This article is about the practice of territorial governance emerging at the junction of European Union-sanctioned ideals and Romanian development-planning traditions. On the one hand, the European agenda emphasises a smart, inclusive, sustainable model of economic growth. However, the persisting centralised workings of the Romanian state significantly alters the scope of regional interventions. As such, while core cities grew their economies swiftly, peripheral places were left in an unrelenting stagnation. My first aim is to provide a theoretical ground for a practice-centred approach to understanding territorial governance. Second, by drawing on Romania’s regional policy context as an example, I give an insight into how practices of partnership and competition fare in a context of ongoing territorial polarisation. I conclude by emphasising the need for a regional redistributive policy mechanism, one which should enable and assist non-core areas to access capacities for defining and implementing development projects.

**Keywords:** Regional policy, Cohesion policy, Romania, Regional governance, Central and Eastern Europe

1. Introduction

For the past decade, the use of regional policies in Central and Eastern Europe (CEE) has, amongst other things, favoured the rapid growth of core cities and urban networks (Farole et al. 2011, 1093; Herrschel 2011, 87), with the overall goal of a market-driven spread of economic development benefits across the society – to peripheral places, and to disadvantaged/low-waged people (Ehrlich et al. 2012). The prevalence of arguments for competitiveness and agglomeration in both the Lisbon Agenda and Europe 2020 has sidelined redistributive interventions to punctual, reactionary, life support-type measures (Avdikos and Chardas 2016). It is therefore no surprise that across the CEE territory in particular, socio-spatial inequalities have persisted, with the core city-regional periphery gradient posing a notable dimension (Lang 2015, 172).
These broad trends manifest themselves in variegated contexts across the Union, being subject to manifold practices that emerge at the junction between norms advocated by the European Commission and national political conventions. Keeping to the territorial focus of this special issue, this paper aims to address one question: how do national political conventions and European ideals of cohesion shape practices of territorial governance in Romania? The argument outlined in this paper attempts to show the extent to which logics of competitiveness have attained a dominant position in supra-local development planning at the expense of more redistributive measures – both from a financial, but also from a joint-intervention point of view.

Romania’s case is revealing of a setting that makes extensive use of European Structural Investment (ESI) funds. This is a two-way affair. On the one hand, the design and implementation of the Operational Programmes sets an off-putting bureaucratic maze that requires substantial expertise to navigate. On the other hand, the Open Method of Coordination between the European Commission and member states gives sufficient leeway for countries to define their own substantive goals and organisational settings. Nonetheless, the rationale that underpins such decisions must be justified in accordance to the Union’s general goal of tackling structural conditions that inhibit economic growth. This rather vague objective has been subsequently attached to two broad currents of thinking: that of cohesion (i.e. convergence between the Union’s regions), and, since 2014, that of place-based development (i.e. engaging under-utilised potentials that have the prospect of generating economic growth).

Apart from altering bureaucratic settings, normative claims for bottom-up development have thus far had little impact upon the manner by which development planning is practiced in Romania. Driven by a sense of “otherness” in relation to the rest of the Union, and coupled with a modernisation-inspired imperative to alleviate development deficits, little value has been given to integrating matters such as decentralisation, capacity-building, or governance-driven planning reforms (e.g. partnerships) in this progress. Such topics have come to bear increasing relevance in policy responses to complex issues that the contemporary networked society poses, one marked by a variety of value preferences, unclear rules of the game, and one that does not warrant top-down set solutions (Hajer and Wagenaar 2003).

Seen through the lens of practice, persisting territorial polarisation and consequent processes of peripheralisation (see Kühn 2014) reveal themselves as systemic outcomes of dominant political ideas that inform decisions about space, place, and development. This article takes on this matter from a governance perspective, seeking to cast practical understandings of normative choices in a CEE country’s regional policy. In the first part of the next section, I will outline a framework for an understanding of governance positioned at the intersection of national political conventions and European ideals. The second part highlights the implications of such an approach for studying regional uneven development, while also engaging theoretical lines of arguments that have been found to have practical relevance. The first part of section three outlines Romania’s regional development context, emphasising how territorial polarisation is enabled through the country’s policy setup. The last two parts will then explore the integration of collaborative development plan-
ning at a regional and supra-local level. This emerging imperative of joint-up action emerges from the use of Europe’s Cohesion Policy and sits rather uneasy within a wider setting of an individualised approach to development. The last section draws conclusions and proposes a research outlook for grasping planning processes in the face of rising territorial intra-regional territorial development disparities across CEE countries.

2. The Governance of Regional Economic Development

Supporting regions that are on the peripheral end of globalisation, structural change, and European integration processes has been a core business of the European Union’s spatial development policies (Kunzmann 2006). This approach is underpinned by a range of multi-scalar, politically desensitised understandings of growth-oriented regional development. Markets, innovation, firm location, specialisation, endogenous growth, network building, or convergence are but a few of the relevant development domains (see Dawkins 2003 for an extensive review). Such knowledge in economic thinking, far from fulfilling the role of detached observations, has had an active role in performing, shaping, and formatting social relations embedded in the economy, either at paradigmatic or micro-practical scales. Technocratic as it is typically portrayed (see Hadjimichalis 2006), regional development remains nonetheless a practice steeped in politics.

In this article, I approach the politics and strategies of regional development as a device of meaning-making. Within the European Union, regional development is rooted in an inherent dichotomisation between cores of progress and opportunities and peripheries of disadvantage and restructuring. Back in the 1990s, polycentricity became the first expression of territorial cohesion, resting on an argument for an equilibrium between zones of strong global integration and a balanced system of metropolitan regions (Commission of the European Communities 1999, 21). Poles, corridors, and priority aims were added as guiding principles, in a manner that emphasised the salience of polymorphic development – i.e. that supports the interaction of diverse territorial functions (Faludi 2010, 71). More recently, “cooperation for smart, inclusive, sustainable place-based economic growth” (Territorial Agenda of the European Union 2020, 2011) is the latest iteration that argues for complementary governance arrangements that ought to fulfil the territorial dimension of cohesion. However, while outlining ideals, no exact principles have ever been set on how cooperation for complementarity should be achieved. Left to its own heuristic devices, the notion of territorial cohesion reveals multiple facets, reaching a point where it can in fact signify neither territories, nor cohesion. It has much rather become a nodal point for growth-oriented neoliberal and social discourses, resulting in a balanced competitiveness imperative, one that ought to lead towards a harmonised European space (Muller 2013, 222). Put in the context of the European single market, this flexibility led to interpretations of cohesion that by and large reproduce and accentuate persisting economic disparities both between and within regions. I will return to this issue later in my empirical exposition.

The major trouble in engaging with such different interpretations is that they are not offered on a silver platter in the myriad of policy texts that set the rules of and
implement Cohesion Policy. Rather, differences lurk about in the pluralist political settings which they target – that is, the ‘doings’ of the policy makers, the professionals, the relevant local and regional actors together with their respective publics. It is in this fuzzy process that my question focused on the practice of regional development policies is crystallised. To open up research avenues, the first part of this section details a theoretical approach that is grounded in a decentred understanding of governance, one that is about “unpacking a practice as the disparate and contingent beliefs and actions of individuals” (Bevir and Rhodes 2010, 73). Following this take on governance has implications on how research engages with various theoretical positions and how the issue of rising development disparities is approached in policy settings – issues that will be explored in the second part of this section.

2.1 Governance as a Practice: Foundations

Definitions of governance are typically situated in an explanatory context that seeks to mark the departure from hierarchic bureaucracies towards a patterned use of markets, quasi-markets, and networks in the delivery of public services and decision-making (Bevir 2010, 29). On the one hand, the widest body of literature on urban and regional governance is very much engaged in explaining models of governance (Treib et al. 2007). Various means of overcoming societal fragmentation through the building of networks for regulatory actions and solving collective urban or regional matters are widely discussed (Pierre 1999; Mayntz 2004, 72). Relevant points of inflection here coagulate around issues of state-induced top-down action versus heterarchical bottom-up initiatives, flexibility versus rigidity, and public versus private interests. On the other hand, in the European context, governance bears a strong normative imperative, as member states (particularly A10 and A2 accession states) are externally incentivised to adopt understandings of governance that are sanctioned by the European Commission as enablers of more inclusive, legitimate development (Grabbe 2001; Schimmelfennig and Sedelmeier 2004). Good governance, new public management, or multi-level governance prevail as normative imperatives which put forth procedures that establish the terms under which participation in governance is allowed and conducted (Triantafillou 2004, 497).

Governance thinking has the prime effect of shifting decision-making towards social relations that extend beyond the state apparatus. This move, on the one hand, presupposes a system of rule enforcement and incentives for the sustainable coordination of action. Complementing this, as Offe (2009) points out, are norms and values that such a move touches upon, as more often than not, successful policy implementation relies on the support and cooperative action of individual citizens (559). In the context of development planning, the state remains inextricably engaged in shaping the context of governance frameworks (Börzel 2009). States do not just “metagovern” per se – i.e. set the formal norms and rules for the government of governance (see, for instance, Bell and Park 2006). Rather, state activity poses an

---

1 In the literature on decentred governance, this ideational background against which people hold beliefs is labeled as “tradition” – see Bevir and Rhodes (2010).
ambivalence between reflecting societal values, while at the same time constituting practices through ideational work. This latter part is expressed through discourses that attempt to shape the very mentality of development agents, creating an appreciation of what is appropriate and likely to be valued in a particular policy area (Atkinson 1999, 67; Jessop 2004).

Regardless of how centralised a state bureaucracy is, ideas and traditions cannot be solely contained within governmental organisations. Rather, the pluralism accentuated through the proliferation of governance thinking leads towards a dispersal of policy-relevant sites. Voices that hereby emerge across territory and society are par excellence the outcome of contextual, community-specific cognitive-ideational frames and experiences. Moreover, vague, easily contestable policy domains (such as development) favour divergences from the ideals repertoire of central administrations. Policy voids, design flaws, responses to unforeseen circumstances, localised “ways of doing”, together with context-tied problems contribute towards diversifying the spectrum of policy practices. Models of governance themselves oftentimes become entangled in the debates that underlie such processes. Debates on how decision-making ought to be dispersed, shared, or negotiated, are all part of the policy game itself (Stone 2012, 268). This state of affairs renders such models weak analytical devices for grasping the dispersed ideational base of policy responses and the complex arrangements that underpin them.

One promising starting point for transcending the thinking within logics of patterned actions is to approach governance as a practice. The groundwork for this rests in Hans-Georg Gadamer’s philosophical hermeneutics, whereby meaning-making is embedded within a constantly unfolding horizon within which the world is grasped. Horizons, to put it in Gadamer’s (2004) own words, are “the totality of all that can be realised or thought about by a person at a given time [offering a context] into which we move, and which moves with us (304). In other words, interpretations of social reality are not performed exclusively by tuning into available meanings. Situated reflexivity is equally essential in seeing through available discourses and navigating around the shifting meanings thrown by new situations (Keane and Lawn 2016, 26).

In spite of this analytic elevation of micro-practices, the relevance and constant work of strong, persisting ideologies should not be dully sidelined, particularly given our contemporary, increasingly globalised setting. Reflections on the present-day dominance of neoliberal ideals should engage with the manner by which market-centred thinking guides understandings of the world and its economic organisation (see Peck and Tickell 2002, 382). The concept of hegemony comes in handy here, by highlighting forms of intellectual and behavioural captivity (Femia 1981, 24). As this captivity is not enforced, agents consent to hegemony by actively participating in the social processes set in motion by the hegemonic bloc, or by being passive to them – i.e. by not forming an opposition. The shared beliefs and practices do not emerge from individuals’ own doings but are rather imposed and sustained among others through institutions and government technologies (Morton 2007, 96). This means that a hegemony binds individuals to a dominant stream of rules and normative ideas. On the other hand, understood through Gadamer’s thinking, hegemony can be grasped in discursive terms, as the horizons of intellectual and practical possibility,
When Romania Met the Cohesion Policy

moral authority, and of collective and individual imagination that includes both political and civil society (Wagenaar 2016, 99). A hegemony hereby stands to shape the sense-making beliefs and systems of judgements that mould individual and collective horizons. Captivity is inflicted through the background knowledge used in shaping horizons, knowledge embodied through past or present practices, as well as tacit understandings and pre judgements (Wagenaar 2016, 100).

2.2 Governance as a practice: implications for studying uneven regional development

A practice-centred understanding of governance grasps policy interventions as unpredictable endeavours at their best and riddled with unintended consequences at their worst. How should research engage with persisting, as well as rising (spatial, urban, regional, local) uneven development and planning endeavours that seek to grasp this? And, moreover, should we put our interventionist cloak on, what can the myriad of expertise and regulations be geared towards, if planning deals with complex and consequently unpredictable problems (see Rittel and Webber 1973)? Keeping to my initial emphasis on practices, I aim to argue for the relevance of policy framing as a means of reflecting multiple sources of meaning in policy formulations.

Setting the context for this, a brief highlight of contemporary regional policies’ role is warranted. Like any forward-looking planning endeavour, regional interventions exert influence over complex, fragmented, yet interdependent processes and networks of actors. As a result, regional policy instruments are spread across multiple domains, shaping economic, social, and environmental matters (see Maier et al. 2006). Typically engaging with the steering of economic growth, a central, yet often-times inexplicit dilemma in regional policy, revolves around the extent to and means by which economic activity should be spatially concentrated (i.e. polarised) or redistributed. The message driven by Cohesion Policy ambiguously advocates for “balanced competitiveness” in territorial development (Tewdwr-Jones 2011), urban policies (Atkinson and Zimmermann 2016), and social issues (Fargion and Profeti 2016).

Experience from CEE shows that this flexibility is acted upon pragmatically, leading to national responses that aim to address countries’ relative economic peripherality through sectorial interventions that seek to enhance competitiveness (see for instance Faragó and Varró 2016). One such approach (but also consequence) relates to the intra- as well as inter-regional territorially polarised model of development. The logic for this, to follow Albert Hirschman (1958), is that states may reasonably justify polarised development to establish a growing national economy and then at later stages seek to introduce policies that spread out economic activity in other places (localities or regions). Nonetheless, the emergence of the post-Keynesian, rapidly neoliberalising world stood to alter the scope of state intervention in planning for economic development. The redistributive emphasis of urban and regional policies has been, to a great extent, superseded by emphases on competition, with a prime focus on the consumption interests expressed through markets or quasi-markets (see Campbell and Fainstein 2012, 553). In substantive terms, social and environmental improvements become dependent on innovation-led economic growth and the trickle-down (or spread-over) effects that this generates. As such, developing
economies that disturb polarising tendencies risk to disconnect from global development processes and hence experience a fall-back in the national level of development (Maier et al. 2006, 88). Underdeveloped places are therefore viewed to be dependently related to cores, being subject to initial mechanisms of polarisation – most commonly flagged as diminishing economic activity and loss of population. In this assumed dependency, fortunes could be turned around if economies within the cores overheat in certain sectors, if satellite companies are established in relation to those located in cores (Richarxdson 1980), or if new innovation centres are introduced (Friedmann 1973). On the other hand, top-down state intervention may, through targeted policies, address market imbalances by investing in training, transport infrastructure, and technology (Krugman 1991; Amin 2004, 48), while local actors may form coalitions to pursue boosterist-type interventions (Barlow 1995).

The sustainability of this logic, and the self-advocated generalisability of such approaches, have, however, long been brought into question, mainly because any form of coherence that emerges in such places (if any at all) will be unstable, brief, and most likely unreproducible elsewhere (see for instance Painter 2006). Influences from institutionalist thinking portray the evolution of the economy to be tightly linked to the adaptations that take place in the face of changing economic contexts and to the values and rationalities of actions embedded in networks of economic interactions, with an emphasis put on the norms and means by which information is distributed (Amin 2004, 49-51). Regional relational perspectives, in particular, emphasise that idealised structures of classical economic geography are at odds with the polycentric dispersed forms and landscapes of most contemporary urban (and regional) areas (Vigar et al. 2005, 1393). Understanding regional processes through traditional spatial dichotomies of centres-peripheries, city-country, or core-fringe become obsolete, as urban processes increasingly imply relations that cannot be singularly constricted to city or country in themselves (Skeates 1997, 6). As a result, economic development and planning policy interventions of recent years have become increasingly focused on facilitating endogenous approaches towards economic growth by targeting market failures for land, capital, and labour, ensuring clear communication and response to market signals, and emphasised human capital, innovation, and technological development as key areas of intervention (Pike et al. 2006, 157). As Hadjimichalis and Hudson (2013) point out, it appears that “all cities and regions can become ‘winners’ by finding a successful niche in the globalising economy – provided that they adopt appropriate institutional arrangements, appropriate social attitudes and successfully utilise their resource endowments, whatever they may be” (212). Hadjimichalis and Hudson (2013) integrate this point within a wider argument that highlights the limitations of de-politicised approaches to regional development theories.

I should at this point admit that my short, highly selective theoretical excursion reflects my engagements with regional and county-level development professionals in Romania. Models of thinking, such as those mentioned before, reveal themselves to be deep-seated (albeit not explicitly acknowledged) in the background against which actors respond to provisions stated in regional policies. Other constituting elements to this a-priori picture are past experiences, visions of the future, and means by which they can be constructed, as well as afforded policy moves within
the wider legislative or social context. This situated knowledge guides how a policy issue is framed by policy makers (politicians, policy designers) and policy takers (publics, target actors) alike. To approach a policy as an outcome of a framing process is to attempt an understanding of the setting in which the object of the policy is selected, made sense of, communicated, and ultimately acted upon (van Hulst and Yanow 2016).

All in all, a practice-centred approach for uneven regional development should attempt to complement mainstream regional theories by engaging with the unordered, oftentimes unruly policy settings in which their ideas might be used. If regional policy analysis is to transcend the analytical limitations of core-periphery dichotomisations, a process-centred approach that focuses on the ways in which such categories are constructed becomes desirable. Peripheralisation is a relatively newly emerged concept that aims to bring together research emphasising dynamic processes that create and reproduce multi-scalar, multi-dimensional (Soja 1989), a-spatial (see Copus 2001), relational (see Kreckel 2004) peripheries. In the realm of policy analysis, peripheralisation is seen as a tool that can advance understandings of the powerlessness of peripheral actors to act (Kühn 2014, 10) – powerlessness that is, so far, understood to stem from “a loss of capacities of actors and institutions to act” (Beetz et al. 2008, 305), resulting in exclusions from decision-making centres and networks (Herrschel 2011, 98).

Operationalising this concept in a decentred understanding of governance, one that is grounded in anti-foundationalist thinking, would, as a starting point, avoid alluding to composite concepts such as power or institutions. It would rather seek to engage with the norms, ideas, and practices that guide policy responses. The supposition that peripheries are made and re-made because their representative actors cannot gain an impactful voice at the policy table is, in this sense, a manifestation of the forms of knowledge employed in (national) policy system design and regional and local responses. There is an underlying assumption of socio-spatial justice in my thinking, in so far as the public interest is concerned. But what is the best position from which to articulate this interest? As described before, dominant neoliberal thinking puts faith in markets. Yet, as Deborah Stone (2012) painstakingly points out, the polis is in fact riddled with a whole host of complementing, conflicting, contradicting ideas and needs. Understood in this light, at the root of peripheralisation lie practical policy dilemmas of deciding who gets what in the context of an intervention.

2.3 Methodology

The empirical research that informs this article has been conducted by following a methodology grounded in constructivist theory. Space restrictions inhibit an in-depth exposition of the underlying assumptions and implications of using this approach, yet there is enough room for two key points. First, the core principle of this line of work is that it steers clear of claims of objectivity and follows an inductive discovery of conceptual categories (i.e. taxonomies in positivist language) that lead to the generation of substantive theory. Second, the interpretive epistemology that underpins this approach does not value criteria of validity, generalisability, and
reliability as markers of trustworthy data. Rather, unfolding understandings are considered to yield multiple and relevant aspects of the analysed subject, with research concluding when new insights cannot be further gained (i.e. theoretical saturation is reached). I have also followed triangulation as a principle for validity by engaging with multiple data sources – expert interviews (as a main source) and document analysis. The data was collected between January and April 2016, as well as in February 2017 in two regions of Romania, namely North-West and West. The document analysis served to provide the foundation for subsequent expert interviews, and give the overall statutory context in which regional policies are placed. The documents under scrutiny were national, regional, and county development planning policies and statements, with the following being most prominent: Regional Development Plans for 2007/13 and 2014/20, Regional Operational Programmes for 2007/13 and 2014/20, National Strategic Partnership Framework (for 2007/13) and Partnership Agreement (for 2014-20), Territorial Development Strategy (2015), National Regional Development Strategy (2015). Analysis was first conducted in breadth, and at later stages in depth, as the use of certain keywords was followed: “disparities”, “peripheries”, “small towns”, “marginalisation”, “territory” – before interviews, and “partnerships”, “competitiveness”, “capacity” – as part of memo-writing and emerging conceptual categories.

Following Meuser and Nagel’s (1991) argument, I defined experts to be people who are/were responsible for the development, implementation or control of solutions/strategies/policies, or people (e.g. civil servants) who have had access to information about groups of decision makers (443). Seven interviews varying in length between thirty minutes and two and a half hours were used in this analysis. Respondents were selected through initial contacts in circles of experts. Using the snowballing principle, the initial contacts were asked to provide further contacts across scales that fitted the criteria of access to decision-making settings. Face to face interviews were conducted with experts from the regions, and two county authorities belonging to one region (highest/lowest developed counties). Where consent was given, interviews were recorded and transcribed. Where not, summaries were written immediately after the interviews and were used as memos. For data protection reasons, the interviews have been anonymised.

3. The lure of polarisation in Romania’s regional-development approach

Regional development in Romania, as in most CEE countries has been instated through the Union’s Eastwards expansion that took place in 2004 and 2007. Regionalism is not a way of thinking, and certainly not a policy-delivery approach, engrained in the country’s own political and territorial development system. In spite of a recent ascent of “regional” policy nexuses, planning processes, discourses, and expertise, this scale and approach to policy-making is not the main driving force for regional development per se. Rather, regional development tends to be a discursive construct that summarises the central government’s desire to strengthen economic competitiveness in a move to overcome the peripheral setting within the Union’s market.

At a central level, the overall stated goal for regional development is to contribute towards “ongoing improvements in life quality by ensuring wellbeing, environ-
mental and social cohesion for sustainable communities that are able to efficiently manage resources and engage innovation potential, as well as the balanced economic and social development of regions” (Ministry of Regional Development and Public Administration 2013, 239). In a nutshell, this statement integrates the buzzwords for good development: polycentricity, sustainability, inclusiveness. Yet in pursuing this, territorial disparities are assumed and marked as a sign of progress. Nonetheless, these disparities are not necessarily an outcome of deliberate policy action, but rather of a detached approach that does not respond to market evolutions. Moreover, interventions financed through European Structural Investment funds are bemoaned to lack an integrative approach and rather favour a “zero-sum game” practice of development.

3.1 Territorial unevenness and structural shifts

Before delving further into policy matters, an outline of the conditions that underpin Romania’s uneven development is in order. A dominant storyline of territorial peripherality stems from the influence that socialist legacies and post-socialist developments hold across CEE states. Romania’s Communist Party established what Kitschelt (1995) calls a patrimonial type of communism – one which only marginally relied on bureaucratic institutions and rather featured hierarchical chains of personal dependence between leaders and an entourage of clientelistic networks (453). In this administrative setting, urbanisation was a vehicle for eliminating class differences between agricultural and industrial workers (Ronnås 1984, 12). Following this line of argument, the country’s rural agriculture-based economy would be gradually shifted towards an urban, manufacturing-centred one. In so doing, Romania’s predominantly raw material and semi-finished goods production was deliberately spread to all parts of the country, leading to the emergence of centres that contributed to the reduction of interregional economic disparities (although “region” was not a term that was explicitly used in socialist planning). This centrally-planned equalitarian approach significantly skewed the manner in which production was to be adapted to place-specific capacities, while also curtailing the rise of cities large enough to counterbalance Bucharest (Sâgeată 2010, 82). Nonetheless, stark socio-economic intra-regional differences persisted between industrialised or urbanised areas and their rural hinterlands (Hallet 1997).

Following the 1989 change of regime, a number of large industrial complexes and ancillary economic activities found themselves in locations and productive sectors that were unable to sustain their activity at competitive prices – either due to high transport costs, unrealistically sized production, or nonexistence of an international market after the change. The opening-up of trade with Western competitors has rendered industrial locations chosen by state planners incapable of generating regional competitive advantages. Put in plain English, industries found themselves in the wrong places, unable to perform and adapt to new market-based logics without high subsidies (Finka 2012, 106). The political decision makers of the ’90s constructed a broad discourse that highlighted the financial burden that the unprofitability of such companies poses and pursued “reform” actions that either led to closure or privatisation. However, the patrimonial culture established during socialism to a
great extent rolled over after the change of regime. Ultimately, in most cases, decisions lacked a clear strategic direction or were coupled with forms of “wild capitalism” and nepotism that roamed the country through the ’90s (see Gallagher 2005, 182-3). By and large, the uncertainty that characterised this process created a vacuum of development in mono-industrial and predominantly rural areas.

The lessening activity and unclear futures of such territories favoured the spawning of capitalist cores within and, later, around big urban centres, but also along major transport corridors. Stark national economic divisions emerged along the East-West and Bucharest-country axes. As the rapidly growing market relied heavily on foreign investments, activity has been concentrated in places where most returns were deemed possible – generally speaking, the “core” cities. A sizeable part of this emerging market located in Bucharest, given its good international links, comparatively big size, pool of available workers, and proximity to decision makers. Second-rank cities – most notably Cluj-Napoca, Constanța, Iași, and Timișoara – subsequently acted as polarising magnets for development in their vicinity, first driven by markets’ locational preferences, and later encouraged through growth-pole policies (see Map 1).

Map 1: GDP Change at NUTS3 (county) level between 2007 and 2014.
Source: Eurostat 2017
3.2 The regionalisation of development

Romania’s regional development law dates back to 1998 (scantly amended in 2004) and can be traced to the country’s pre-accession negotiations with the European Commission. It is by and large part of an unfinished governmental devolution that was last debated at the turn of this decade. In practical terms, the eight NUTS2 Development Regions were set in place as voluntary associations between NUTS3 counties. Each region is brought into being through two interconnected organisations with direct responsibilities for regional development: the Regional Development Agency (the executive branch) and the Regional Development Council (the deliberative forum). Neither bears statutory administrative or planning powers.

In a wide context of centralised regional development objectives, the executive branch fulfils contractual duties as an intermediate body, duties that are assigned by relevant Management Authorities of European Structural Investment (ESI) funds in Bucharest. This can be either in full (e.g. the Regional Operational Programme, contracted by the Ministry of Regional Development and Public Administration) or partial – e.g. the 1st Priority Axis, and part of the 3rd Priority Axis of the Economic Competitiveness Operational Programme, as contracted by the Ministry of Economic Affairs for the 2007-2013 programming period. This absolute dependency on the central level binds the fulfilment of regional development objectives to a governmental agenda that is detached from specific regional needs, especially as “bottom-up approaches, and subsidiarity is practiced only as a purely bureaucratic process” (Regional development professional 2017).

Nonetheless, Regional Development Agencies are bound by law to “prepare [and] ensure the realisation of the regional development programmes” (Regional Development Act 2004, art. 9, sect. a-b). Content-wise, regional plans outline the region’s socio-spatial structure, set a list of objectives, and propose a list of priority projects grounded in the thematic objectives set by the European Commission. However, there are no mechanisms in place that legally bind the decisions made within the deliberative forum, or for implementing the Regional Development Plan. Given this, regional planning has an illocutionary value, acting as a set of recommendations that ought to communicatively guide economic development practices taking place at levels nested within them.

The best that regional authorities can do is to create the setting for discussions at the planning stage, which may or may not lead to concrete actions. Regional partnerships therefore emerge as statutory development planning processes (Regional Development Act 2004, art. 9, sect. a), and are conducted between elected representatives and regionally relevant actors – i.e. representatives of public and private organisation (see Minister of Regional Development and Tourism 2012). This mechanism evolved as part of the regions’ experience with using European Pre-Accession and Structural Funds. In practice, regional partnerships are not necessarily oriented towards formulating a sequence of interventions, but rather aim to identify local projects that could gain European financing. A technique for achieving this has been to offer a setting for learning about future funding conditions, while ideally fostering interactions between administrative counties, localities, and various social, environmental, or economic organisations within the regions. Yet oftentimes,
discussions in such forums focus on questioning the relevance of such processes, or end up in debates about responsibilities for certain interventions, lacking action or initiative. Nonetheless, the task of following up on agreements primarily falls on the eligible beneficiaries, as indicated in the Regional Operational Programme – these can be various territorial or sectorial public authorities, businesses, NGOs, etc. In this sense, the engagement of a wide pool of actors in articulating regional development needs and formulating responses is believed to maximise the spillover benefits of emerging projects. Nonetheless, keeping in line with remains of the socialist administrative culture, the coordination of such actions from a regional level is most effectively done in person: “forward official communication, and it will most likely be ignored. Call the right person, the one who cares about development, and things will start moving” (Regional development professional 2016).

3.3 The practice of territorial cohesion

When it comes to substantive interpretations of territorial cohesion, Romania’s policy approach is grounded in a belief that favours economic concentration through a strong second-tier urban system. The intent of doing this is to “connect people from less developed areas to opportunities available in big cities, … with the long term objective that competitive advantages will spill over to poorer areas nearby” (Ministry of Regional Development and Public Administration 2015, 18). Rising inequalities are acknowledged to be “natural” occurrences that will eventually be addressed through market-based processes. Urban growth poles and metropolitan areas have become the key vehicles for the country’s socio-economic development. Yet in spite of their prevalence in national policy, a set of practical drawbacks inhibit the much-acclaimed spill-overs: lack of staff within the administrative structures, a mismatch between established areas and functional ones, or a tendency for core cities to be controlling rather than enabling of development (see Bere 2015; Dranca 2013).

On the other hand, market processes within and around the core cities have favoured an uncontrolled urban sprawl, a predominantly debt-financed homeowner housing market, rising rents, spikes in job growth (albeit predominantly within an FDI/subsidiary model), together with an accentuation of issues associated with agglomeration – congestion, pressure on public services, and environmental issues. These planning problems are the hallmark of a dysfunctional urbanisation process. Indeed, while enabling development, the planning system is not designed to cope with the spatial consequences that surges in economic activity pose. Planning seldom assumes the role of either managing and controlling, or predicting and providing. Rather, a reactionary mode of responding to unravelling issues is practiced. This extends far beyond the interpretation of “in-vogue” ideas into the legal sphere. Most notably, granting exemptions from legally binding development plans is a big inhibiting factor for a predictable, plan-based coordination of development.

Within this setting, *competition* emerges as a cross-cutting approach that guides local authorities’ development practices. As a way of acting, it transcends the logic of economic competitiveness goals stated in policies and official strategies. Competition is rather inscribed in the practices that guide access to public resources.
When Romania Met the Cohesion Policy

This model of competition nonetheless differs from the practice of competitive bidding (i.e. the principle according to which the most qualified bidder is awarded a contract). The competitive practices I signal are underpinned by a rough consensus model of decision-making – a type of agreement that is tacitly accepted out of expediency, as a best way to get about under a set of particular circumstances (see Sørensen and Torfing 2014, 122).

Situational consensus appears to be a de-facto approach to development planning in Romania, being the outcome of development planning that is of a project- rather than strategy-driven nature. Given the multitude of long-overdue palpable problems, mayors and the public alike have become accustomed to expecting immediate noticeable interventions. It is hard to sell a strategy, but much easier to promote a flagship project – a bridge, a business estate, a new road, or a sewage system. In most cases, these are long-overdue justified needs. Yet limiting success to tangible infrastructure provision favours a conceptualisation of development in material rather than processual terms. This dissociation is well mirrored in the design of the Operational Programmes, as “soft” interventions are not at the core of regional development. The cleavage between means and ends springs from a desire for transformative change – that is a sharp break from a not too distant past riddled with poverty. Local authorities hence gear their efforts towards making their localities attractive places to live, work, and visit in relation to others. This is materialised in a handful of flagship projects. In following through courses of action, local elected officials are infamous for their reluctance to support initiatives that spread beyond their own turf, as this is oftentimes conflated with a loss of local autonomy:

We’ve been looking for ways to overcome industrial collapse in [area name]. They have a well-established ski resort … Once the European money came in, every local authority sought to ground their economy in winter tourism. But you can only live off snow sports for a few months in the year. So we suggested a business park for the whole area. The idea was met with enthusiasm. But when we got to doing it, the ‘fighting’ began: each local authority wants it on their own turf, because they’d be able to charge taxes, and gain political capital. They are, however, all aware that the whole area would benefit from it, but don’t seem to notice that endless bickering wastes time that could be spent on thinking how to best integrate it in their existing context (Regional development professional 2017).

What does this practice of development have to do with peripheralisation then? The area mentioned above ran into all the issues associated with the long-term decline of a former mono-industrial powerhouse. The policy instruments to deal with such issues are in place. The funds are available, the need is identified, the administrative capacity suffices, and the regional agency aids with expertise. Nonetheless, local political bargaining brought the project to a standstill. Such circumstances are not favourable in a first-come/first served competition, as withholding development may prolong peripheralisation while others get ahead. Two underlying matters are of relevance here. First, a culture of development that separates means from ends encourages decision makers to pursue their ends by whatever means are at hand.
This emerges from the belief that theirs is the right way forth, leaving little room for democratic procedures – consultations, negotiations, public debate (see Friedmann 2000, 465). Second, the rough consensus reached in non-binding local but particularly supra-local agreements allows sufficient room for subverting decisions while or after they are reached. Such subversions may very well work within the framing of a response by deploying alternative storylines sustained by a credible set of different facts (e.g. why a different location may be more suitable or why different priorities are needed). This points to an inherent oversight in the mechanistic, expertise-driven strategy-making model that is deployed in regional development. This favours a process which is limited to bureaucratic (rather than community) capacities of formulating and prioritising responses for programmes that are designed elsewhere. The realm of development politics, while actively at work through bureaucratic conformity and political bargaining, is typically veiled by privatised expertise.

The extensive privatisation of development planning processes comes to no surprise, given overwhelmingly local authorities have endured a gradual withdrawal of resources. On the one hand, an ongoing process of so-called “financial devolution” has been gradually shifting the management of public services onto local authorities. Devolution nonetheless remains a wishful narrative, given that the transfer of responsibilities has not been complemented by sufficient financial resources, or by a framework that enables local authorities to retain more taxes. Such is the magnitude of the problem that, since 2010, this system has been deemed to hinder perspectives of local development (Profiroiu, Profiroiu and Szabo 2017). To generate desired growth effects, ESI funds need to be in a frail balance with local tax collection and governmental tax transfers (ibid.) – a setting most often found in and around county capitals in general, and in the largest urban centres in particular.

On the other hand, when it comes to forward planning, there is an acute lack of qualified administrative staff. This is coupled with a lack of legal clarity. To put it in the words of a county development professional:

Over the past years, a lot of our people have literally run away. Better wages are one side of the story, undoubtedly. However, the abysmal state of our national legislation is what puts most people off. You [as a civil servant] can make a decision in perfectly good faith, which abides to the law. But you’ll then find out that there are another seven changes to that law, which are impossible to track without legal expertise. Whenever you do something, you just have to hope the mistake you’ll eventually make won’t land you in trouble (County development professional 2017).

This culture of uncertainty, and ultimately of fear for one’s actions, significantly slows down the quality and timeliness of responses to development needs. It also favours the use of solutions that have been tested elsewhere in terms of their legality, with substantive relevance being of secondary import. Moreover, the pragmatic moulding of objectives to available funding opportunities is not uncommon, although a rational approach is usually advocated (e.g. SWOT analyses-based responses). Pragmatic as it is, the downside of such an approach is the lack of
support and of broad cooperative action of policy subjects, a cornerstone for realising a strategy.

All in all, peripheralisation in Romania’s regional development can be understood as the outcome of three factors. First, the government’s policy strategists firmly believe in market spillover-driven redistribution. Following this dogma, urban and regional development policies do little to lessen the so-called “natural” market concentration processes. Second, economic development appears to be decoupled from interventions performed by local and county authorities. Put simply, the speed of bureaucracies is no match for the versatility of market evolutions. This by and large renders any redistributive mechanism inefficient. Third, the vast array of requirements for project submission paves the way for the use of informal channels to bring a project to a halt. Complex bureaucratic requirements and ambiguous laws shape such arenas. In these cases, peripheralisation is primarily driven by stagnation.

All in all, the governance practices of regional development appears to reinforce the rising disparities between well-off and lagging localities.

4. Conclusion and Outlook

In this paper, I aimed to explore the governance implications of Romania’s regional policies. I have outlined the theory that a practice-centred approach builds upon and discussed the implications of using it to gain new understandings on processes of uneven spatial development that occur within CEE countries and regions. Discussing Romania’s case, I first highlighted the post-socialist transformative setting in which regional policies have been implemented. This brings to light the red line followed in the design of spatial policies – that of spatially polarised development, which eventually spills over to other parts of the territory in time. The territorial instruments that emerged in the years since regional policies have been implemented are hereby not designed to coordinate the planning of development and ultimately cannot handle rising spatial unevenness. My empirical proceedings engaged with the overall context of regional development and highlighted two practices that take place within the context of regional territorial governance – that of partnership and of competitiveness. Through this, I aimed to explore the blend of EU-driven regional policies in national political conventions. In a nutshell, this is a process of contextualising mostly abstract ideals within political and administrative cultures. In Romania, this mix appears to favour an ongoing territorial polarisation towards the large cities, which consequently leads to the peripheralisation of communities disengaged from development competition.

What can this exposition mean for potential policy shifts? Discussions on regional policy shifts in Romania are typically placed in a wider context of regionalisation – that is the devolution of administrative functions from Bucharest towards the regions. Streams of ink have flowed on arguments concerning the boundaries, scope, and structure of such future regions, so much so that the idea itself has stalled in endless debates. Yet the limitations of the current polarised model of development could be addressed independently from a future turnaround in public administration. Of primordial importance are practices that build on a self-centred understanding of
competitiveness. Its current application renders development as a race between spatial development interests in accessing money, rather than pushing for a coordinated partnership between actors. Shifting this conceptualisation would on one hand enable a more inclusive exploitation of regional assets, an endeavour that typically transcends the immediate responsibility of one locality, agency, or public institution. On the other hand, it would entail the design of policy instruments which should support supra-local coordination and redistribution of intervention capacities. The gist of the idea is to enable demographically declining, under-financed, and understaffed local authorities to access expertise for taking part in wider projects or for pursuing their own interventions.

Last, policy research on spatial development and planning could be complemented by engaging with aspects of economic development that cannot be directly observable and measured. Political processes of formulating development approaches, or the build-up and functioning of economic development networks are such examples. While this article follows practices set in motion by regional policies, I do not aim to understand the appropriateness of those policies in addressing development needs of non-core places. I hope it has become clear from my exposition that such places have a hard time to pursue their development potentials. Yet, while the limitations of the one-size-fits-all approach are well rehearsed both in academia and policy reasoning, little research sheds light on how relevant actors understand, debate, and reflect on in-vogue ideas in CEE. In Romania in particular, little is known about the processes of framing local-regional responses to development challenges of non-core urban centres, as well as the value given to courses of action that deviate from dominant ways of thinking about territory and development. Whose voices matter most when strategies are decided, what development stories do they sell, and what kind of arguments do they ground their reasoning in? The interpretive repertoire (see Wagenaar 2011; Yanow and Schwartz-Shea 2015) is well suited to provide insights into such political processes in which ideas, beliefs and discourses shape debates and consequently the models of intervention that policy communities follow.

ACKNOWLEDGEMENTS

This research is conducted as part of the ITN “Socio-economic and Political Responses to Regional Polarisation in Central and Eastern Europe” (RegPol²), coordinated by the Leibniz Institute for Regional Geography. RegPol² received funding from the People Programme (Marie Curie Actions) of the European Union’s 7th Framework Programme under REA grant agreement n° 607022.
REFERENCES


Hallet, Martin. 1997. “National and Regional Development in Central and Eastern
Europe: Implications for EU Structural Assistance.” European Economy. 


Pike, Andy, Andrés Rodríguez-Pose and John Tomaney. 2006. Local and Regional Development. London: Routledge.


**Alexandru Brad** is a PhD student at Leipzig University, and was a Marie Skłodowska-Curie Early Stage Researcher in ITN RegPol2 at the Leibniz-Institut für Länderkunde. His main research interests include local-regional development and the evolution of spatial disparities in the context of the European Union’s Cohesion Policy. Correspondence: Alexandru Brad, Leibniz-Institut für Länderkunde, Schongauerstraße 9, 04328 Leipzig, Germany; E-mail: a_brad@ifl-leipzig.de