

EXLINEA “Lines of Exclusion as Arenas of Co-operation:
Reconfiguring the External Boundaries of Europe –
Policies, Practices, Perceptions”

EXECUTIVE SUMMARY

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1. Abstract

Cross-border cooperation at the EU's external borders reflects both wider geopolitical issues as well as the EU's own development as a political community with an emerging sense of "supranational" identity. Assuming that the development of cross-border cooperation (CBC) mechanisms is a vital element in dealing with the political and socio-economic challenges of Europe's new geopolitical realities, EXLINEA has examined opportunities and constraints to local/regional CBC in Central and Eastern Europe. The core focus of this research has been to study CBC in relation to policies, practices and discourses operating at supranational, national and local levels. EXLINEA gives evidence of dramatic changes in cross-border relations in Central and Eastern Europe. With the last vestiges of the "Iron Curtain" vanishing, both between East and West as well as within the former Soviet Bloc, citizens, communities and regions have chosen to open new avenues of communication with their neighbours across state borders. Furthermore, in those contexts where states have (re)gained their independence (e.g. Baltic States, Ukraine, Moldova, Russia and the Balkans) and new borders have emerged, Euroregions, cross-border city partnerships and similar cooperation vehicles have also come into being. CBC deals with issues that include social affairs, economic development, minority rights, cross-border employment and trade, the environment, etc. CBC, however, has also been about attempts to use the border as a resource for economic and cultural exchange as well as for building political coalitions for regional development purposes.

However, these activities have taken place against the backdrop of considerable structural, financial, political and "cognitive" constraints. While CBC is generally welcomed, normal citizens have difficulty identifying with Euroregions or even understanding the goals of cross-border cooperation. Interviews revealed a popular perception that, in fact, no coherent policies of CBC, either at the EU or national level, exist. In addition, despite satisfaction with the opening of borders, the protective significance of boundaries is also important here: they are seen as guarantors of sovereignty, identity and as protection against a loss of control over local destinies. Notions of common, integrated border regions thus remain "elite" visions at present. Also, there is a lack of tangible/visible CBC results in the area of economic and regional development. The relative inability to exploit the possibilities of border synergies or project funding opportunities has much to do with the weakness of local and regional government and complexities of EU programmes. In addition, the regions under study are economic and political peripheries, poorly connected with the rest of Europe and still influenced by traditions of rigid borders and a lack of mutual knowledge. Different legal systems and political-administrative structures also make cooperation, both formal and informal, difficult. As a result, CBC remains a highly selective exercise, exploited by public officials and others with a clear political stake in CBC and closer relations with the EU.

Despite all criticisms levelled at the Commission, the assistance of the EU has been absolutely essential and the prospect of closer relations with the EU, either as "members" or "partners" of an economically robust and stable political community, has been a central motivating factor behind CBC. Much will therefore depend on how EU policies and policy discourses translates into political capital for local/regional cross-border cooperation. Our project results also suggest that CBC experiences should be scrutinised against a process of gradual institutional change. The removal of barriers does not guarantee a cross-border region. Only social practices and attitudes can make such a regional project reality. Abolishing economic, political and legal barriers, such as those inherent in labour market and foreign resident legislation, would allow for greater socio-economic mobility, innovation transfer and flexibility.

2. Executive Summary

2.1 Introduction

Perhaps it was no coincidence that EXLINEA's last project months in 2005 took place against the backdrop of terrible scenes at the borders between Ceuta, Melilla and Morocco. The dire situation of immigrants at this outermost border of the EU highlighted the difficulty of transcending the many divisions between EU-Europe and its immediate neighbours. As EXLINEA and its research agenda have borne out, the issue of cross-border co-operation at the EU's external borders will be increasingly dominated by attempts to negotiate a new quality of political community between the EU and its regional "neighbourhood". One problem – and this has been demonstrated by EXLINEA – is the discrepancy between discourses of security and selectivity that affect more general perceptions of cross-border cooperation and the overall positive perceptions of closer interaction voiced by local stakeholders.

Presently, notions of binational or cross-border "regionness" at these external boundaries region are an abstraction, but it is far from illusory that cross-border regional identities might at some time emerge. Many "overlaps" in terms of cultural relations, settlement networks, labour markets, schools, housing markets, for example, are in the making that could provide substance to a regional idea. Indeed, cross-border regionalism, at least in a functional and everyday sense, is taken seriously, but it is not an idealistic or romantic but rather a pragmatic notion of region that is taking hold. Pragmatic understandings of regionness are, above all, more concerned with enabling individuals to act in a concerted manner in specific areas of common concern rather than predicated upon overambitious goals of political or socio-cultural integration.

Our results indicate that in several cases, such as the Finnish-Russian, "hybridisation" is taking place through the development of new transnational communities. These communities form a link between localities on both sides of the border and help transcend the considerable barriers to interaction that exist between Finland and Russia. In other cases, such as the Hungarian-Romanian border region, European policies and concrete cooperation projects between cities are gradually helping to reduce historical animosities and resentment that have blocked interaction in the past. To an extent, the process of cross-border cooperation can be said to contribute to small-scale projects of interstate rapprochement in all case study regions – and this despite the very uneven quality of formal and informal cooperation that have emerged. Furthermore, cooperation experiences indicate that the search for "best" practices will prove elusive, but that good practices established in specific contexts can provide valuable insights into the means in which stakeholders develop *situationally* successful cooperation strategies.

EXLINEA explores in this final report consequences for future comparative research on borders and cross-border cooperation – both in Europe and beyond. As we have seen in the case of the EU's external boundaries, and as will be even more evident within the context of Wider Europe, the geopolitics of "bordering" (and thus of inclusion and exclusion) operate at many different levels and can be infinitely subtle. The results and policy implications of the EXLINEA project have provided the basis for numerous scientific publications, policy recommendations and university-level course materials. A major publication on cross-border cooperation at the EU's external borders is now ready for publication by Ashgate and will appear in 2006. Within the framework of the European Research Area and FP6, EXLINEA

team members will continue to explore possibilities for transnational political community and civil society within an increasingly complex and problematic international environment.

2. 2 Research objectives and framework

The Finnish-Russian border region

During the three-year EXLINEA project, the Finnish-Russian team studied two cross-border case study regions – referred to here as “Northern” and “Southern” regions – on the Finnish-Russian border. The main research material regarding the project includes interviews of local and regional level cross-border interaction specialists in the two case study regions. Both cross-border case study regions under examination include international border crossing points, but the intensity of border crossings is much higher in the Southern case study region - 4.7 million crossings in 2004, while the respective number in the Northern one was 0.9 million. This contradiction is explained by denser population in the south, but more importantly by its’ position as a traffic corridor between southern Finnish and Russian cities and ports. The physical landscape of the Finnish-Russian border area is dominated by forests. This fact, together with a number of others, results in the preponderance of timber trade in cross-border economic relations, which is characterised by one-way raw material exports from Russia to Finland.

In terms of perceptions of our respondents, the Finnish-Russian border is seen as an opportunity, which has still institutional and mental obstacles to be overcome. Despite the harmful restrictive function of the border, the border has also a strong meaning in terms of national identity, which makes the border a necessary construct among the people. Although our respondents represent experts who are specialised in cross-border cooperation (CBC) and are working to promote it, nonetheless, they were not enthusiastic about abolishing all institutional barriers. For instance, visas and the present level of border control were generally accepted. This also contributes, however, to the observed absence of the feeling of a common cross-border region. Although CBC has facilitated cross-border interaction in many fields, a common sense of cross-border regionalism is lacking and the border remains a barrier. On both sides, however, cross-border regionalism is regarded as a desirable long-term aim.

Policy considerations

Existing CBC policies have largely targeted public-sector authorities and formal organizations, whereas real private stakeholders in Russian border communities have been sidelined and *de facto* excluded from active participation in CBC. Now the task should be to involve them into this process, and, moreover, to make them feel that constructive CBC can become a powerful instrument in revitalizing their communities. EU-sponsored CBC projects can be very helpful in accomplishing this task. The emerging trans-border community should thus also become an object of European CBC policies. Particular emphasis should be put on stimulating constructive cross-border activities of Russian migrants residing in Finland. A special programme supporting the study of Finnish should be launched in Russian border communities.

The EU should continue and expand its current CBC policies providing technical assistance, supporting modernization of vital infrastructural facilities, promoting small businesses, facilitating cultural contacts and strengthening civil society institutions in Russian border regions and communities. A simplification of the visa regime between the EU and Russia may also be a mid-term target.

The Estonian-Russian border region

Cross-border cooperation (CBC) has proved to be more efficient in the spheres of culture, education, and environment. The economic interaction appears relatively inefficient. Given that the economic benefit is perhaps the most important driving force for CBC in the Estonian-Russian cross-border region since the common historical-cultural identity is largely absent, cross-border initiatives largely depend on the existence of the EU funds.

The size of the market across the border is an understandably more important issue for the Estonian side, as it has always been a motivation factor for the economic interaction with Russia. In the Estonian-Russian cross-border region as a whole, CBC actors perceive the low consuming power of the population in the border regions, low capacity of the firms as well as the low differentiation of the local economy in the border regions to be obstacles to CBC. In both countries, the legislation defining the powers of the local and regional levels in international cooperation are missing or are too vague. In Russia, all CBC agreements have to be approved by the central level authorities. Yet, the political interstate relations are seen as one of the most important obstacles for developing CBC, where the governments of both states are seen as unsupportive of CBC.

Our research reflects the perceptions of “the other” and “the border” indirectly with the Estonian respondents emphasis on emotional aspects (e.g. open, friendly, social, etc), and the Russian respondents pointing to the behavioural characteristics (e.g. hardworking, productive, etc). However, the differences appeared even more strongly when Estonians referred to civilisational fault lines and Russians made sense of economic development. When it comes to the perception of the border, the Russian side appears to have a much more negative perception of it than the Estonian side due to the difficulties of border crossing and the visa regime. The hindrances of economic nature (e.g. customs taxes) also contribute to the creation of the perception of the border as a “barrier”.

Our research findings indicate that regional (in Russia) and local (Estonia) level public administration is the most efficient in the development of CBC. Cultural organisations and private firms play an active role in CBC, while NGOs and industrial organisations appear not be sufficiently involved in CBC, thus supporting the evolving image of CBC as an “elitist project”.

Policy considerations

Whereas Estonian-Russian bilateral relations maintain inflexible positions in many questions (border treaty, minority issues, visa regime, etc), one still has to work in the name of de-politicisation of cross-border cooperation and provide the partners with certain confidence that mutual benefits and win-win game is possible.

Given the vertical and horizontal networks of actors, there should be a constant shift for Estonian-Russian CBC to become an example of multi-level governance, where the sub-national and supranational levels of governance play an important role in the development of CBC mechanisms. Considering the Euroregion ‘Pskov-Livonia’ largely as a ‘project-fabricating’ organisation not being able to consolidate as a territorial unit with a distinct identity, the institutional structure of the Euroregion should be much improved, and the administrative capacity raised. The lack of funding for the development of the administrative mechanisms is one of the main reasons for the relative standstill in the Euroregion’s activities.

In this regard, there should be a better definition of the goals of CBC in general and the Euroregion Pskov-Livonia', in particular. If it is to prioritise the development of the economic relations across the border, then industrial organisations, such as Chambers of Commerce, should be more involved in the Euroregion's activities. Moreover, the Euroregion as such should have more influence at the national level in order to be able to carry out the necessary changes. Finally, NGOs, their representative organisations, should be involved in the Euroregion's activities in order to provide idea and expertise in project writing as well as to contribute to the 'construction' of the Euroregional identity.

To sum up, as there is little impact of the historical-cultural cross-border identity on the CBC developments in the Estonian-Russian border region. One has to set the conditions for the 'top-down' approaches fostered by the Euroregion, which depends on the political relations between the local/regional as well as state authorities across the border and joined attempts in the new 'image-making' of such institutions.

The Polish – Ukrainian border region

The role of the European Union in the formation of cross border interactions in Polish – Ukrainian transborder area is significant to the extent that in order to obtain funds from support programmes it is necessary to find a partner from the other side of the border, but this concerns mainly to small Euroregion projects. Despite the absence of EU support and inspiration for business activities, entrepreneurs on both sides of the border expect a positive impact of Poland's accession to the EU on the cross border trade, mainly as a result of increased institutional, infrastructure and legal standards. Activities of a cross border nature have resulted mainly as an articulation of local and regional needs and have therefore been most prevalent at these levels. Cultural contacts appear to have been the most dynamic aspect of cooperation due to good working relationships between local authorities (characterised, for example, by numerous twin-city initiatives) but also because of a lack of funds for projects on a larger scale. It should be emphasised, however, that local actors on the Ukrainian side, despite the fact that they are the most interested in undertaking joint activities, do not have the same opportunities as their Polish partners. The system of administration in Ukraine is more centralised and the initiation of cross border activities requires the consent and approval of the state regional administration. There is a general observation, however, that the aim of the authorities at all levels on both sides of the border is not to transform the EU border into a new "golden curtain" but to create a bridge for partnership and cooperation.

The driving force of cooperation between Poland and Ukraine in the early 90s was a considerable difference in prices and incomes. Inhabitants of the border regions who got involved in trading, benefited from the situation (mainly visits of the Ukrainians to Poland). This type of cooperation is now being phased out. Moreover, the direction of commercial visits has been changing. Other spheres of the cooperation are still relatively weak. This is a result of a number of factors, mainly the fact that the cross border region is weakly developed in terms its economy in comparison to other regions of both countries and has no significant potential. Therefore, the priority for local and regional authorities on both sides of the border is to solve current social and economic issues.

Importantly, Poland and Ukraine recognise each other as strategic partners. The attitude has been reinforced by events leading up to and since the November 2004 Orange Revolution. However, this has not translated into any specific instruments promoting crossborder cooperation. Generally, the perception of the Ukrainians by the Poles has been quickly changing for the better. The Poles keep noticing that the Ukrainians are willing to cooperate

and are ready to adopt Polish experience. On the other hand, the Ukrainians have a very good opinion about the Poles and consider them to be modern, an active and entrepreneurial persons from whom there is a lot to learn. The main outcome of the cross border cooperation is the above-mentioned improvement of the attitude to persons on the other side of the border, mainly as a result of reciprocal visits. Moreover, the Ukrainians believe that thanks to the cooperation they will be able to acquire more information about the European Union mechanisms, and at the same time the cooperation has changed their attitude towards the EU, has helped them to acquire experience, technologies, know-how, etc. The Poles, however, mainly highlight the importance of financial profits coming from the business exchange.

Policy considerations

There are three major objectives that should be met by policies implemented in relation to the cross-border co-operation between Poland and its eastern neighbours. The first one relates to the developmental chances for the border regions of Poland, Ukraine as well as Belarus, and the role, which the cross-border cooperation should play in increasing the developmental potential of these regions. This potential is not fully utilised at the moment due to several reasons. First of all, the policies should eliminate the barriers and increase the complementarity of the economic structures, existing on the two sides of the border.

The second objective relates to the role, which the cross-border co-operation may play in accelerating the pace of changes in the border regions of Ukraine and Belarus, and further – in the transformation process in these two countries. Cross-border co-operation may bring impulses not only in the economic sphere, but also in institution building, increasing general awareness of market economy and mature political democracy, as well as knowledge of the EU principles and rules. The third objective has the most far-reaching perspective and is related to the potential future membership of Ukraine and Belarus in the European Union. Cross-border co-operation with Poland should be a “school” for the EU principles and procedures in which local, regional and national authorities of Ukraine and Belarus could gather experience in collaborating with the EU, in the same way in which the Polish western regions have collected experiences useful after Poland assumed full membership in the EU.

The Moldovan-Romanian border region

The main findings and conclusions of the research pertaining to the Moldovan-Romanian border region can be summarised as follows:

Cross-border cooperation actors have assessed CBC as inefficient, where the existing opportunities are not being used to the maximum extent. Among the general obstacles to cross-border cooperation most often people have named cold political relations between the two countries, red tape connected to project implementation, as well as customs barriers and problems of border-crossing.

Common historical-cultural identity in the Romanian-Moldovan border region is a very strong incentive for CBC. Both sides perceive each other as one nation, with the same culture, history and language, despite of the political-administrative division and existence of “two Romanian states”.

It is too early to judge whether and how CBC has contributed to region-building or Europeanization of the neighbourhood, since the CBC with the use of the EU supporting funds is still a rather recent phenomenon, which appears bleak to the wider population in the

border regions of Moldova and Romania. However, through a number of the few ongoing projects (e.g. projects on environmental protection, or the reconstruction of a historical bridge) potential CBC actors commence to realise the existing opportunities provided by the EU programmes (TACIS and PHARE CBC).

The representatives of the regional administration and certain NGOs are most apt to use the EU rhetoric and the EU logic to initiate various CBC projects, while the business sector appears rather sceptical as for attempts of the public authorities to animate CBC. What is important for businesses is the creation of the favourable conditions at the border-crossing, the elimination of corruption on the Romanian-Moldovan border, the reduction of taxes and the access to the information about the market conditions and firms on both sides of the border.

CBC has been most efficient in the spheres of culture, fighting against organised crime and promoting environmental protection. The representatives of business assess the economic interaction as highly insufficient due to the unfavourable trade conditions, emphasising the need of the creation of the free trade zone in the Euroregion 'Upper Prut'. When it comes to CBC in culture and education, the interviewees evaluate it in positive terms praising the local and regional public authorities for initiating multiple CBC projects.

Policy considerations

Whereas the institutional templates for CBC such as Euroregions are by and large the only existing institutionalised forms for cross-border cooperation, they are neither sufficient nor sustainable. Within the context of national decentralisation, the local level should be empowered, and CBC mechanisms should be developed towards the model of multi-level governance.

Given the over-ambitious goals of the existing Euroregion with the emphasis on the development of economic relations and trade across the border, the local and regional authorities have limited decision-making power and implementation mechanisms as for the issues of customs regulations or the border-crossing regime. In order to prevent a complete standstill of the Euroregion's activities, it has to go through constant redefinition.

Given the institutional inefficiency of the Euroregion 'Upper-Prut' in terms of a lack of qualified human resources, the EU should provide financial incentives improving administrative capacity in the CBC institutions. Furthermore, considering the development of economic interaction in CBC then it is obvious that the state level should be encouraging these activities and providing support in terms of legislative framework. Again, the multi-level governance allowing for cooperation between different levels becomes more crucial. In this regard, CBC depends in large part on processes of political decentralisation in Moldova and an increase in the competences of the regional/local levels with regard to international relations. In order to boost the economic and social interaction across the border, a favourable border regime should be created in the Euroregion 'Upper Prut', where both sides should be able to carry out road-tax reductions.

To sum up, as there is much impact of the historical-cultural cross-border identity on the CBC developments in the Romanian-Moldovan border region, one has to tackle mainly with legal, bureaucratic and financial issues in setting more favourable conditions for the CBC in future.

Hungarian-Romanian and Hungarian-Ukrainian border regions

The Hungarian–Ukrainian and the Hungarian–Romanian border regions are burdened by problems of historical origin, coming from the distant past; the state borders designated in 1920 totally disregarded not only transportation networks and functional urban economic areas but ethnic relations as well. Consequently there is still a large ethnic Hungarian population on the Romanian and the Ukrainian sides of the border. This is an advantage for cross-border relations, on the one hand, because of the common language, similar mentality, common traditions and culture. On the other hand, however, nationalism reviving in the neighbour countries since the end of state socialism have brought to the surface formerly hidden problems, which have crystallised in the strengthening of fears of territorial shifts and changing borders.

Another consequence of the inconsiderate designation of the borders and the subsequent isolation for decades is the narrowing of the traffic connections between the two sides of the borders, and it is a serious bottleneck of the cross-border co-operations. It is true that several new border crossing stations were opened after the systemic change that took place at the turn of the years 1989/1990, but these are still too few to meet the demand. Nevertheless at the Hungarian–Ukrainian border it is not the physical permeability of the border crossing stations that causes a problem but the slow pace of work, bureaucracy and corruption that are present at the border crossing stations, and since Hungary's EU accession the customs control is very thorough and slow.

Co-operation at the sub-national level (regions, counties and micro-regions) in the past 15 years has not advanced beyond a rather formal/symbolic character, partly because the first Euroregions to be established are much too large and cumbersome to be operationally effective. The findings of the empirical research has also revealed that economic co-operation has emerged very slowly as a part of cross-border relations, although in the recent years we can witness some positive changes. One of the most promising vehicles for cooperation, and not only in economic terms, is the linking up of the truncated urban network in the regions and thus re-establishing functioning market areas for cities such as Arad, Debrecen, Gyula, Szeged, Nyiregyháza, etc. In fact, urban networks are emerging with the help of concrete project-based co-operation. Respondents indicate that this is partly due to EU resources (e.g. PHARE, INTERREG) available on a competitive basis for cooperative ventures. In the Hungarian–Romanian and Hungarian–Ukrainian border regions personal relations, very much limited before systemic change, play a very important role. In these relations, in addition to friendships and family ties and also shopping, subsistence tourism plays a very significant role, the most lucrative activity of which is illegal fuel and cigarette trade.

The Hungarian–Romanian and the Hungarian–Ukrainian border regions have similar problems and deficiencies, so the future development directions are more or less the same. However, there is a significant difference in the situation of the two border regions, namely that Romania is becoming a full right member of the European Union soon, and this will clear away most barriers of the co-operation. Despite of this the Hungarian-Ukrainian border will remain an external, Schengen border for a long time, and therefore this region stands before a longer and more difficult development path.

Policy considerations

The most important development priorities of the future are (still!) the improvement of border crossings and, more generally, of the accessibility of the border regions. In order to achieve this, considerable investment in infrastructure is needed in order to connect these peripheral regions with wider European networks and in order to create first-order logistic hubs and services. On the other hand, it is also crucial to revive more localised small-scale cross-border traffic. In economic terms both of these aims could be potentially achieved by projects such as the joint development of business services and business poles (industrial parks, business zones) together with joint tourism development programmes based on complementary endowments..

Non-economic areas of cooperation can play a very important role in cross-border relations. These include the development of long term institutional co-operation, despite initial disappointment with the Carpathian and other large Euroregions. The emergence of local level (microregional) Euroregions such as Bihar-Bihor as well as urban networks, indicates that a positive (rather than encumbering) institutional thickness can be achieved for these cross-border areas. However, a prerequisite for improved institutional cooperation across borders is also the improvement of the operational effectiveness of regional development agencies and other public bodies on all sides of the borders. This would result, among other things, in a better use of EU resources and would facilitate a process of mutual learning (exchanges of experience, training, harmonisation of development paradigms). The further development of co-operation in the field of environmental and natural area protection – water management in particular – is another important task. Joint efforts should be made for the preservation of the environment in the border region, including flood and high groundwater prevention, waste and sewage management, etc.

The Northern Greek border regions

The present case study report, refers to an area which consists of the border zone between Greece on the one hand and Albania, FYROM and Bulgaria on the other. The empirical work has been basically organised around standardised questionnaires, in depth interviews and local seminar, focus group and document collection. Four hundred standardised questionnaires have been gathered in total to assist the empirical analysis in 2004. Moreover, a total of fifty in-depth interviews have been carried out with experts on issues of cross-border collaboration during the period January-May 2005. Finally, a local seminar was held in July 2005, involving stakeholders and experts.

Cross-border economic interaction and cooperation: The basic characteristics of economic geography in the three cross-border regions could be summarised as follows: The level of cross-border interaction in trade and more specifically, in exports, is of a very low level, reflecting the weak border productive system and the regional character of specific border areas. Also, exports in other countries are rather extensive, something that shows that the export orientation of border regions has not changed substantially since 1989. The region does not appear to constitute either an important place of origin or an important location for investments.

Despite the general belief that infrastructure constitutes a decisive obstacle in interaction, the results do not confirm this statement. The visa procedures comprise the basic obstacle of crossing the borders for FYROM and Albania as well as (but to a lesser degree) passport and custom officers' attitudes and behaviours towards border crossers. The obstacles that concern conditions of trade are not important in the Greek-Bulgarian cross-border area due to

Bulgaria's imminent European prospects. However, serious obstacles to trade transactions exist as a result of duties, quotas, bureaucratic procedures and technical requirements concerning the exports and imports at the border zones of Greece with Albania and FYROM. Corruption is flagged up as a serious obstacle that penetrates all regions, but differences in terms of religion, culture, and, language, do not represent obstacles. With regards to the nearby of economic geography conditions, the purchasing power and the insufficient size of the nearby markets on the other side of the borders is seen as a problem by the total Greek border zone.

With regard to migration and social aspects of co-operation we can conclude that migration flows of Albanians in the Greek border zone are of great importance, while there are also meaningful flows from Bulgaria. However, a specific concentration of Albanian immigrants is not observed to the border area in relation to the rest of Greece. Immigrants work mainly in the sector of agriculture as unskilled workers and a very small number of them work in industrial or services sectors. There is no significant level of labour mobility found on any side of the borders. The daily trade activities are recorded in all cases, to below average underlining the separating role of border in daily transactions. With regards to the visits of the local residents to the other side of the borders, the nearby destination trips explicitly surpass the long distance ones, stressing the important role that distance plays in social interaction.

Examining the "initial conditions", the images of the "others" and the perceptions concerning the impacts of greater cross border interaction we conclude that all sides face "initial conditions" in general as an advantage, with Albania presenting the highest scores. It is also important that the relationships among local, regional authorities and the governments are considered as an advantage. Religious differences and the existence of national minorities at the borders are also considered advantageous, although there are diffused opinions for the opposite. The expectations from the potential greater interaction are very positive in general. However, in relative terms Greeks are more reserved towards Albania and Bulgaria, whereas less favourable are the people from FYROM towards Greece. Nevertheless, the cross-border collaboration in trade, investment, social interaction, and institutional co-operation is perceived as a process that will prove advantageous to all parties.

In examining the institutional initiatives of cross-border cooperation, the project team could conclude that the frequency of implementation of cross-border policies is of moderate level, while, systematically, the frequency of implementation of European policies is relatively higher to the corresponding national, regional and local policies. In terms of subject-matters, policies seem to focus on all border zones in the collaboration of local authorities and cultural exchanges.

The effectiveness of the cross border co-operation policies could be characterised as moderate as it appears values at a lower level in relation to the frequency of policies. The European level also, in this unit, obtains the highest values in all cases when compared to the national, regional, and, local level. However, the degree of activation of local actors is presented generally as moderate, with some differentiations. What should be noted that all sides believe that their own country as a whole will benefit more, their capital, however, will gain less than the capital of the neighbouring country. Another important finding is that the border regions are expected to benefit equally as a result of the cross-border interaction. We also found that generally positive expectations prevail for the anticipated benefits that will result from the EU enlargement.

Policy considerations

Establishing “an environment of trust”. Within this context, elimination of nationalism, phobic syndromes and suspicion should be among the first “good practices”. Furthermore, emphasis should be placed on low politics with evident results. Finally, local and national media could eliminate negative stereotypes in relation to the borders.

Establishing networking across the borders. Policies should aim at ‘creating’ a critical mass of networking between public, semi-public and private actors in order for a more coherent economic and technological environment to emerge. All activities in the field of CBC should generally be based on partnership, on subsidiarity and on the existence of a cross border “concept”. Finally, joint planning should be carried out from both sides of the borders.

Carrying out a series of “clever actions”.

- a) Learning from successful paradigm
- b) Forward looking “free” of a problematic past
- c) Creating cross border innovative environments across the borders
- d) Critical size of intervention and focusing on a particular area.
- e) Substantial cross border “twins” between cities.

2.3 Synthesis and conclusions

In this section we will summarise the main project results in a comparative and synthetic manner. We will see that results differ widely between the case study regions, logically reflecting specific regional contexts. Context-sensitivity is, nevertheless, conducive to responsive policy recommendations: while “good practices” are difficult to frame in terms of hard and fast rules, the .

In many case study regions, Greece’s northern border areas for example, there is a relatively low overall level of cross-border cooperation interaction and economic interaction. However, the Greek team could conclude that larger cities close to the borders tended perform better than smaller cities or rural communities in this regard. Urban networks based on exploitable complementarities are an important factor in developing cooperation; a condition that is not always present.

The institutionalisation of border contacts within a reliable administrative framework of administration seems to be a necessary prerequisite for successful CBC. The harmonisation of community administrative structures, including planning procedures and the establishment of favourable conditions for investment, seems to remain a major task – a finding that we could also confirm in our comparative background studies on cross border relations between Hungary/Austria, and Poland/Germany.

What can be said for all case study regions is that, on the level of perceptions of border region situations, CBC plays a significant role. In other words, CBC is seen to be an important political priority, even if the means by which better cooperation is to be achieved are not always clear and the work of CBC organisations are not well known. Living in relative harmony with neighbouring communities across national borders, even those of former “enemy” countries, appears to be a goal worth working for, not only in the interest of improved interstate relations, but also as a contribution to region-building and the development of mutual trust on various levels as well as to strengthen civil society and

multilevel governance. It can be stated that helping to create a favourable environment for the growth of CBC remains one of most positive aspects of EU policy.

Despite the EU's undisputed role of cooperation facilitator, the existing opportunities and instruments with which to enhance CBC are seen to be insufficient and/or not exploited to their full possible extent. This is especially in the case of Russia/Finland, Russia/Estonia, and Romania/Moldova. The vicissitudes of political relations between these respective countries, bureaucratic obstacles, political-administrative asymmetries – as well as more mundane issues such as a lack of border crossing points – have been named as principal concerns in these and other case study regions. However, a further contextual issue that affects cooperation here has much to do with a perception of “exclusion” on the part of stakeholders in non-EU neighbouring states. It is no coincidence that these countries are situated at the EU's external borders: people in border regions with countries who do not have candidate status have the feeling that their region's CBC performance suffers from the lack of vision, and development opportunities and direction. On the other hand, candidate status facilitates CBC to a great extent – a finding that is supported from evidence in the two Hungarian Case Study Regions (Hungary/Romania vs. Hungary/Ukraine).

A common historical and cultural/“ethnic” identity, however, is a strong incentive for CBC, and can be a fruitful basis for both formal and informal crossborder cooperation. We can see this particularly in the Russian-Estonian case study, and in the case of Romania and Hungary. EU policy should “use” these nuclei of trust and identity, and help to locate, unveil and support these sources of common past and present. This may contribute to region-building and the formation of regional, maybe even “cross-border” identities. Here, it is also important to take women organisations into focus, because women have, for various structural reasons, an even stronger tendency to organise themselves in informal networks rather than in the existing administrative and political structures. This is even more true for border regions, where families and ethnic “units” have been separated by political borders. These people seem to have a tendency to organise themselves in informal networks. We suggest, among other things, that EU and national and regional governments should continue to support NGOs and informal networks both structural and financially by suitable programs and visions.

We can only repeat from above that it seems too early to draw conclusions about possible region building and “Europeanisation” through CBC. But what can be said is that existing instruments and funds are seen having been improved; their harmonisation in joint programs has facilitated their implementation, and encouraged and supported potential CBC actors and enthusiasts. Until now, the major field of action of CBC has in the cultural and educational spheres, as well as in the promotion of environmental protection. Seemingly less important than “hard currency investments” at first sight, these areas of cooperative action fields can become assets for the future development as they address young and educated persons – the future actors in society and politics.

On the other hand, we have found that on the perception level people rely on short and medium term results when judging the effectiveness of Cross-Border Cooperation actions, and their perceived added value. The fight against organized crime, including trafficking of humans, has proven to contribute to the feeling of mutual trust and a secure climate both for investment and political development in all Case Study Regions. But judging not only from the dreadful experiences in Ceuta and Melilla, but also from the EU's political past from its very beginning, we should not forget that Europe can never stay as it is, and it should not become a comfort zone for those who are “in” versus those who feel “left out”. Against the ongoing political rhetoric of “Bordering” versus “De-Bordering”, terms coined by the

EXLINEA Nijmegen research team, our aim is to understand the delicate balance between neighbours, and to contribute to the successful management of different border regions - politically as well as socially. Today, Policies, Practices and Perceptions of Inclusion and Exclusion are on top of the political agenda, and in this respect, EXLINEA has also shown that EU Research in Social Sciences and Humanities not only has hit a nerve, but will remain a keystone for future academic and political discussion, and the decision-making process. Research on Cross-Border Cooperation, and the respective dialogue with the local stakeholders and other end users, proves, amid heterogeneous, and at places seemingly disappointing, results, that border regions can with considerable justification be seen to play a role as laboratories for the development of a future – transnational – European society.

2.4 Summary policy considerations

The overall picture of local and regional cross-border cooperation along the EU's external boundaries offers a very complex and fragmented panorama that testifies to considerable political challenges. What are the goals of cross-border cooperation? These are none other than the establishment of conditions for social, economic, cultural and democratic/institutional co-development. The specific challenge of facing CBC is to create a "political space" between the EU, national capitals and subunits of the state *and* beyond national borders. If this is the essence of CBC, then the policy relevance of EXLINEA must be reflected against capacities for building communication between stakeholders in cooperation.

Explanations for the mixed results of cooperation in the case study regions can be (cautiously) inferred through EXLINEA results. These confirm the general dichotomy of pragmatic (e.g. issue and problem-oriented) co-operation and everyday (e.g. "emotional" and/or "opportunistic") practices of cross-border interaction: up to now there has been only partial evidence of a mutually beneficial integration of the two. Furthermore, a relative lack of resources (despite EU funding) and expertise as well as more structural hindrances continue to make the development, maintenance and expansion of cross-border networks and projects difficult. This is not to say that cross border cooperation (CBC) is merely a question of symbolic politics at the EU's external borders. Many of the actors interviewed see in CBC projects a gradual development of durable cooperative structures between local governments, public agencies, universities, NGOs and other organisations – cooperative structures that could form the basis for positive transnational social capital.

What then are EXLINEA's main policy messages? In these border regions we see a familiar governance quandary: most everyone perceives cooperation as beneficial, and not only in economic terms, *however it is quite something altogether to engender a general sense of identification with regional cooperation institutions*. What has to be taken into consideration? Some policy suggestions are outlined below. A more detailed set of policy considerations has been made available in EXLINEA's policy paper.

- The EU should provide financial support for setting up administrative mechanisms for CBC institutions. especially in the case of Euroregions on the EU's external borders where funds and specialised knowledge in the development of cross-border networks are limited. Crucially, local authorities usually lack a strategy for using EU CBC funds. Instead local and regional governments will often more willingly use other structural funds. Moreover, the cooperation of local and regional bodies is often too formally structured and does not translate into specific projects.

- Clear geopolitical signals are needed that promote “Europeanisation” without a local backlash. Civilisational discourses that distinguish between the EU and a non-EU Europe in terms of a hierarchy of values and societal development should be avoided.

-Abolishing economic barriers, such as the mutual recognition of qualifications and restrictions on the freedom of business activities could greatly facilitate cross-border retailing and services. Under such conditions, competitiveness and economic growth could be achieved the exploitation of niche strategies.

- Abolishing political and legal barriers, such as those inherent in labour market and foreign resident legislation, would allow for greater socio-economic mobility, innovation transfer and flexibility.

- Different (and very legitimate) perceptions of the role of CBC have to be reconciled: roughly speaking, one view is that CBC is about the development of common (European) values and social modernisation through multilevel governance; the other view emphasises the regional development and economic aspect of cooperation. These perspectives are not mutually exclusive and should be applied flexibly, not in a “one size fits all” manner.

- The degree of institutionalisation must be negotiated and carefully considered. Institutional modernisation is an important goal but it should not mean an unnecessary complication of cooperation by overstressing administrative/legal capacities before these can be built up. It is perhaps best to build up open networks before formalising cooperation. EU CBC policies should reflect this.

- Short-term demands for visible results must be reconciled with the necessity of long-term strategies. Cooperation approaches should include both objectives, dedicating resources to a limited number of large projects that attract public attention and interest while promoting more complex initiatives that require longer preparation and programming periods. This should also be reflected in EU CBC policies, allowing for more flexible, multi-term programming of development projects and not limiting budgets to the life of individual Action Plans.

- Exploit where possible the economics of urban networks. This included developing political and functional relationships between public agencies, universities, firms, etc. Such networks could also participate in infrastructure investments and the promotion of economic development.

- Economic actors need to be more directly involved in CBC. Business opportunities are seen as essential to more responsive cross-border cooperation.