

The Characteristics, Superiority, Limitations and Inspirations of the EU's Regional Policy

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Abstract. The EU is the regional institution with the highest integration level of the world. The EU's regional policy is playing very important role in the field of solving regional problems between the developing and developed regions of the EU and realizing the general integration within the EU. The EU's regional policy is one of the three common policies of the European Union, which based on the multi-level governance structure. After several decades' development and evolvement, the EU's regional policy has improved step by step and obtained good policy results despite of the limitations. This paper will analyze the characteristics and limitations of the EU's regional policy and give some useful experience for the Chinese regional policy from the viewpoints of the political economics.

The European Union is the regional organization with the highest integration level in the world. It has set up the currency union and the common internal market within the EU. Meanwhile, it has realized the regional political, diplomatic and security integration. Despite of the UK's withdraw from the EU, this union has not been undermined. The EU's regional policy is still playing very important role in solving the regional problem within the European Union, which is very helpful for the union's solidarity and friendship. The EU is a kind of the super-national organization, its regional policy based on the multi-level governance of the European Union. This paper will analyze some characteristics and limitations of the EU's regional policy and conclude some useful experiences for China.

The Characteristics of the EU's Regional Policy

Super-nationalism

Super-nationalism is the core characteristic of the EU's regional policy. The EU's regional policy mentioned here is the common policy aimed to promote the economic development and social improvement among different member states and different regions. Because of the formulation, implementation and evaluation of the EU's regional policy directed by the European Commission and completed by the member states' governments and the administration of the regions, it is very different from the regional policy of a country and the super-nationalism has become the first important characteristic.

The financial investment from the EU has provided capital insurance for the successful operation of the EU's regional policy. Meanwhile, management rules and regulations of the EU's regional policy are determined by inter-government conferences and all kinds of treaties directed by the EU. If the member states' governments and different regions want to obtain financial supporting projects from the EU's regional policy, they have to operate according to the EU's procedures and regulations. The super-nationalism of the EU's regional policy has made itself different from both the regional policy implemented by the member states aiming to reduce the internal regional gap and the local policy implemented by the local administrations aiming to promote the regional and local economic and social development.

Multi-Level Governance

The EU's regional policy has very close relations with the multi-level governance of the European politics. Multi-level governance is a kind of political structure, including the EU, member states and regional administrations, which have played respective role but not the core control in the

governance process.

The EU is a super-national organization, and it has some political, economic, diplomatic and military power transferred from the member states. The EU's regional policy is directed by the European Union and the European Commission has played the core role. The member states is the main power and active player to implement EU policies, and it has played key role in the strategic planning, project application and selection, project implementation and policy evaluation. The regional and local administration is the level closest to the people. Despite the legal and historic limitation of the role, they are very important to reflect the demands of local people.

Systematic Nature

The EU's regional policy of is a kind of policy tank, including policy ideology, legal foundation, administrative organization, policy target, implementation object, policy instrument, policy management, policy evaluation, which consider and serve for the EU's regional policy.

The ideology of the EU's regional policy is now playing very important role in the European Union's coordinated development, the economic and social cohesion and the reduction of the economic development difference among different regions in the EU. The administration organization of the EU in charge of the regional policy is D-G16. In the member states, some professionals and specialist group are in charge of the EU affairs. The policy objects have also become a complete object system, including the concentration, competitive power and employment, territory cooperation. The policy object of the EU's regional policy is the three-level NUTS system, the second level of which is the main policy object. The funds tool, including many regional funds of the EU, is the main policy tool of the EU's regional policy and has provided regional aids for the developing regions from different aspects. The EU has formulated the implementation procedures and regulations for the policy management and has completed overall evaluation and systematic management to ensure the effective policy results for the EU's regional policy.

Trend of the Times

The EU's regional policy of has realized scientific management and regulation with the help of the modern technology. All the documents, regulations, procedures and management news can be found on the official website of the European Union. The EU's regional policy has a close connection with the demands of the times' development and the new ideology of the People First.

In 1997, the growth of the small and medium sized enterprises has become key fields of the regional aids. In the new century, the EU has regarded employment enlargement, technology innovation, the growth of the small and medium sized enterprises and the environmental protection as the new investment focus of the EU's regional policy. In order to promote technology innovation, 6 Technology Framework Programs have been implemented from the year 1984 to 2006. From the year 1973 to 2006, 6 Environment Action Programs have also been implemented for the Climate Change, the Nature Diversity, the Environment and the Health, the Nature Resources and the Waste.

The Superiority of the EU's Regional Policy

The EU's regional policy has obvious superiority in the promotion of the development of regional economy, the regional cooperation and solving the regional problems within the EU. The EU is a kind of special regional integration institution with the economic, political, diplomatic and military super-national power partly transferred from the member states. The EU, as a super-national integration organization with great population and area, is playing the key role in realizing regional cooperation and development.

The multi-level governance has a close relationship with the implementation of the EU's regional policy, and it has played very important role in the realization of the objects of the EU's regional policy. The multi-level governance institution, including the European Union, the member states and the regions, has provided an effective path for the coordination among different policy bodies of the EU's regional policy. In the multi-level governance institution, the EU can make out the regional strategy and regional policy from the super-national interests of the EU. It can also

distribute the regional policy resources of the EU to different member states according to the regulations of the inter-government conference of the member states of the European Union. It combined the EU, the member states and the local administration together through the project application (at the regional and local level of the multi-level governance institution) and selection (at the European Union and the member states level of the multi-level governance institution). The EU has set up special organization to collect reasonable demands of the regional and local administrations through the legal ways. The combination of the EU's regional policy and the multi-level governance institution is the breakthrough of the European Union.

The systematic construction and scientific management are the important insurance for the policy results of the EU's regional policy. The EU's regional policy has absorbed successful experiences of the EU member states' regional policy. The Union has made full use of the internet resources and most of the documents and resources about the EU have been put into the internet for the people who want to get the information. After decades of years' development, the regional policy of the EU has formulated a complete policy system, including the implementation, management and evaluation. The scientific management procedure and ideology have been put into the practical operation of the EU's regional policy. Good policy results have been obtained and the wrong decision and corruption have been avoided.

The policy result of the EU's regional policy is very obvious in the fields of economic growth and employment of the developing regions within the Union. According to the report of the European Commission, the Structural Funds has help the GDP of Greece, Portugal, Spain, Italy, Ireland and Germany grow 25%, 17.2%, 16.7% and 12.5% , 9.8% and 5% respectively from 1994 to 1999. From the year 1995 to 2004, the number of the regions with the GDP per capita lower than 75% of the EU average index has reduced from 78 to 70 and the number of the regions with the GDP per capita lower than 50% of the EU average index has reduced from 39 to 32. From the year 1994 to 1999, 2 million new employment positions have been created with the help of the EU's regional policy. From the year 2000 to 2005, 450,000 new jobs have been newly created in the 6 Member States and the unemployment rate for developing regions of the Union has decreased from 13.4% to 12.4%.

The Limitations of the EU's Regional Policy

Despite obvious policy results, the EU's Regional Policy has its own limitations, which are put the blame on the characteristics and operational style of the European Union.

The EU is the regional integration institution with the super-nationalism nature. The EU has the economic, political, diplomatic and military power partly transferred from the member states and can implement the regional policy on the benefit of the whole union region. However, the EU only has the power partly not entirely transferred from the Member States, so the EU can only outline the direction of the regional policy, complete the necessary framework, coordinate the relations among different member states and the co-operation between the regional policy and the other common policies of the EU. The policy operation and implementation are left to the member states and the regional and local administrations of the Union. As a result, the coordination problems on the EU's regional policy between the member states and Union level sometimes are difficult to solve and has influenced the efficiency of the EU's regional policy. The consultation organizations have been set up in Brussels to obtain the information and demands of the regional and local administrations of the EU. However, the power of the member states is so strong that the regional and local administrations are weak in the policy implementation of the EU. This kind of the unbalance relationship has affected the policy results of the EU's regional policy.

Useful Inspirations for the Chinese Regional Policy

From comprehensive analysis, we can find some useful experiences for the Chinese regional policy. Firstly, under the multi-level governance, the implementation of the EU's regional policy calls for the coordinated relationship among different administrative levels, which has reached very high

management level and obtained obvious policy results. The implementation of the Chinese regional policy also need successful experiences from the EU to coordinate the relationship among different administrative governments. Secondly, the implementation of the regional policy is a systematic project and need a sound regional policy institution, including policy ideology, legal foundation, management organization, policy objects, policy tools, policy management and policy evaluation. In China, the regional policy administrations are not a comprehensive policy institution and the policy results are not so stable. We could complete the construction of the institution of the regional policy step by step. Thirdly, the financial management of regional aids for the EU's regional policy is very scientific in order to obtain sound policy results. For China, how to make good use of financial aids is always a problem for the governments of all levels. So we can learn some useful experience from the European Union.

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