

IS TERRITORIAL COHESION NECESSARY FOR THE SUSTAINABLE DEVELOPMENT OF THE EUROPEAN REGIONS?

RADU C. BARNA¹

ABSTRACT - The Regional policy of the EU is pursuing the harmonious development of the European territory; this is a necessary condition for the creation of an environment that is favourable to the convergence of the Union's policies. But, for these policies to converge, it is necessary that there are common objectives and these can arise only from the existence of common needs. It is obvious that a very different level of development leads to different needs for people and territories and therefore, to the pursuit of different objectives. The introduction of the territorial cohesion as an objective of the European Union through the Treaty of Lisbon has concluded many years of debate over the essence and future of the EU. But is this a prerequisite for the sustainable development of the EU regions? To answer this question, in this paper we will try to show the importance of the territorial cohesion in the EU. In order to do this, we will place the evolution of this concept in parallel with that of development and also with the process of enlargement and of deepening of the EU. We will thus try to determine the influence that territorial cohesion has on regions and on the European construction so that in the end we should be able to explain the effects that it has on their sustainable development.

Keywords: regional development, territorial cohesion, European strategies

INTRODUCTION

The state's capacity of economic management, of intervention in the field of social solidarity, in culture and in the identity formation, as well as in the institutional configuration has eroded. In this context, and at the same time with the increase of the mobility of capitals and of multinational companies, the management of national economy has become more difficult. The international competition is also visible in the field of capital raising, the states being pushed to encourage the most competitive sectors to the detriment of those in need, and the fiscal pressures determine their incapacity to intervene in favour of the latter. All these aspects, together with the competition policies and the restrictions imposed by the European Union and by the World Trade Organization reduced the potential of the states with regards to territorial economy. But they did not reduce the role of the territory; on the contrary: "the combination of territory specific factors can lead to advantages on the global markets, adaptability and regional flexibility becoming themselves sources of competitive advantage" (Porter, 1998, p. 31).

The regions, precisely because of the mobility on the global markets, have the possibility to pursue autonomous development policies that aim towards an endogenous growth, without needing the strategic policies of the state. Development policies are now based on the human capital, on the local business environment and on the construction of a regional identity, which, together, can mobilize the territorial solidarity (Dunford, Kafkalos, 1992, pp. 191-221).

In a simple analysis of the economic process, the production factors that enter the equation for the production of goods are work, natural resources and capital. The greater their quality is, the more increased the production is. Compared to the classical theories however, a more and more important factor that intervenes in the production process is the way resources are used (Barna, Păun, 2009, p.144). The science of optimal combination of resources represents a competitive advantage because it can be acquired in time. The institutions that coordinate the economy have an extremely important role

¹ Lecturer, Ph.D., Babeş-Bolyai University, Faculty of European Studies, 1 Em. de Martonne, Cluj-Napoca, Romania. E-mail: barna@euro.ubbcluj.ro

in promoting the creation of these advantages because they set the rights and the obligations of all economic agents so that they are compatible with the future. That is why regions can keep their welfare only if they can adapt their equipment and their institutions to the new competition conditions. From this it results that the economic development of a region is a dynamic process in which the future can be influenced.

Regions are the place where many functional and institutional interdependencies take place; these give importance to the region as an intermediary between territorial and functional, local and national, and as a level of integration of governmental policies. The functional integration implies the empowering of regional authorities, which can re-define the public actions from a regional perspective. Regional development can thus be seen as a "holistic process in which the natural, economic, cultural and social resources in the region are used to improve the life of the population of the respective region so that the comparative and competitive advantages offered by its different characteristics are used" (Dybe, 2003, p. 43).

Development does not depend only on tangible factors such as investments in infrastructures or in enterprises, but it also depends on intangible factors, especially the basic institutional structure. Factors such as social capital or the efficiency of the public administration are more and more recognized as fundamental elements that contribute to the development. But it is not enough to create the development; it should also last. The knowledge should be permanently improved, the organization should be enhanced and the resources should be better used. The different investment projects should be guided by rules of general interest and they should be oriented according to the sustainable development principle, which is defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Brundtland Report, 1987).

The development cannot happen without using the resources (Cristea et al., 1996, p. 231), but the territorial planning of the activities can take their rarity into account. This environment transformation process raises the intergenerational and interregional solidarity problem, which represents the essence of territorial cohesion.

THE TREATY OF LISBON: A NEW FRAMEWORK FOR REGIONAL DEVELOPMENT

The particular conditions for the development of regions can be taken into account only if the EU facilitates the dialogue with the regions, especially due to the consultative role of the Committee of the Regions (CR), the only representative forum at the level of the EU institutions. A series of provisions of the Treaty of Lisbon modify directly and indirectly the importance of regions in the various domains of development. The changes that affect the legislative procedures, the role of the European institutions and the governance system of the regional and cohesion policies have a strong impact. Thus, even if the basis of the institutional balance has not changed, we can identify six ways by which the Treaty on the functioning of the European Union (TFEU) exercises a major influence on the regions and on the local collectivities:

- a. Strengthening the role of the European Parliament (EP): the Treaty of Lisbon places the EP on the same legislative level with the other institutions as regards the cohesion and regional development policy², through the co-decision procedure. The new budgetary procedure is also very important, the TFEU giving the EP competence on all expenditure lines of the EU (art. 313-316). The budget is jointly adopted by the Council and by the Parliament and all the expenditures became "compulsory" from a legal point of view. Moreover, due to the co-decision procedure, the competence of the Committee on Regional Development within the Parliament is indirectly increased.

² The institutional position of the EP is also strengthened by the fact that the EP lectures in the framework of the co-decision procedure do not concretize through "opinions", but through "positions", just like those of the Council.

IS TERRITORIAL COHESION NECESSARY FOR THE SUSTAINABLE DEVELOPMENT OF THE EUROPEAN REGIONS?

- b. The transformation of the co-decision procedure in an ordinary procedure³, the EP and the Council defining the missions, objectives and organization of the structural funds by this procedure. The co-decision procedure also changes the way the regions work; they have to cooperate with the EP especially because the members of the EP become co-legislators in the field of the common agricultural policy.
- c. The TFEU regulates the comitology procedures by introducing two new possibilities of action: 1. *delegated-acts* by which the Commission becomes responsible for the adoption of non-legislative acts of general application or can amend certain non-essential elements of a legislative act. 2. *implementing acts*, by which the Commission applies its executive role, i.e. it adopts the implementing acts. Moreover, the European Commission must perform extensive consultations, taking the local and regional dimensions into account before proposing new legislative acts.
- d. The Treaty of Lisbon raised territorial cohesion on the same level with the economic and social cohesion. The Treaty of Lisbon, by art. 174 reasserts the objective of the reduction of regional disparities and states that a "particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions" (Treaty of Lisbon, 2007). However, the implementation field, the purpose and the application, as in the case of economic and social cohesion, depend on the political will. However, although raising territorial cohesion at the level of the economic and social cohesion can seem only a "beautification", this fact can actually tip the balance in the future negotiations of the regional policy.
- e. Extending the local and regional autonomy and the subsidiarity principle according to the *multi-level-governance* pattern. According to Protocol no. 2 (Protocol on the application of the principles of subsidiarity and proportionality), the consultation of all governance levels is required for the legislative act. The subsidiarity is linked to the proportionality principle, which aims that the EU actions do not go beyond what is necessary for the achievement of the objectives set by the treaties. If there are several alternatives, then it is the EU's duty to choose the one that offers the greatest freedom to national, regional and local authorities. Moreover, the national parliaments get the proposals for legislative acts at the same time as the EP and they can issue a reasoned opinion if it is considered that the subsidiarity principle is not observed. Similarly, the TFEU recognizes the principle of local and regional autonomy (European Parliament, 2010). However, the EU still does not intervene in the internal territorial organization of its Member States, and the territorial distribution of the competences is not directly affected by the Treaty. But, where appropriate, the subsidiarity principle applies on four levels: the EU must observe not only the national competences, but also the local and regional ones.
- f. The Treaty of Lisbon provides the Committee of the Regions (CR) with new political and legal instruments. Firstly, the members' term of office is aligned following the example of the EP and it is changed from 4 to 5 years, and the term of office of the President and of the Office are of two years and a half. Secondly, the CR is associated to the legislative act because its consultation becomes compulsory for the Commission, for the Council and for the EP. Thirdly, the CR has the right to notify the EU Court of Justice with regards to the observance of its own institutional prerogatives or in order to repeal the new legislative acts of the EU which violate the subsidiarity principle and do not observe the local and regional competences.

The development policy must be guided by the "Europe 2020" strategy so that the European Union should be able to face the challenges of the 21st century. This strategy, which is guided according to the objectives of a sustainable human development, is implemented through the regional

³ The assent procedure is replaced by that of the co-decision (art. 177).

policy as a policy that is specifically directed towards the harmonious territorial development of the entire Union, but it must also be taken into account by the other basic policies of the EU. That is why the Treaty of Lisbon pursues the economic development at the same time with the political, social and cultural development, the EU's democratization, and it is getting closer to its citizens at the same time with the strengthening of the EU's role in the world and the cohesion of its territory. One of the purposes of the regional policy is the counteraction of some possible negative effects caused by the single market, and the territorial cohesion goes in the same direction too, but it makes one more step. It takes into account both the possible deficiencies of the market, the structure differences and the regional needs, and the inter- and intra-territorial dimension. Of course that territorial cohesion has a cost, too; but, besides the fact that this cost can represent a long-term investment, it can also be seen as the price that should be paid for the benefits of the single market.

THE TERRITORIAL COHESION

Territorial cohesion, like any other new concept, can have different meanings in different contexts. Moreover, being of a French origin, no accurate equivalent was found for the concept in the other European languages, and it is generally explained by the concept of spatial planning. Some difficulties also arise because planning is seen, especially in the East of the continent, as something imperative and obsolete, and in other parts it is something quite different. For instance, if in Germany "Raumplanung" refers more to land planning, in France it is about government funded projects. More exactly, in the first case, it is more about efficient territorial governance, and in the second case, it is about a balanced development of the territory. Thus, the territorial Agenda presented by the Council of Ministers and adopted in Leipzig on 24-25 May 2007, defines territorial cohesion as "a permanent and cooperative process involving the various actors and stakeholders of territorial development at political, administrative and technical levels", while the following definition is given by the French part: "territorial cohesion is the status of the European space where differences between territories are reduced or at least acceptable so that all Europeans can enjoy comparable life and development conditions and where the existing links among territories are likely to create a certain community of belonging" (Jouen, 2008, p. 21). Therefore, while the latter definition emphasises the fact that all the public policies should aim to reduce the territorial disparities, the former inclines towards the aspects of the cooperation between actors and the improvement of the coherence of sectoral policies. However, the territorial Agenda represents one more step towards the recognition of the necessity of the integration of territorial considerations in the agenda of the European policies and indicates the importance of the coordination between sectoral and territorial. According to the territorial Agenda, the EU "should secure better living conditions and quality of life with equal opportunities [...] irrespective of where people live".

The concept was initiated by DG Regio at the beginning of the 90s wishing to add the objective of sustainable development and competitiveness to the objective of reduction of disparities. In fact, the essence of the territorial cohesion consists in the necessity of good territorial governance, from local to European level. By this, the reduction of the disparities, the increase of the competitiveness and the promotion of a sustainable development are closely linked one to the other because the place where these take place, with the specific opportunities and constraints, is taken into account.

In 1995, as a result of a report entitled "Regions and Territories in Europe", The Association of European Regions (AER) notes the different impact of the European policies in its different territories. In the unanimously passed resolution, in order to avoid the disintegration of some territories, the AER asks the European institutions to replace the notion of economic and social cohesion from article 2 of the TEU by that of economic, social and territorial cohesion. Besides the fact that this would have had as a consequence the recognition of a community territory, with all the consequences on the creation of a real European community, it would have also led to the creation of an overall vision on the development policy. The first consequence is due to the fact that citizens wish to live together only when they feel that the governmental decisions are not discriminating, the

IS TERRITORIAL COHESION NECESSARY FOR THE SUSTAINABLE DEVELOPMENT OF THE EUROPEAN REGIONS?

economic and social cohesion indicating a situation in which territories and persons can have divergent trajectories.

Although the notion appeared in this 1995 report of the AER, the need for the territorial management of some effects produced by the common policies is an older one, and the major reforms, which Jacques Delors began in 1988, marked the beginning of a real territorial policy of the EU. Although this policy was a successful one in some areas such as Ireland, Spain or in some industrial areas in decline, it proved to be inappropriate in other regions such as rural or ultraperipheral areas.

Although it was obvious how necessary it is, the institutionalisation of the territorial dimension of cohesion was delayed first of all by the reticence of the political actors, who did not agree with new transfers of competences at supranational level and also with the fact that territorial management is performed differently in the various countries of the Union. However, the Committee of the Regions, DG Regio and the other representative bodies of the regions persevered and managed to promote the idea of territorial cohesion. Territorial cohesion became officially a purpose of the EU by the Treaty of Lisbon, which states that the Union promotes “economic, social and territorial cohesion, and solidarity among Member States” (art. 3, TEU).

Therefore, territorial cohesion was taken into account in time, as the political actors also made sure of its necessity. As Marjorie Jouen explains, this was possible due to the large number of studies performed, which showed the costs of the lack of territorial cohesion. Thus:

- territorial cohesion is not performed automatically on the entire European territory just due to the forces of the free market;
- the political instruments of social and economic cohesion have a limited effect on the reduction of territorial disparities;
- territorial disparities are produced on a smaller and smaller scale and they are cumulative;
- the deficiencies caused by the lack of territorial cohesion cost the society more and more;
- the European population is committed to a balanced development in space.

The second report on cohesion, in 2001, already contained a chapter dedicated to territorial cohesion and it presents three important aspects for the future:

- the differences between the production costs of the centre and of the outskirts are not enough to reduce the development gap;
- a policy that aims to strengthen the centre-outskirts links should be preferred to one of positive discrimination;
- the networking of the experiences of the areas which face similar problems should be integrated in all programmes.

The third report on cohesion, in 2004, and the fourth one, in 2007, show that centres develop at the outskirts of Europe too, but, at the same time, some neighbourhoods in the urban and agricultural rural areas disintegrate.

The fourth report warns with regards to the negative externalities caused by the agglomeration and it notices the cumulative character of the economic, technological and social problems. The inefficient management of the territory leads to the disintegration of natural spaces, to pollution, loss of time and money, stress, health problems, etc.

As it can be seen, the territorial character of the European guidelines on balanced regional development was stressed with every treaty because, as the second report on economic and social cohesion states, “spatial disparities in the Union reflect a more complex reality than indicated by differences in income and employment between regions” (European Commission). The recognition of territorial cohesion was performed based on the French conception on public services and on “aménagement du territoire”. That is why the orientation that derives from this concept should lead to the implementation of some European policies that are similar to the French ones, especially the provision of public services comparable from the point of view of price and quality across the Union, although these are not economically profitable in some places.

The territorial diversity of the EU is a vital asset, which is likely to contribute to the sustainability of the development. In order to make an asset out of this diversity, territorial cohesion should focus on new themes, new forms of connection between the territories of the EU, forms of cooperation, coordination and partnership. “Increasingly, competitiveness and prosperity depend on the capacity of the people and businesses located there to make the best use of all of territorial assets” (European Commission, 2008).

The territory-based integrated approach that the cohesion policy pursues is the ideal response to the complex problems that regional development raises. Moreover, in the 2009 World Development Report, the World Bank underlines the influence that the population density, the distances and the regional characteristics have on development. Many problems go beyond sectoral borders and the solutions require an integrated cooperation of the various actors. The strategic guidelines of the Union anticipate this idea, as one of the Council's communications also mentions: “Promoting territorial cohesion should be part of the effort to ensure that all of Europe's territory has the opportunity to contribute to the growth and jobs agenda”. At the same time, territorial cohesion encourages the cooperation, the dialogue and the partnerships among the various government levels and among all the actors that take part in the development. The balanced and sustainable development of the European territory, the fair and sustainable exploitation of the regional assets create economic advantages by decreasing the pressure on the infrastructure and by lowering the costs and the negative external effects due to the decrease of the agglomeration. Beneficial effects on the environment and on the life quality in general happened at the same time.

The answer that the Green Paper of the Union proposes for the solving of the problems regarding the concentration of the population in certain areas, of the distances that are unfair to some citizens and of the territorial divisions is structured on three levels (European Commission, 2008):

- reducing the differences in density by providing services at equal prices and quality across the Union;
- connecting territories not only by good intermodal transport connections, but also by services;
- cooperation on various levels. The coordination between sectoral and territorial policies is essential to optimise the synergies that can arise and to mitigate conflicts.

THE EU STRATEGY FOR SUSTAINABLE DEVELOPMENT

In 2001, the Göteborg European Council adopted the first European strategy for sustainable development and placed the European economic and social process, which is guided according to the Lisbon strategy, on a sustainable and environmental dimension. The integration of the environment costs in the conception of most of the European policies proves this orientation, the European Council asking the Member States in 2006 to equip themselves with their own strategy. This strategy, which was completed with an external dimension by the Barcelona European Council in 2002, has as main themes the following: climate changes, energy consumption, public health, poverty and social exclusion, population ageing, management of natural resources, biodiversity loss, soil usage and sustainable transport.

All these themes actually represent acute problems which our society faces because of their non-sustainable form. That is why both urgent actions, which can be performed on a short term, and also long-term actions are needed; but the main challenge comes from the need to change our way of life, which is conceived according to a production and consumption system and also according to a way of creating public policies, which cannot be either morally accepted or physically sustained any longer.

In this context, based on the Commission's document entitled "Communication on the Review of the EU Sustainable Development Strategy", December 2005, with the contribution of the other institutions and European bodies, the European Council adopted the renewed sustainable development strategy (SDS). This defines the unique and coherent strategy according to which the EU will fulfil its long-term commitments with regards to the sustainable development. Its main objective is “to identify and develop actions to enable the EU to achieve continuous improvement of quality of life both for current and for future generations, through the creation of sustainable communities able to manage and

IS TERRITORIAL COHESION NECESSARY FOR THE SUSTAINABLE DEVELOPMENT OF THE EUROPEAN REGIONS?

use resources efficiently and to tap the ecological and social innovation potential of the economy, ensuring prosperity, environmental protection and social cohesion” (European Commission, 2006). The territorial cohesion is at the basis of this strategy too, due to the promotion of a democratic, healthy, secure and just society. Social integration, cohesion and respect for fundamental rights are pursued in order to fulfil this wish.

In order to achieve these plans, the Commission integrates the sustainable development in its information and communication activities and it cooperates with the other European, national and regional institutions in order to disseminate the new ideas and good practices. Due to being closer to the citizens, the local and regional levels are of an extreme importance in this case too: the purpose of the establishment of sustainable communities is sustainable development and the development of social capital.

THE LISBON STRATEGY

The sustainable development strategy and the Lisbon strategy are complementary, although the economic development is, as we have seen, an important aspect of the sustainable development. However, the SDS can be seen as a coat that dresses up the Lisbon strategy not to give it a nicer aspect, but especially because the "coat" imposes a certain behaviour, i.e. a framework where it takes place. The Lisbon strategy makes an essential contribution to the fundamental objective of sustainable development, giving priority to the actions and measures for the increase of competitiveness and of economic growth.

If at first sight the Treaty of Lisbon does not have anything to do with the strategy that has the same name, then at least the failure of the Lisbon strategy is visibly linked to the Treaty. This fact is mainly due to the focusing on the institutional aspects of the Union, but also to the strategy separation from the treaties. Moreover, if the Lisbon strategy was conceived for 15 rich countries, beginning with 2004 it could by no means meet the expectations of 27 states with great development gaps. The aspect of social cohesion represents the characteristic of the European democracy, but, in time, the shift from a social cohesion concept to a social justice concept, which does not mean solidarity any longer, took place imperceptibly. At the same time, the means by which the achievement of the objectives of growth and better job creation are pursued, led exactly to the giving up of the "Social Europe". In this respect, the following observations are essential:

- economic growth can lead to social injustice in the absence of competitive redistributive policies;
- increasing the attractiveness for investors and for the labour force means reducing wage costs. First of all, this affects the social contributions, which must be reduced, and this means reducing the redistribution possibility for the State or for the region;
- the policies that allow the creation of better jobs can be efficient in relative terms. The elimination of worse quality jobs is not always accompanied by the creation of new jobs and, although unemployment can increase, statistics can indicate the improvement of the quality of jobs.

It is known that if there is no welfare, then there can't be redistributive policies either. The Lisbon strategy is part of the European strategies that should not be seen independently, although the priorities of the former lead more and more to the American model of economic development. These objectives represent the answer to the question on what we wish to build in Europe, and the answer is of course welfare and social harmony.

THE EUROPE 2020 STRATEGY

The Europe 2020 strategy was adopted in June 2010 and it replaces the Lisbon strategy, which was not pertinent any longer because of the global economic crisis. It aims to be both a strategy to exit the crisis as soon as possible, and also a long-term strategy; it is actually a plan for economic renewal. Its main objectives are the following (ISCS): exiting the crisis, encouraging a "green" economic growth, ensuring the quality of life in Europe, preserving the European social pattern, increasing the

employment rate, increasing the work productivity, improving social cohesion. In order to achieve these objectives, the strategy set out three major priorities, which are based on the precepts of sustainable human development (European Commission, 2010):

- intelligent growth, i.e. the development of an economy based on knowledge and innovation;
- sustainable growth by promoting a more efficient economy from the point of view of resource use (greener and more competitive resources).
- inclusive growth by promoting an economy with a high employment rate, which should ensure social and territorial cohesion.

The progress of the Europe 2020 strategy is monitored by the Council (annually) and by the Commission. Every Member State has to present to the Commission a national level reform plan in order to be able to get to tangible results for the achievement of the strategy objectives. But, despite all the goodwill of the European institutions, the main problem of the Lisbon strategy remains: the European institutions cannot force the national states to fulfil their commitments because the strategy is not a legal act, but it is rather a goodwill statement. Thus, among the arguments that make us sceptical about the achievement of its objectives, the lack of power that should lay it down comes first. Secondly comes the fact that the strategy deals with all economies the same way, regardless of their advance on the path of reforms, and thirdly, but not last in terms of importance, comes the confusion regarding the objectives of the strategy because the promotion of a freer economy, i.e. a less regulated one – which is somehow a condition that is necessary for the raising of employment and productivity – is in opposition to some characteristics of a social model, especially of the type of a social market economy, according to the provisions of article 3 of the Treaty of Lisbon. Moreover, this agenda gives too little consideration to the territorial inequalities and to the importance of their reduction. In order to shift to a "green economy", as the Treaty specifies, it is necessary to reduce the inequalities, because people will not change their behaviour if their neighbours do not do it too. In the new strategy there are steps that go in the direction opposite to the one showed by the Treaty of Lisbon and thus they represent an unfinished step in relation to the challenges that come from the change of the development paradigm.

CONCLUSIONS

The current economic and financial crisis had disastrous consequences for millions of people and the citizens of most of the world states will have to bear the burden of the debts it generated for many years from now on. At the same time, the economic and social cohesion in Europe had to suffer and that is why the EU sustainable development strategy is as current as possible. The crisis has also brought to light other realities and other problems that the EU faces, but it has also shown that, if they are united, the European states can be stronger. Europe needs ambition and trust, a strong state and citizens that are involved in all aspects of development.

The Treaty of Lisbon offers an adequate framework for this purpose, on condition that every citizen uses it⁴. The building of the European consciousness is necessary both for the efficiency of people, and for their civic commitment. The pride of being a European gives people courage and self-consciousness in society: "when people are proud of their region and origin, they overcome the indifference to what surrounds them" (Rorty, 1999, p.71). Territorial cohesion, due to the development opportunity that it offers to every cultural centre, does not allow the market to eliminate those which would be peripheral or inefficient from a commercial point of view. Thus, territorial cohesion contributes to the preservation of the diversity in the Union and, therefore, it supports the objectives of the 2020 agenda for development. For this development to be sustainable it should control the challenges that come from the way the territory is used and it should provide adequate answers to the possible risks and territorial potentialities.

⁴ The Treaty of Lisbon mentions the "citizens' initiative", a direct democracy procedure by which citizens can initiate legislative projects.

IS TERRITORIAL COHESION NECESSARY FOR THE SUSTAINABLE DEVELOPMENT OF THE EUROPEAN REGIONS?

That is why sustainable development does not refer only to policies; it has an important educational component which should be part of our culture from now on. Sustainable development should be integrated by the society as a principle that guides the everyday life of every citizen, which requires deep changes in the way of thinking and of perceiving the world, in the economic, civic and social structures and especially in the consumption patterns. Territorial cohesion can reduce the costs of the lack of coordination of the European policies. In the current situation, because the effects of some policies are opposed to those of other policies, the impact of every policy considered separately is not optimal and therefore, the overall results could be better. Territorial cohesion can lead to the improvement of the information on which these policies are based, to the reduction of disparities to synergies, and the cooperation among the regions to the simplification of the European policy-making, especially with regards to the development.

In the 90s, shortly after the establishment of the European Spatial Planning Observation Network (ESPON), it already became evident that the public policies oriented only towards competitiveness lead to major imbalances and problems. The studies of this centre show that the new constraints, which result from migrations, from the demographic structure change, from climate changes, from globalization or from mobility-related problems, do not affect the territories equally and especially that not all territories have the same reaction capacity. This type of regional policies deepens in fact the regional differences, leading to an increased polarisation even within some micro-regions. The economic growth is thus obtained with the price of the marginalisation of some areas, a price that will be bigger and bigger at global level if they are continued.

Therefore, territorial cohesion is a condition and a basic need, and Europe's sustainable development depends on its fulfilment. But, even if this condition is necessary, it is not sufficient. The development takes place in regions by their own means and, even if the European policies encourage the development, it depends on the regional actors' will. But, it is the EU's duty to provide the framework that is necessary for the development of every region, although establishing territorial cohesion as an objective of the EU does not mean that the budget allocated to the cohesion policy will be larger, and the emphasis placed on the technological innovation does not always correspond to this objective. However, the convergence and regional competitiveness objectives and the structural funds take the territorial dimension into account. And, if the current policies led to success in a large number of cases, a better coordination of the sectoral policies is necessary. But the lack of their coordination with the objectives of the 2020 strategy points to a potential achievement of mediocre results in both directions, of competitiveness and of cohesion, and this necessarily leads to the decrease of citizens' trust in the European construction.

In this context, the European regional policy continues to be in the following dilemma: helping the strong regions that can ensure the Union's competitiveness in the world or helping the weak regions for a balanced development on its territory. If the EU chose the first alternative, the territorial disparities would increase and Europe would not be unitary and therefore it would not be united either. If the second option was given priority, the EU could fall behind in the global competition. That is why the EU tries to find a compromise between the two possible actions of its regional policies, which should be oriented both towards growth and competitiveness, and towards a harmonious development of its regions.

REFERENCES

- BARNA, R., PĂUN, D. (2009), *Sisteme economice și financiare în lumea globală* [World Economic and Financial Systems], Editura Efes, Cluj-Napoca.
- CRISTEA, V. et al. (1996), *Ocrotirea naturii și protecția mediului în România* [Nature and Environmental Protection in Romania], Presa Universitară Clujeană, Cluj-Napoca.
- DUNFORD, M., KAFKALOS, G. (1992), *Cities and Regions in the New Europe*, Belhaven, London.

- DYBE, G. (2003), *Regionaler wirtschaftlicher Wandel. Die Sicht der evolutarischen Ökonomie und der „Neuen Wachstumstheorie“* [Regional Economic Change. The Perspective of Evolutionary Economics and the “New Growth Theory”], LIT Verlag, Münster.
- EUROPEAN COMMISSION (2001), *Second Report on Economic and Social Cohesion*, http://europa.eu/legislation_summaries/regional_policy/review_and_future/g24001_en.htm
- EUROPEAN COMMISSION (2006), *Renewed EU Sustainable Development Strategy*, <http://register.consilium.europa.eu/pdf/en/06/st10/st10117.en06.pdf> (accessed 11 June 2010)
- EUROPEAN COMMISSION (2008), *Green Paper on Territorial Cohesion: Turning territorial diversity into strength*, http://ec.europa.eu/regional_policy/consultation/terco/paper_terco_en.pdf (accessed 15 August 2010).
- EUROPEAN COMMISSION (2010), *Europe 2020: A Strategy for Smart, Sustainable and Inclusive Growth*, http://ec.europa.eu/eu2020/index_en.htm (accessed in 13.08.2010).
- EUROPEAN PARLIAMENT (2010), The Directorate-General for Internal Policies, *The Impact of the Treaty of Lisbon on Regional Policy*, <http://www.europarl.europa.eu/webnp/webdav/site/myjahiasite/users/nsalliarelis/public/The%20impact%20of%20the%20Treaty%20of%20Lisbon%20on%20regional%20policy.pdf> (accessed 17 August 2010).
- EUROPEAN PARLIAMENT (2007), *The Territorial Agenda of the European Union*, http://www.europarl.europa.eu/meetdocs/2004_2009/documents/dv/territorialagenda-leipzig_charter_/TerritorialAgenda-Leipzig_Charter_en.pdf (accessed 17 August 2010).
- INSTITUTE FOR THE STUDY OF THE CIVIL SOCIETY (2010), *The Europe 2020 Strategy*, <http://www.civitas.org.uk/eufacts/FSECON/EC12.htm> (accessed on 16 August 2010).
- JOUEN, M. (2008), *La cohésion territoriale, de la théorie à la pratique*, Notre Europe: http://www.notre-europe.eu/uploads/tx_publication/Polycypaper35-FR-MJouen-CohesionTerritoriale.pdf (accessed 16 August 2010).
- PORTER, M. E. (1998), *Clusters and the New Economics of Competition*, In: Harvard Business Review, Nov/Dec 1998, pp. 23-37.
- RORTY, R. (1999), *Stolz auf unser Land: Die amerikanische Linke und der Patriotismus* [Achieving Our Country: Leftist Thought in Twentieth-Century America], Suhrkamp Verlag, Frankfurt am Main.
- UNITED NATIONS (1987), *The Brundtland Report*, www.oecd.org (accessed 17 October 2008).
- *** (2006), *Treaty on the European Union*: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2010:083:FULL:EN:PDF> (accessed 2 September 2010)
- *** (2007), *Treaty of Lisbon*, http://europa.eu/lisbon_treaty/full_text/index_en.htm (accessed 4 September 2010).