

**European Integration and the consequences for
regional development and minority rights:
Greece's Thrace, Austria's Burgenland, Northern Ireland,
and the Basque Country**

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A. Introduction: research focus and description of cases

EUROREG studies a series of cases of minority-inhabited border regions¹ and the transformations they undergo in the frame of European integration. The rationale for focusing on such regions is their historical and contemporary significance both for nation- and state-building. In these areas, the latter historically involved attempts to assimilate and re-direct the allegiances of communities towards the national centre. National governments have often used territorial-administrative structures and political-functional organization, as well as adopted specific regional and economic policies in order to more or less successfully penetrate, nationalize and establish control over minority-inhabited territories lying along borders. In a number of such areas, a minority forms part of an ethnic community culturally affiliated to an external national homeland across the border, to which it has directed its political allegiances. For most part, political interests and participation, as well as individual and collective identities in border regions have strongly been shaped by and divided along national-ethnic lines. While territory and nation have rarely coincided there, the aspiration to forge such congruence has been strongest, rendering these regions sites of competing national claims and inter-communal tensions.

This project set out to study comparatively the effects of European integration on the political-economic interests and identities of national majorities and ethnic minorities inhabiting regions near border areas in EU member states and accession countries. Given its aforementioned interest in minorities and the regions they inhabit, the project originally considered as relevant factors through which European integration bears its impact a) the EU structural funds (including cross-border cooperation programs and pre-accession funds) seeking to redress economic disparities among regions and member states, and b) the broader regime of human rights and minority protection, which has developed over the past fifteen years in conjunction with the Council of Europe (CoE), with respect for human and minority rights incorporated as one of the political conditions that candidate states must meet to qualify for membership. EU regional development and the human rights regime have been considered as part of a changing European opportunity structure for regional minorities, but also as carriers of particular local discourses about nation, citizenship and 'Europe', influencing the interests and identities of ethnic minorities and national majorities in border regions in two, direct as well as indirect, ways.

In particular, the hypotheses of EUROREG are that regional and minority rights changes in the context of European integration a) redefine and integrate minority-majority interests around economic development, and promote political and economic integration of minorities in development frames, as well as inter-communal cooperation, and b) reinforce a relative decline of nationalist politics, with the interests and identity of minorities and majorities increasingly emphasizing social-economic integration, civic participation and equal citizenship, as opposed to ethnic solidarity and nationalist claims over local territory.

The cases that are considered and comparatively discussed in this report are regions in EU member states, which have been beneficiaries of structural funds: the

¹ The term 'region' here is used in a loose fashion to indicate geographical areas that may be part of a broader administrative and/or government unit (i.e. Thrace is part of the Administrative Region of Eastern Macedonia and Thrace), or correspond to a single entity as such (i.e. Northern Ireland, Burgenland, Basque Country).

region of Thrace in Greece, Austria's Burgenland, Northern Ireland, and the Basque Country. These four cases are actually three plus one, with the first three having basic characteristics in common that render them comparable, while the Basque Country is fundamentally distinct from the other three. Thrace, Burgenland and N. Ireland are all border regions inhabited by small or sizeable minorities, which for historical reasons were left out of the territory of their respective 'kin-states' in the process of state formation, but which have preserved and cultivated their loyalties to kin-state. They are also less developed in comparison to the national and European average, and for this reason have been beneficiaries of EU structural funds under Objective 1 status. Such funds do not target minorities but disadvantaged regions, which are often those inhabited by minorities. An exception here is Northern Ireland, where the violent nature of conflict attracted attention from the EU, which in addition to general structural funds it has also instituted the PEACE program, development funds explicitly aimed at fostering inter-communal cooperation and reducing ethnic tensions.

While also a border region, the Basque Country on the other hand is fundamentally different from the other three cases as it is a sizeable stateless nation that historically claimed and has established unquestionable control over a specific territory (Basque Country of the Autonomous Community, and Navarre). The Basque nation and the territory it possesses were incorporated in the Spanish state but were never politically integrated or culturally assimilated in the latter. Furthermore, unlike the other three cases under consideration, the BC has been highly developed in comparison to the national and European average and has thus not been a beneficiary of the EU's structural funds. In the context of European integration, Thrace, Burgenland and N. Ireland have been subject to a parallel set of regional changes that are fundamentally distinct from those confronting the Basque Country, as it is subsequently discussed in this report. The Basque Country is a region dominated by the Basque nation; it is a stateless nation that has historically territorialized its political control, and built on this basis its distinct cultural and social identity vis-à-vis the Spanish state.

As the research progressed, the original focus of the project has been somewhat modified in order to define better the constellation of factors and set of processes originating from EU integration, which are influential in the minority-inhabited regions under study. The research focus on structural funds was originally inspired by a body of literature that saw in their 1988-89 reform and in the principles of partnership and subsidiarity that it introduced important political implications. They saw in these principles the potential to enhance the competencies of subnational institutions to implement structural funds and potentially to empower local communities (edited volume by Hooghe 1996 among others). Structural funds, the significance of which has grown in the 1990s, are largely pervaded by a functional logic with the goal of promoting integration in the European common market. While by no means specifically aimed at minorities, it was assumed that their implementation may have indirect and unintended regional effects on local patterns of political participation and economic mobilization.

In the course of our research on the case studies, the predominant emphasis on structural funds has been downgraded. The original anticipation that structural funds implementation would promote territorial restructuring, such as decentralization and strengthening of subnational vis-à-vis national institutions, has proved to be unwarranted. Empirical research has revealed the different pecuniary significance but

also variable institutional and political implications of structural funds across countries. Furthermore, it became clear that during the 1990s the regional component of structural funds has significantly been curtailed in relation to the national component. Regardless of how sizeable they have been (i.e. in Greece they have been about 3-4% of the GDP), the influx of such funds is not necessarily in and of itself decisive in upgrading socioeconomic conditions in the regions under study, therefore the key test is not to assess their significance or conversely, prove their indispensability as such. Neither have they single-handedly caused changes in government approach towards minorities or in their mobilization towards the state – it would be preposterous to claim or look for such direct causalities – the test for assessing their impact cannot be based on such a narrow ground but must be considered in the broader regional context that is shaped by a variety of factors related to European integration.

The EU rarely dictates specific reforms, particularly in areas such as minority protection in which it does not even have an internal policy, but even when its policies have explicit procedural and institutional requirements like structural policy. On the basis of empirical case studies, Risse, Cowles and Caporaso carefully unravel the domestic effects of Europeanization. European policies and processes are seen to exert adaptational pressures, which, however, do not necessarily bring about domestic change. Whether or not they trigger domestic change depends on factors at the domestic level that may facilitate or conversely obstruct change: pre-existing domestic institutions, a country's organizational and policy-making culture, differential empowerment of national actors and learning (Risse et al. 2001: 2). One way to assess the EU impact at the national level is to consider whether and the extent to which domestic actors utilize EU policies, rules and norms in order to underpin, justify and legitimate their pursuit of reforms (Vermeersch 2003: 4). Domestic actors may use European norms and policies as an opportunity to further their goals and interests, or they may come to redefine their interests and even identities in response to Europeanization (Risse et al. 2001: 11-12). It is in this sense that the EUROREG case studies discussed here have largely considered the impact of EU integration on regional change and minorities.

While downgraded, the relative emphasis of our research on structural funds is far from being altogether abandoned: our research has shown them to be a part of a broader set of factors stemming from the context of European integration, which have spiralled an unmistakable dynamic of regional economic and institutional change in the cases under study with important implications for minority interests and politics. In the first three cases (Greece, Austria, N. Ireland), structural funds have been one factor (not the only one) that motivated/prompted national, subnational and/or regional authorities to initiate new or accelerated strategies of regional development in minority-inhabited areas and to place these strategies in the broader European context. In this sense, the issue of structural funds and their potential impact must be seen as part of the broader frame of *regional development and change* – it is the latter that must be considered as the key (independent) variable in the EUROREG project that is relevant to the cases discussed in this report. Such new or accelerated strategies are clearly evidenced in all three cases of Greek Thrace, Austria's Burgenland, and Northern Ireland since the late 1980s and 1990s, as well as in the Basque Country.

The specific contours of such regional change are subsequently outlined and discussed in the next section B of this report. Section C presents the findings of our research with regard the ways in which minorities mobilize in response and their

changing patterns of political participation and cultural demands. Section D presents local minority and majority perceptions of ethnic-national identity and their conceptions of 'Europe'. Finally, section E discusses the implications of the EUROREG findings for the national state in the frame of the EU.

B. Regional change and the context of European integration: overview of findings

Within frame of national states, regional policies and institutions have always been a means of nationalization of state territory, especially in border areas, through assimilation or exclusion of minority populations. Since the 1990s, and in marked departure from the latter, national and/or regional governments in Thrace, Burgenland and Northern Ireland adopted regional policies and strategies that combined economic development objectives and institutional reforms with measures to redress ethnic issues. Indicative of such strategies is the fact that all three regions received a disproportionately large share of structural funds in comparison to other regions in their respective state, and in relation to the relative size of their population (i.e. for N. Ireland, see Case study report, p. 9).

These new regional strategies a) emphasized regional economic development priorities, and b) sought to incorporate minorities and recognized cultural diversity both instrumentally to further their economic goals but also to redress ethnic and inter-communal tensions. In this way, they potentially influenced a redefinition of interests and opened opportunities for new alliances for national majorities and ethnic minorities in the politics and economy at the subnational level. National and regional authorities in Thrace, Burgenland and Northern Ireland adopted policies and measures to induce socioeconomic mobilization and accelerate development, together with attempts to liberalize and/or expand the rights of minorities inhabiting them.

In the first two cases at least (Thrace, Burgenland), the recognition of cultural diversity is incorporated in regional economic strategies in an instrumental fashion as an asset and a resource that could yield development and promote cohesion in the poorer and disadvantage regions. This view in a way replicates the one that is reflected in the European Commission's approach to culture and ethnic diversity, which contradicts the one that is advocated by representatives of regional nations and that highlights the latter as a value in and of itself and as a basis for constituting political units (Delgado-Moreira 2000). In the EU integration frame, the BC has asserted itself simultaneously as a region and as nation, and has mobilized both economically and politically to contest broader political-institutional powers and autonomy vis-à-vis the Spanish centre. While not required or mandated by the EU, these new regional development strategies have been employed by national and regional governments in the context of EU integration and cannot be understood independently from the latter.

Being part of Austria's federal state, the regional government of Burgenland has pursued an autonomous development strategy in the context of the country's integration in the EU in the 1990s, and the opening of borders and the new economic opportunities that opened. Departing from earlier policies aimed at assimilation and/or exclusion of minorities, such a strategy has been accompanied by recognition and promotion of its cultural diversity stemming from the presence of autochthonous Croatian, Hungarian and Roma minorities. It has also sought to integrate them in the

region's economy and institutions. This new approach has gone hand in hand with liberalization of minority rights and abolition of restrictions to the latter after 1988 (i.e. bilingual schooling, topographic signs in minority language, etc.). Pressures from Hungary, symbolic effects of EU conditionality and the norms embodied in Council of Europe conventions, as well as Austria's membership in the EU provided the context for the federal government's new regional and minority policy during the 1990s (Case study report, p. 20). The Austrian case study report characterizes such a re-orientation as 'intercultural turn' that reflects a 'post-national idea' and projects an image of the region defined by openness and a cosmopolitan culture (p.24).

Unlike in Burgenland where a strong regional government exists, in the other two cases, reforms have sought to empower or enhance the capacity of subnational structures and institutions (Thrace) in promoting economic development, and to incorporate the aggrieved minority communities (N. Ireland). In Greece endemic and ongoing centralization preempts autonomous mobilization on the part of subnational authorities, and the initiative for Thrace as a border region came from the national government in the early 1990s. The new approach called for regional development as 'armour' for defence against the threat of secessionism, through upgrading the local economy, reducing inequalities between Christians and Muslims and promoting social and economic integration. For the first time, the minority was depicted as a resource rather than a threat or burden, and its integration as a precondition for the region's development (*I Anaptiksi tis Thrakis – Prokliseis kai Prooptikes* 1994). Unlike in Austria, the political discourse around the new regional development strategy and decentralization reforms emphasized modernization and efficiency, as well as 'legal equality, equal citizenship' for the Turkish Muslim minority.

The new regional development strategy in Thrace was also accompanied by reforms towards decentralization through the creation of prefecture self-government and the establishment of regional administration in the 1990s. Such reforms are not directly traceable to structural funds and the implementation of EU cohesion policy, as analyzed in the case study report (Case study report, pp.12-13), but these factors interacted with and were mediated by domestic political dynamics manifested in the growth of local support and cross-party consensus around subnational reforms (pp.10-11). EU structural funds did not motivate or in any way lead the government to adopt this new approach but they made it possible to put to practice a comprehensive policy of regional development and to firmly anchor the minority issue within it.

Even though the degree of decentralization sought with the reforms has been constrained, the establishment of prefecture self-government has had major political importance because by rendering the latter an elected institution, it incorporated the minority in it and democratized prefecture politics. Regional and prefecture authorities have to operate within the framework and development priorities set by the EU structural policy. This has inserted considerable pressures to distance regional policies from traditional nationalist interests and foreign policy considerations previously shaping prefecture institutions and state policy towards the region. As an elected body, the Prefecture Council could no longer easily acquiesce with the latter and has been compelled to find ways to eschew ministerial prerogatives when these threaten to undermine the implementation of regional plans and the receipt of European transfers. Even though minority affairs continue to be under central government supervision as this is embodied in the office of the General Secretary of the Region, such supervision is now legitimated in the language of equal rights and democracy. In sum, notwithstanding their limitations, regional reforms have

introduced a new logic in local politics guided by development priorities and democracy, establishing the status of Turkish Muslims as equal citizens.

Since the late 1980s – early 1990s, Northern Ireland also witnessed two important changes with respect to Britain's stance vis-à-vis the region and the communal conflict there, which have an important European dimension. In the first place, following in the path opened by the Anglo-Irish Agreement of the mid-1980s, the British government declared that it would respect the principle of self-determination of NI and would not hinder eventual Irish unity if it were to occur through constitutional means. The issue regarding the aggrieved Catholic population was no longer equal rights; such legislation had already been put in place since the 1960s under pressure from the European Court of Human Rights to abolish the discriminatory legislation that existed. Instead, the issue by the 1990s was the political, social and economic integration of Catholics that could put an end to the strong tensions with Protestant unionists.

The second change was an accelerated policy of regional development combined with institutional reforms to bring devolution to Northern Ireland. The latter was introduced with the Good Friday Agreement in 1998 that put in place a devolved NI Assembly and Executive, with the former premised on a strong element of inter-communal consensus. It furthermore institutionalized the joint involvement of Britain and Ireland in resolving the NI communal tensions. While the EU did not bring about the Anglo-Irish process with its regional economic development and political integration components, which was an inter-governmental initiative, it is questionable whether such an initiative could have been possible outside the frame of the EU: "As those who are/were closely involved with the current peace process would testify, the Europeanisation of the conflict in Northern Ireland has been an important factor in bringing devolution back to Northern Ireland and realising power-sharing" (Case study report, pp. 27-28). Furthermore, the EU has explicitly encouraged and supported this process extending the transfer of development resources to the region beyond structural funds with the PEACE Program from the late 1990s until the present.

Given its high level of development² and its status as a historical, sizeable and territorially established nation, the Basque Country is fundamentally different from the other three cases and cannot be directly compared with the latter. Basque government leaders have pursued a regional economic policy and mobilized as a region in the EU frame to assert their autonomy vis-à-vis Spain. EU integration has had three important effects in the BC and its relations with the Spanish state. In the first place, the EU provided an external context of stability for its nascent democratic institutions following Spain's transition to democracy in the 1970s. Secondly, since the 1980s and 1990s, EU integration appears to have fuelled into the antagonism between the BC and the Spanish centre over the constitutional status of the BC and has reinforced its struggle and demands to assert greater regional powers vis-à-vis the Spanish state. Finally, the EU has had a powerful symbolic influence in Basque national politics in how its political leaders and activists conceptualize sovereignty as a 'shared' rather than exclusive attribute. EU integration has also influenced Basque national strategies across the Spanish border with France, made possible through the

² As the case study report shows, the Basque Country is actually a net contributor to rather than beneficiary of the EU budget (p.19).

use of INTERREG funds, prompting Basque leaders to visualize and pursue territorial strategies and nation-building across state borders.

While neither the EU structural policy nor human rights and minority protection policy in and of themselves mandated the regional changes described above, these changes cannot be understood independently from the European context. Market integration and the opening of borders have created new economic opportunities for regional actors, and the EU has also consistently sanctioned and supported regional development and mobilization through structural funds in the less developed regions, such as those under consideration here. Furthermore, EU integration also unintentionally provided normative resources through its support for human rights and minority protection, as well as in a more indirect fashion through its symbolic power as a multi-national and multi-cultural entity. Unfortunately, the selection of cases in EUROREG is not suited to examining whether EU integration makes a difference as a causal factor; in this case we should have selected and compared minority-inhabited regions in EU and non-EU cases. The observed regional changes are strategic in the sense that they must be understood as a shift in the interests of local, regional and national authorities, as well as in how they conceive of the most effective approach to deal with inter-communal tensions and accommodate minority interests. In the 1980s, Burgenland and Thrace witnessed an upsurge in minority politicization outside the established political parties, and NI experienced a rise in inter-communal tensions between Protestants and Catholics.

To be sure, the regional changes in Thrace, Burgenland and Northern Ireland are by no means tantamount to decentralization nor do they necessarily result in empowerment or autonomy of subnational institutions and structures, as originally hypothesized by EUROREG. As we saw, the initiative in Thrace and Northern Ireland came from national governments, which have attempted or experimented with transfer of competencies or power in response to a variety of demands from regional governments, and social groups, including ethnic-cultural minorities, and in order to enhance effectiveness of development policies, among other factors (Marks and McAdam 1996: 257). It must be noted that the central interest of EUROREG is not regional mobilization strategies per se, but their consequences and opportunities for minority politicization and its relations with majorities.

In sum, in the context of EU integration, we witness in Thrace, Burgenland and Northern Ireland the adoption of accelerated regional development strategies and institutional reforms, combined with measures to liberalize minority rights and/or integrate minorities in local-regional structures. The Basque Country has pursued regional and cross-border strategies to assert greater powers, further autonomy or independence vis-à-vis the Spanish state on the basis of its distinct national identity. In light of the findings presented in the respective case study reports, it is clear that this parallel process of regional change is the significant (independent) variable within the EUROREG project.

C. Changing interests and the mobilization of minorities

The regional economic and institutional changes in the cases under consideration, together with the abolition of discriminatory and restrictive measures sought to eliminate political exclusion and socioeconomic marginalization, which have been a

major source of minority grievances. These changes open opportunities for participation of different local actors, including autochthonous minorities, in regional and local structures of government and economy. In doing so, they potentially redefine their interests away from forms of mobilization and representation based on ethnic community solidarity and towards political structures based on inter-communal participation and joint interests in local and regional economic development. These hypotheses were put forth in the original proposal of EUROREG.

The overall pattern in Burgenland, Thrace and Northern Ireland, as the findings suggest, is that there is some socioeconomic integration of minorities, the degree of which varies from case to case, but which for most part is taking place primarily by utilizing community-based structures and channels. Furthermore, institutional reforms have contributed to expanding political participation of minorities in regional and prefecture government structures. At the same time, the latter exists side by side with, and is constrained by, pre-existing structures of ethnic community structures and organization, which are loci from which a reassertion of cultural mobilization and nationalist politics spring. Notably, regional changes appear to have contributed to a certain degree of de-nationalization or at least normalization of national and inter-communal relations. At the same time, with the possible exception of Croats in Burgenland, in no other case do we see the emergence of a cross-communal regional politics around development goals, as anticipated by the research hypotheses put forth in EUROREG. These overall findings are subsequently discussed in relation to the specific conditions defining each case.

Socioeconomic mobilization and political participation of minorities in the regional structures

Even though it is hard to isolate and assess the impact of EU structural funds, the regional economy of Northern Ireland has experienced significant growth and development since the 1990s, and the socioeconomic position of Catholics has greatly improved. While a series of legislation preventing discrimination in housing, employment, etc., had been put in place since the 1960s, it was not until the 1990s that the Catholic population began to achieve a degree of integration in NI economy, as suggested by a wealth of data (Case study report, p.10). Catholics are more actively participating in the labor market than in the past and their employment profile has improved over the past decade (pp.11-13). It is no accident that perceptions of being discriminated against among Catholics have largely dissipated (p.19). At the same time, ongoing and extensive separation of the two communities in the school system, with over 85% of school aged population among each one attending segregated schools, no doubt contributes significantly to reproduction of entrenched traditional communal identities.

Demands and interests with regard to regional development in NI seem to converge between Catholic and Protestant communities, but this does not acquire any joint political expression. EU-funded development projects and economic activities such as PEACE have actually prompted greater mobilization among Catholics in comparison to Protestants. While intended to forge cooperation between the two communities, PEACE programs have invigorated the voluntary community sector in NI primarily among Catholics (p.18). The reason for this discrepancy, as it is argued in the case study report, is that the Catholic nationalist population is better organized as a community, which has contributed to its success in securing PEACE funding

(p.19). As a historically disadvantaged minority, it has developed strong community institutions and structures, through which it has channeled its economic activities and mobilization. Some specifically attribute this to the strong and unitary organization of the Catholic religion which accounts for a high degree of community solidarity among Catholics in contrast to Protestants (pp.20-21). This disparity has provoked resentment and a backlash among the latter and some of its political leaders have publicly urged for a fairer distribution of PEACE funding (p.19).

Despite opportunities for cross-community power-sharing established with the Good Friday Agreement, in NI the strength of pre-existing separate community-based institutions and structures seem to continue to predominantly influence regional politics and shape socioeconomic and political mobilization of individuals. In NI, the devolution reforms introduced with the 1998 Good Friday Agreement have been hindered by ongoing divisions between Protestants and Catholics. The devolved government institutions are deadlocked and political parties remain sharply divided along communal lines. The devolved NI Executive is based on a condition of inter-communal consensus required for the election of the Executive. In practice, however, this has so far proved unworkable due to strong and ongoing tensions and political polarization between the two communities. As a result of this the NI Assembly has been suspended four times until now and remains inactive at present.

Protestants largely perceive the reforms towards devolution as an act of abandonment by the UK government. Notably, sectarian violence has subsided in NI (p.24). At the same time, election results show an ongoing radicalizing tendency and polarization reflected in the increased electoral gains of Sinn Fein over the more moderate SDLP; the dominant unionist party DUP refuses to work with Sinn Fein. The relative increase in the electoral power of radical over moderate segments among both sides over the past six years may be due to electoral volatility influenced by contingent factors, yet, this remains to be seen (p.15). Whether it is the suspension of devolution that promotes frustration and ignites radicalization, or vice versa, both sustain, even if in lower levels of intensity than in the past, the vicious cycle of nationalist polarization between the two communities.

In Burgenland, the autochthonous Croat, Hungarian and Roma minorities have responded very differently to the regional government's new territorial and economic development policy that strategically promotes cultural diversity. All three groups have asserted a distinct ethnic-cultural identity since the 1980s. Unlike the Croats, the Hungarians and the Roma have not been incorporated into regional government institutions and economic strategies, neither have they mobilized to pursue EU-funded programs. The opening of the border with Hungary triggered cultural reassertion of Burgenland's Hungarians and increased the utility of Hungarian language in the region's economic relations across the border. However, the widely dispersed and internally divided Hungarian population has not made use of this to press for linguistic rights and/or to integrate in the regional government structures. Similarly, despite its cultural mobilization, the Roma population has weak political organization and has not integrated in the region's institutions and political parties.

In contrast, the autochthonous Croat population has responded positively to the opportunities that opened with Burgenland's new regional strategy to integrate in the region's government and economic structures. In the 1980s, a new generation of Croatian leaders and activists in Burgenland challenged the German assimilation approach of the older generation and began to assert its rights as a distinct national-

cultural community. Reflecting the minority's political integration until then, but also its main source of internal fragmentation was the division between those affiliated with the Socialist party (SP) and those supporting the conservative VP. The constitution of the Advisory Council for the Croatian nationality in 1993 was an attempt to overcome such internal divisions and reflected the assertion of a distinct national identity. The federal government's decision in 2000 to install bilingual topographic signs in forty seven villages in Burgenland was the outcome of the cultural struggles since the 1980s and 1990s. The same year, the newly SP-elected regional governor of Burgenland made the Chairman of the Croatian Advisory Council his political secretary.

In sum, the responses of the different minority groups and the degree in which they adjust to the regional changes in Burgenland vary depending on their different historical experiences, organizational structures and legal situations. Croats utilized the opportunity to integrate in regional government institutions and benefit from the symbolic recognition of cultural diversity. This has been facilitated by their pre-existing political organization and close ties with Austria's two main political parties. Even though responsible for intra-communal divisions among Croats, their links with political parties have facilitated since the 1990s their access to power and their successful incorporation in regional development strategies. Well-integrated in and closely associated with Burgenland's government institutions, autochthonous Croatian elites share with the Austrian population the territorial economic objectives of regional policy, and have had greater access to EU resources. Croatian-run organizations have been the main beneficiaries of EU-funded projects. Their incorporation in regional government and economic development frames has brought them in conflict with nationalist minority politics promoted by Croatian associations in Vienna and outside Burgenland in general (p.13).

In Thrace, regional economic and institutional changes improved the region's infrastructure and have undoubtedly promoted a degree of socioeconomic and political integration of Turkish Muslims. EU-funded projects have predominantly taken place in the Christian areas and much less so in the Muslim-inhabited areas, which is at least in part due to the fact that the former had better infrastructure to begin with and was thus in a more advantageous position to make use of the funds, in contrast to the northern mountainous areas inhabited by the minority. Over the past few years though a small but increasing number of minority members have successfully competed for EU funds to develop economic activities. Politically, the bolstering of local government structures and the creation of prefecture self-government have fostered minority participation in the latter, as well as greater involvement of minority members in the two main political parties and their cooperation with the Christian majority. Most of the respondents (Turkish Muslim and Greek Christian) highlighted the significance of these subnational structures in enhancing local democracy along the principle of 'legal equality, equal citizenship' for the minority. Notwithstanding a certain degree of minority integration in prefecture and local institutions, the anticipated by original EUROREG hypotheses redefinition of majority-minority interests on a different basis prioritizing economic development as opposed to ethnic community solidarity and national state unity has not been observed. While both minority and majority support further decentralization and believe that the EU should have more competencies at the local level, this does not amount to any joint political initiative on the basis of common interests in regional development.

The degree of minority integration in subnational institutions and Greek political parties is constrained by pre-existing structures of political organization and community solidarity that embody and reproduce a strong ethnic Turkish identity closely connected with the kin-state across the border. The latter commands the minority's political loyalties and shapes its cultural demands vis-à-vis the Greek state. Alongside their participation in prefecture and local government through affiliation with the different Greek political parties, all minority elected officials and community leaders come together in the Advisory Committee that represents their interests on the basis of their ethnic Turkish identity. Its politics emphasizes minority rights such as the right to be defined as a 'Turkish minority' and to gain official recognition as such, as well as to elect their religious leaders (Muftis) who are currently appointed by Greek authorities, and is rooted in close ties with the kin-state (Turkey). Nonetheless, while there is no open challenge to the politics of Turkish nationalism as expressed by the Advisory Committee there is significant diversification of views within the community and a moderate attitude among increasing segments of it.

Despite its limitations, the participation of Turkish Muslims in local and prefecture structures of government and regional development appears to instill important albeit latent social-cultural changes among the minority, which might have political consequences in the future. Most notable is the self-realization of the community's own shortcomings that prevent minority members from taking advantage of opportunities, which according to interviewees have to do with lack of initiative, an introvert mentality and most important, the inability or reluctance to operate within Greek state institutions. The consequent quest for integration in Greek society was unthinkable ten years ago and manifests itself in the widespread belief in the need to learn Greek in order to be more capable to represent oneself in Greek institutions and to successfully pursue development in regional economic structures.

EU integration establishes both opportunities and constraints for the Basque Country and triggers changes that strengthen the link between regional economy and government, territory and the Basque nation. The BC has mobilized as a regional entity in the EU to pursue its own development strategy in the European market economy. At the same time, with national states being the principle actors and decision-makers in the EU, the BC and its regional institutions have been placed at a politically disadvantaged position vis-à-vis the central Spanish state (Borzel 2001). This has triggered further antagonism over the division and allocation of competencies and powers to regions and autonomous communities. Since the 1990s, as the case study report suggests, Basque political leaders demand greater powers vis-à-vis the central state than those currently enjoyed by autonomous communities. About 70% of the population supports independence or full federalization of Spain, in which the BC would have extensive powers.

As in other parts of Spain (see Harty 2001), historically the inability of central state structures to displace local institutions and practices, left the latter as dominant influences in shaping collective identity and interests at the regional level, and formed the basis for the formation of regional self-government. In the BC the constitutional respect for ancient Basque law (the historical *fueros*), and the special arrangement of fiscal autonomy preserved in the BC and Navarre, together with a history of conflict with the central state, have been formative influences for contemporary Basque politics and identity, shaping the ways in which the region's leaders respond to EU integration.

In the BC in Spain, EU INTERREG funds for cross-border cooperation prompted some leaders to consider the pursuit of development projects with Basque communities living in France. Such projects have a pragmatic and economic rationale but it is possible that some Basque leaders may also envision them as a kind of nationalizing strategy to forge contacts with their co-ethnics and visualize a national community and region that crosses state borders within the EU. The case study report though suggests that such an ambitious project envisioned by Basque leaders has in practice been downscaled as it is constrained by divergent administrative and territorial structures that are in place in the French side of the border, which are not compatible with those in Spain.

D. National-ethnic identity and conceptions of ‘Europe’

The research conducted by EUROREG partners has sought to assess the salience of ethnic, national and regional identity, whether and the extent in which each is redefined in the context of regional changes, as well as the extent to which the latter breed a sense of identification with ‘Europe’ among local actors. Our research findings have not been very informative about how local actors prioritize each level of identification. Both on the basis of their direct responses, but also from what can be inferred from the rest of their responses in the interviews, individuals in all four cases under consideration here have a strong and primary sense of identification with their respective ethnic and national community (Irish/Catholic, Protestant/British, Turkish in Thrace, Basque in the BC, and Croatian and Hungarian in Burgenland). This, however, is neither surprising, nor very interesting; it is more interesting to observe that in the context of European integration, local minority and majority actors increasingly, albeit tentatively, begin to think in relative terms about their own ethnic-national identity (strong as this may continue to be) as they project it in the broader European frame, and in some cases, to adopt multiple identities.

In both Thrace and NI, communal identities of Turkish Muslims and Greek Christians, Catholics and Protestants, respectively, are strongly entrenched in and reproduced by the web of ethnic/religious institutions and practices, which for the minorities also closely linked to the kin-state across the border. In NI, the predominant pattern of identification in which the majority of the unionist/Protestant background claim British identity as their primary identity and the majority of the nationalist/Catholic background prioritise Irish identity is well entrenched. Although some surveys report that there is a small proportion of the Northern Irish population which claim Northern Irish identity, this has not surfaced during the fieldwork.

In Thrace, the powerful sense of ethnic Turkish identity among the minority is evident in its cultural demands vis-à-vis the Greek state, which are widely espoused by the community: namely, self-identification and official recognition as a Turkish minority, and community election of its religious leaders (muftis). These demands have major symbolic significance and reflect the expectation that Greek authorities respect by means of recognizing their distinct Turkish ethnic culture and identity. The absolute refusal of Greek governments to grant such recognition by invoking the Lausanne Treaty’s designation of a ‘Muslim minority’ has actually rendered this demand the central battleground in the juxtaposition between minority and the state. Similarly, the cultural mobilization of Croatian and Hungarian minorities in Burgenland since the 1990s through their respective organizations, and the strong

demands among the former for bilingual topographic signs and education, also indicates the salience of their distinct ethnic identity. Unlike NI and the BC, where there is a sizeable minority and stateless nation, respectively, the distinct ethnic-cultural identity of Turkish Muslim, Croatian and Hungarian minorities in Thrace and Burgenland, do not form a basis for any constitutional territorial demands given the small size of these populations.

In the Basque Country, it is clear that there is a profound and dominant sense of identification with the Basque nation. Such continuity in Basque national identity, though, may conceal important changes that are evident both in survey results, as well as in changing political understandings about independence and sovereignty, which are discussed in the case study report. Notwithstanding the limitations of survey research, a series of surveys have shown that in the early 1990s Basque national identity as an exclusive sense of belonging (identify only or predominantly as Basque) had declined in comparison to the late 1970s. During the same time though, identification with the Basque nation as part of a constellation of different (and on the surface oppositional) affinities (identify both as Basque and Spanish, and/or European) had actually risen significantly (see results reported in Marks 1999, p.78). This increasing realization that one's national community co-exists as a part of a multi-national entity that is the EU is also reflected in the changing conception of sovereignty from an exclusive to a 'shared' attribute. On the basis of what is reported in the case study report, the belief of Basque political leaders and society in the right to be entitled to sovereignty is very strong. At the same time, the view of the EU as an entity comprising national states, regions and stateless nations, which can mobilize at different levels of government to pursue their interests renders relative the ability and feasibility to possess and exercise autonomous power.

While any direct impact of structural funds and related regional policies and processes domestically is found to be ambivalent, as mentioned earlier, at the same time, they are significant as carriers of a new kind of discourse about governance, democracy and citizenship that is linked to 'Europe' and European integration. In this sense, they bring Europe closer to local society by introducing ideas, practices and structures that originate at the supranational level and invoke images and concepts for what distant 'Europe' may stand. This is particularly evident when the distribution and implementation of EU funds and programs are channeled through and experiment with new participatory structures that are premised on inter-communal cooperation. In the micro-context, such an example are the Local Strategic Partnerships (LSPs) in N. Ireland, decision-making bodies that had a cross-community and cross party membership and were responsible for distributing PEACE funding, as well as the prefecture self-government in Thrace. Because they are linked to EU funds, these structures become loci where participating actors formulate and contest conceptions of 'Europe' and to a limited degree to develop a sense of identification with the latter.

European identity may refer to at least two different albeit inter-related things: the development of a sense of belonging to Europe, or the emergence of a collective sense of what it means European (Diez Medrano and Gutierrez 2001: 754). Overall the findings of the case studies under consideration here have shown a weak sense of belonging to Europe but increasing awareness of the latter, as well as growing, albeit variable and contradictory perceptions of what Europe and being European mean. While European identity seems to have made little advance at the local and regional level in the cases under study, those individuals who are involved in regional

development and are in contact with European institutions and rules project a clear and positive sense of belonging to Europe.

The relationship between ethnic/national identity and European identification in NI and Thrace can be summarised that while many would claim that people are aware of Europe, the level of identification with Europe remains weak, mostly because it is seen and felt irrelevant to their daily life. An exception here is a smaller number of respondents who are in a position to know about development assistance from the EU (and about the EU in general, such as development officials, political leaders, etc.) who are more likely to express a stronger awareness about 'Europe' as another layer of politics and identity, and for some even to claim a loose sense of European identity, which does not displace but is superimposed upon national-ethnic affinities. It is notable that those professing such, even if faint, European identity and awareness are also more likely to project a less exclusive and more relative view of their ethnic and national identity. This for example was evident among some Greek Christian local leaders (elected and development officials) who in contrast to the recent past (10-15 years ago) recognized that they must accept national diversity and differences because they are such an indelible reality in the united Europe.

In general, the great number of respondents projected a host of different conceptions of 'Europe' and what being European means, which for most part were positive. Dominant views defined 'Europe' as modern, advanced and developed society, either in material or cultural terms, as an entity of democracy and stability, and being European was understood to mean being educated, developed, and generally civilized. The most distinctive view of 'Europe' projected by minority members is that of an external guarantor of human rights, security and protection of minorities, as a constraint to the nationalist inclinations of states and governments, as an escape from the nation-state and as a major factor that has contributed to attempts to redress ethnic tensions.

Another frequently encountered and broadly expressed view about 'Europe' and the EU, as evident from the case study reports of NI and Thrace, is that for most part, it is contrasted and nearly by definition seen as oppositional to being closed, narrow-minded and nationalist extremist. For those 'Europe' represents a 'wider world' in which the respondents can escape the rigidly compartmentalised social structure. Ethnic/national identification is not necessarily rejected by those respondents but it is often seen as a factor to make people parochial and narrow-minded. Minorities and majorities tend to project divergent views of 'Europe' and the EU: while the former emphasize cultural diversity, human rights and security, the latter tend to highlight democracy in the general sense of equality and equal opportunities, economic development as well as efficiency in governance as the main features.

Notwithstanding the overall positive attributes with which respondents tend to characterize 'Europe', a number of factors more recently appear to breed a certain degree of scepticism about the overall positive ideas about the EU. For minority members, such disillusionment is attributed to the fact that the EU is not seen to be doing enough to ensure their rights. For respondents in general, such scepticism is linked to the defeat of the constitutional treaty about a year and a half ago, which is seen as a victory for nationalists in Europe, as well as to a discernible sense that the EU insists on being an economic entity serving economic interests, but being much less interested in espousing political and cultural values.

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