis in terms of their existing mental maps or *habitus*); second that economic crisis loosens the ties and understandings that bind members of a territorial community together. Answering this question assumes the capacity to provide longitudinal responses, based on a diachronic mode of investigation: such evidence can be provided in the case of Brittany, the objects of three rounds of qualitative investigation by the lead author since 1995, though only a snapshot is available from primary accounts in Andalusia, Wales and Wallonia¹⁷.

In the first hypothesis, economic crisis might be expected to strengthen internal territorial cohesion and sustain resistance to exogenous change. Our survey in Brittany in 2013 (and work carried out in the region since the mid-1990s) uncovered a tried and tested territorial model that had repeatedly proved its worth in terms of obtaining scarce resources from central government. In regions such as Brittany, with a strong territorial political capacity¹⁸, economic crisis strengthens (initially, at least) existing mental maps and collective action responses. The social movement of Autumn 2013 confirmed key features of the Breton territorial action repertoire, most specifically the efficacy of direct relationships with Paris, the instrumental use of identity, the spectre of disorder, the mobilisation of past symbols of Brittany's specificity, the united front of (some) Breton employers and employees in defence of their collective territorial goods. On the basis of the 2013 fieldwork, Andalusia was less capable of sustaining a territory wide discourse, more tied into traditional partisan and centre-periphery cleavages and undermined by low trust. In Wales (2013) and Wallonia (2014),

the saliency of the theme of economic crisis was weaker than in Brittany or Andalusia, suggesting that territorial policy communities were bound up (in spite of themselves) with institutional futures and political decentralisation. The central conclusion is that converging pressures, and in particular the requirements of normative Europeanisation, have been intensified by the context of the fiscal and sovereign debt crisis since 2008. In no case, however, did economic crisis alone undermine existing action repertoires, or empower alternative economic and territorial models. Economic crisis strengthens existing collective action repertoires, while undermining the territorial capacities of second order strong identity regions.

The above discussion has demonstrated ‘within-case’ variation, but also allows us to identify general features of second-order strong identity regions. In contrast to the richer, more autonomous minded regions, these second order strong identity regions value territorial solidarity above everything else. Arguments of socio-economic justice are mobilised to justify continuing transfers: for example, the historical debt of Spain towards Andalusia; needs-based arguments in Wales, the region’s peripheral status in the case of Brittany; the severe challenges of industrial reconversion in Wallonia. In each case, playing on territorial identity was a useful lever to extract resources in a context of multi-level governance (from central government and the European Union). In each case, the pursuit of socio-economic interests and preservation of existing welfare traditions and financial transfers placed boundaries on using territorial identity to support more autonomous forms of governance. Ultimately, the social-democratic character of these regions (their preference for solidarity and cross-national transfers) was more important than their penchant for more autonomous forms of governance.

REFERENCES

- Andrews, Rhys and Steve Martin. 2010. Regional Variations in Public Service Outcomes: The Impact of Policy Divergence in England, Scotland and Wales. *Regional Studies* 44 (8): 919–934.
- Bennett, Colin. 1991. What is Policy Convergence and What causes it? *British Journal of Political Science* 21 (3): 215–233.
- Benz, Arthur. 2007. Inter-Regional Competition in Co-operative Federalism. New Modes of Multi-level Governance in Germany. *Regional and Federal Studies* 17 (4): 421–436.
- Beyers Jan and Peter Bursens. 2013. How Europe Shapes the Nature of the Belgian Federation: Differentiated EU Impact Triggers Both Co-operation and Decentralization. *Regional & Federal Studies* 23 (3): 271–291.
- Borraz, Olivier. 2007. Governing Standards: The Rise of Standardisation Processes in France and the EU. *Governance* 20 (1): 57–84.
- Börzel, Tanja. 2002. *States and Regions in the European Union. Institutional Adaptation in Germany and Spain*. Cambridge: Cambridge University Press.
- Bourdieu, Pierre. 1980. *Le sens pratique*. Paris: Les Éditions de Minuit.
- Brans, Marleen, de Visscher, Christian and Diederik Vancoppenolle. 2006. Administrative Reform in Belgium: Maintenance or Modernization? *West European Politics* 29 (4): 979–998.
- Carter, Caitriona and Romain Pasquier. 2010. The Europeanization of Regions as ‘Spaces for Politics’: A Research Agenda. *Regional and Federal Studies* 20 (3): 295–314.
- Cole, Alistair and Romain Pasquier. 2012. The Impact of European Integration on Centre/periphery Relations: Comparing France and the United-Kingdom. *Politique Européenne* 36: 160–182.
- Cole, Alistair and Jean-Michel Eyméri-Douzans. 2010. Administrative Reforms and Mergers in Europe: Research Questions and Empirical Challenges. *International Review of Administrative Sciences* 76 (3): 395–406.
- Cole, Alistair and Rosanne Palmer. 2011. Europeanising Devolution: Wales and the European Union. *British Politics* 6 (3): 379–396. Cole, Alistair and Ian Stafford. 2014. *A Note for the Williams Commission on Public Services Reform*. Cardiff: Public Policy Institute for Wales.
- Cole, Alistair. 2012. Serving the Nation. Devolution and the Civil Service in Wales. *British Journal of Politics and International Relations* 14 (3), 458–476.
- Colino, César. 2013. The State of Autonomies between the Economic Crisis and Enduring Nationalist Tensions. In *Politics and Society in Contemporary Spain: From Zapatero to Rajoy*, ed. A. Botti and B.N. Field., 81–100. Basingstoke: Palgrave.
- De Visscher, Christian and Vincent Laborderie. 2013. Belgique : stop ou encore ? Entre fédéralisme, confédéralisme et séparatisme. *Politique étrangère* 4: 23–35.
- Delgado del Rincón, L. 2010. ‘Espagne. L’équilibre entre unité et diversité : les réformes statutaires dans l’état des autonomies’, *Confluences Méditerranée* 2 (73) : 93-106.

- Deschamps, Robert.2013.Réforme du fédéralisme belge: Quelques enjeux pour la politique budgétaire des régions et des communautés. In *La 6e réforme du fédéralisme belge et ses conséquences budgétaires*, ed. M. Dejardin, R. Deschamps, P. Kestens, M. Mignolet and R. Plasman., 135–140.Bruxelles: De Boeck.
- Deschouwer, Kris and Min Reuchamps.2013. The Belgian Federation at a Crossroad. *Regional and Federal Studies*23 (3): 261–270.
- Dobry, Michel.2009. *Sociologie des crises politiques* Paris: Presses de Sciences Po.
- Dolowitz, David and David Marsh. 2000. Learning from Abroad: The Role of Policy Transfer in Contemporary Policy-Making.*Governance* 13 (1): 5–24.
- Dyson, Kenneth. 2010.*The State Tradition in Western Europe* London. London: ECPR Press.
- Dyson, Kenneth. 2014. *States, Debt and Power: ‘Saints’ and ‘Sinners’ in European History and Integration*.Oxford: Oxford University Press.
- Esping-Andersen, Gösta. 2013.*The Three Worlds of Welfare Capitalism*. London: Wiley.
- Evans, Mark and Jonathan Davies. 1999. Understanding Policy Transfer: A Multi-level, Multi-Disciplinary Perspective. *Public Administration* 77 (2): 361–385.
- Eymeri-Douzans, Jean-Michel and Jon Pierre.ed. 2010. *Administrative Reforms and Democratic Governance*.London: Routledge.
- Foster, Kathryn and William Barnes.2012. Reframing Regional Governance for Research and Practice. *Urban Affairs Review* 48(2): 272–283.
- Gilardi, Fabrizio.2005.The Institutional Foundations of Regulatory Capitalism: The Diffusion of Independent Regulatory Agencies in Western Europe. *Annals of the American Academy of Political and Social Sciences* 598: 84–101.
- Goldsmith, Michael and Edward Page.ed. 2010.*Changing Government Relations in Europe*.London: ECPR Press.
- Greer, Scott. 2007.The Fragile Divergence Machine: Citizenship, Policy Divergence and Devolution in Health Policy. In *Devolution and Power in the United Kingdom*, ed. A.Trench,136–159.Manchester: Manchester University Press.
- Hall, Peter. 1993.Policy Paradigms, Social Learning and the State.*Comparative Politics*25 (3): 275–296.
- Hall, Peter and David Soskice.ed. 2001.*Varieties of Capitalism: The Institutional Foundations of Competitiveness*.Oxford: Oxford University Press.
- Hood, Christopher. 1998.*The Art of the State*. Oxford: Oxford University Press.
- Hooghe, Liesbet, Marks, Gary and Arjan Schakel.2010.*The Rise of Regional Authority: A Comparative Study of 42 Democracies*.London: Routledge.
- Hooghe, Liesbet and Gary Marks. ed.2001. *Multi-level Governance and European Integration*. Boulder: Rowman & Littlefield.
- Jeffery, Charlie. 2000.Sub-national Mobilisation and European Integration: Does it make a Difference?*Journal of Common Market Studies* 38 (1), 1–23.
- Jeffery, Charlie and Arjan Schakel. 2013.Towards a Regional Political Science.*Regional Studies* 47 (3): 299-302.

- Jones, Richard and Roger Scully.2012.*Wales Says Yes: Devolution and the 2011 Welsh Referendum*.Cardiff: University of Wales Press.
- Keating, Michael.1998.*The New Regionalism in Western Europe: Territorial Restructuring and Political Change*.Cheltenham: Edward Elgar.
- Kerr, Clark. 1983.*The Future of Industrial Societies: Convergence or Continuing Diversity?* Cambridge: Harvard University Press.
- Knill, Christoph.2005.Introduction: Cross-national Policy Convergence: Concepts, Approaches and Explanatory Factors. *Journal of European Public Policy* 12 (5): 764-774.
- Ladrech, Robert. 2010.*Europeanisation and National Politics*.Basingstoke: Palgrave.
- Lascoumes, Pierre and Patrick Le Galès. ed. 2004.*Gouverner par les Instruments*.Paris : Presses de Sciences Po.
- Le Lidec, Patrick.2011. Décentralisation, structure du financement et jeux de transferts de l'impopularité en France. In *Gouverner (par) les finances publiques*, ed. P. Bezes and A. Sine, 149–192. Paris: Presses de Sciences Po.
- Loughlin, John, Hendriks, Frank and Anders Lidström, ed. 2010. *A Handbook of Local and Regional Democracy*. Oxford: Oxford University Press.
- Marks, Gary.1993. Structural Policy and Multilevel Governance in the EU. In *The State of the EC. The Maastricht Debates and Beyond*, ed. A. Cafruny and G. Rosenthal, 391–410.Boulder: Lynne Rienner.
- Page, Edward and Michael Goldsmith.1987.*Central and Local Government Relations*. Beverley Hills: Sage.
- Page, Edward.2000. Future Governance and the Literature on Policy Transfer and Lesson Drawing. Paper presented to the *ESRC Future Governance Programme Workshop on Policy Transfer*.London: Britannia House.
- Pasquier, Romain.2004.*La capacité politique des régions. Une comparaison France/Espagne*. Rennes: Presses Universitaires de Rennes.
- Pasquier, Romain. 2012.*Le pouvoir régional*. Paris: Presses de Sciences Po.
- Pasquier, Romain, Simoulin, Vincent and Julien Weisbein. ed.2007.*La Gouvernance territoriale. Pratiques, discours et théories*. Paris: LGDJ.
- Piatoni, Simona. 2010.*The Theory of Multi-Level Governance*. Oxford: Oxford University Press.
- Pollitt, Christopher. 2001.Convergence: The Useful Myth?*Public Administration*79 (4): 933–947.
- Porrás Nadas, Antonio. 1994. La administración andaluza entre modernización y clientelismo, *Revista Catalana de Derecho Público*, 18: 81–91.
- Radaelli, Claudio. 2005.Diffusion without Convergence: How Political Context Shapes the Adoption of Regulatory Impact Assessment. *Journal of European Public Policy* 12 (5): 924–943.
- Robles-Egea, Antoni and José Manuel Aceituno-Montes. 2013. Les défauts de la démocratie. Le clientélisme et la corruption en Andalousie.*Pôle Sud* 37(2): 51–74.
- Rose, Richard. 1991.What is Lesson Drawing? *Journal of Public Policy*11: 3–30.

- Ruíz Almendral, Violeta. 2013. The Spanish Legal Framework for Curbing the Public Debt and the Deficit. *European Constitutional Law Review* 9: 189–204.
- Sala, Gemma. 2013. Federalism without Adjectives in Spain. *Publius* 44 (1): 109-134.
- Schmidt, Vivienne. 2011. Speaking of Change: Why Discourse is Key to the Dynamics of Policy Transformation. *Critical Policy Studies* 5 (2): 106–126.
- Schmidt, Vivien. 2006. *Democracy in Europe. The EU and National Politics*. Oxford: Oxford University Press.
- Simon Cosano, Pablo, Lago Peñas, Santiago and Alberto Vaquero. 2013. On the Political Determinants of Intergovernmental Grants in Decentralized Countries: The Case of Spain. *Publius* 44 (1): 135–156.
- Swenden, Wilfried. 2013. Conclusion: The Future of Belgian Federalism – Between Reform and Swansong? *Regional & Federal Studies* 23 (3): 369–382.
- Tilly, Charles. 1984. Les origines du répertoire de l'action collective contemporaine en France et en Grande-Bretagne. *Vingtième Siècle* 4 : 89–108.
- Tilly, Charles. 2001. Mechanisms in Political Processes. *Annual Review of Political Science* 4: 21–41.
- Trench, Alan. 2013. *Funding Devo More: Fiscal Options for Strengthening the Union*. London: Institute for Public Policy Research.
- Tuñón, Jorge. 2010. *Andalucía y la Unión Europea. Actor periférico y escenario privilegiado de la política europea*. Sevilla: Centro de Estudios Andaluces.
- Vetter, Angelika. 2010. Germany. In *Changing Government Relations in Europe*, ed. M. Goldsmith and E. Page, 88–107. London: ECPR Press.
- Zahariadis, Nikolaos. 2012. Complexity, Coupling and Policy Effectiveness: the European Response to the Greek Sovereign Debt Crisis. *Journal of Public Policy* 32 (2): 99–116.

NOTES

¹ 104 interviews were carried out in fieldwork from November 2012 to May 2014 in Wales, Brittany, Andalucía and Wallonia. In each region, the sample of interviewees included three groups: officials, politicians and practitioners (available upon request). All interviewees were selected according to a territorial criterion (to include people working at the local, provincial [where appropriate] and regional levels) and a political criterion (to represent the left-right and centre-periphery cleavages). Interviews generally lasted between 45 minutes and one hour and they were processed through the NVivo 10 software.

² We used a common interview schedule designed to elucidate the causal mechanisms that produce divergence and convergence (identified as being administrative, economic, epistemic, institutional, normative, interest-based or multi-level in character). A common interview schedule included questions that dealt with the impact of the economic crisis on decentralisation; on the direct effect of EU regulatory frameworks and the EU more generally; on ‘best practice’ in public services (including that promoted by the EU or by index ranking such as PISA); on patterns of intra- and inter-regional cooperation and policy learning; on inter-governmental relations, territorial political traditions and party linkages. Interviews are being transcribed, data input into N-Vivo 10 and will be deposited with the UK Data Archive.

³We are indebted to [NAME WITHHELD] who provided valuable commentary in relation to this section.

⁴ 26 interviews were carried out in the Spanish region of Andalucía in October-November 2013.

⁵ This conclusion was shared in interviews in the Wallon Regional Council and the Belgian central bank in January-February 2014, as part of the 24 interviews carried out in Belgium.

⁶ RQMV implies that a recommendation or a proposal of the Commission is considered adopted in the Council unless a qualified majority of Member States votes against it. Under the reverse QMV procedure, a qualified majority will need to be mobilised to prevent automatic penalties in the case of not respecting the revised Stability Pact criteria. Larger countries are better placed than smaller ones.

⁷ The ‘six-pack’ refers to five regulations and one directive adopted as part of the reform of the EU’s fiscal governance and the Stability and Growth Pact (SGP) in 2011. The many measures adopted included: country-specific medium-term objectives (MTO) for deficit and debt reduction; the requirement that general government deficits and public debt must not exceed 3% and 60% of GDP respectively or at least diminish sufficiently towards the 60% threshold. The Six Pack made it easier to apply the Excessive Deficit Procedure (EDP) to Member States having breached either the deficit or the debt criterion. Financial sanctions for non-compliance might eventually reach 0.5% of GDP. The Six Pack was closely associated – but separate from – the European semester (granting the EU commission much greater oversight into national budgets) and the TSGG, giving a constitutional status to the golden rule of virtually balanced budgets. For details see: http://ec.europa.eu/economy_finance/articles/governance/2012-03-14_six_pack_en.htm (last accessed 3rd March 2014).

⁸ The expression was used in an interview with a member of the Belgian Public Finance Council, February 2014

⁹ First Minister Carwyn Jones, in a speech to a conference on December 2nd 2011, publicly distanced himself from premier Cameron’s refusal to consider signing the TSGG.

¹⁰ Interviewees in the Wallon region of Belgium emphasised the zeal with which performance indicators were pursued in the region’s Marshall Plan; performance indicators were revised and monitored on a three-month basis.

¹¹ Specifically identified in an interview with the Welsh Education minister in 2002.

¹² There were relationships in the more specific fields of culture and regional languages.

¹³ 16 interviews were carried out with a specially convened civil service panel in 2010, following up from earlier interviews carried out in 2001-2002.

¹⁴ The expression is that of a higher civil servant, interview, 2001

¹⁵ Most interviewees in the 2010 civil service panel refused to be drawn on this, but a couple regretted the obstacles to identifying good practice in England.

¹⁶ This is best exemplified by the failure to collect statistics on school performance, for example.

¹⁷ 87 semi-structured interviews were carried out with political, associative and economic actors in Brittany at three stages in the past two decades: in 1995 (28 interviews) , 2001-2002 (30 interviews) and in 2013 (29 interviews). In each of the periods of empirical investigation, three sub-groups were identified: party political actors (the main party families), public administration actors (generally working for the region, the regional state or public agencies) and the policy community (especially representatives of employers, trade unions, business groups and cultural associations). The interviews were taped and transcribed. The precise positions of the interviewees can be supplied on request.

¹⁸ What we describe as territorial political capacity has both a material and a more constructed dimension. Mainly material indicators include: institutions and institutional resources (what is the degree of self-rule?); and economic resources (how affluent is the region and what is its ranking relative to other regions?). Mixed material and constructed indicators include styles of inter-governmental relations and multi-level governance (for example do regions engage with strategic Europeanisation?); the party system (can we identify a regionalisation of the party system or regional advocacy in central government?), political leadership (is there a form of [regional] territorial political leadership?) and, finally, the operation of territorial regimes (is there a consensus between political,

economic, associative actors)? Mainly constructed indicators include territorial identity (is the regional space underpinned by a [regional] territorial identity or not); and territorial narratives (is there a coherent shared view on the nature of the challenges facing the region, or a shared repertoire of responses?) Elsewhere (AUTHORS 1 and 2) have operationalised this framework in relation to one particular region, Brittany.

FUNDING This work was supported by the Leverhulme Trust [grant numbers IN- 2012-109, Rf+G/10711]; by the Economic and Social Research Council [grant numbers L219252007, L311253047] and by the Collegium de Lyon. The authors would like to thank these agencies for their generous support.

ACKNOWLEDGEMENTS The authors thank (NAMES WITHHELD) who each read earlier drafts of this article and made invaluable suggestions for improvement.