INSTITUTIONAL CAPACITY FOR TERRITORIAL COHESION

LISA VAN WELL
Acknowledgements

This thesis was written over a long time period and until the final stages, very sporadically. Under these conditions the knowledge, relational and mobilization resources of the multi-level institutions in my life have been invaluable. Institutions, however, are made up of individuals and in the end it is the people within them to whom I extend my thanks.

My supervisors at KTH, Professor Folke Snickars (an institution unto himself) and Associate Professor Mats Johansson, have contributed to this thesis and my career development by generously sharing their expert knowledge of the subject matter, including me in their wide relational networks and helping me to mobilize the time, effort, funding and confidence needed to complete the work. Thank you both for all the encouragement.

Thanks to my co-authors of the papers who not only made the cooperation process so giving, but also became good friends in the process: Mats Johansson who plays multi-roles as co-supervisor, co-author and over-all mentor; Angela Churie Kallhauge who first introduced me to KTH, the world of spatial planning and its relationship to climate change research; Stefanie Lange who competently and cheerfully assumed many of my tasks at Nordregio so I could concentrate on thesis writing; and Camila Cortés Ballerino who has been a constant source of support in all matters from both near and afar. A special thanks to the memory of the late Lars Olof Persson who inspired this thesis from the beginning.

I have truly appreciated the intellectual stimulation of everyone at the Division of Urban and Regional Studies. This thesis improved significantly from the excellent input of Amy Rader Olsson and Guest Professor Carl-Johan Engström. Thank you to all my friends and colleagues at the division, but especially Professor Göran Cars for his positive attitude and help over the years, as well as Marcus Adolphson, Tigran Haas, Lina Suleiman, Caisa Naselius and Juan Grafeuille who were always available when I needed advice or a sympathetic ear.

Many thanks to all my friends and colleagues at Nordregio for cheering me on in the final stages of the thesis process. Special thanks to those who have been directly involved parts of the thesis: Director Ole Damsgaard for allowing me the much-needed time and frameworks in which to write; co-author Stefanie Lange for the academic, organizational and chocolate inputs; Peter Schmitt for the constructive comments and intellectual exchange; and finally José Sterling who not only assisted with data collection, mapping, figures, proof-reading and layout of many of the papers and cover essay, but who has always been willing to lend his much-appreciated expertise and support.

Several formal institutions at EU, transnational and national level need to be credited for funding projects which have formed parts of this research: The ESPON 2006 and 2013 Programmes, DG Regio, The INTERREG IIIB programme, The Baltic Sea Region Programme 2007-2013, The Nordic Council of Ministers and the Swedish Ministry of Enterprise, Energy and Communications. I would also like to extend thanks to the
fruitful collaboration with my many project partners around Europe, the interview subjects who kindly gave me their time and opinions, and to the reviewers and discussants of the individual papers. However the usual disclaimers apply here: The opinions expressed in this thesis are solely my own and do not necessarily represent the opinions of the above institutions.

Thanks to my ‘old’ friends and colleagues from our time at the Swedish Institute of International Affairs who have inspired much of my academic thinking even today. Thanks also to the very informal local institutions of the ‘Vittinge book club’ and ‘Women around the field’ for the diversions of pleasant walks and stimulating conversation. This is local ‘bridging social capital’ at its best.

And not to forget the most important institution of all, that of the family: Thanks to my parents, my sister and my in-laws for putting up with my thesis talk for all these years. As part of a family ‘norm’ in thesis acknowledgements, I also extend gratitude to my dogs, Zulu, Saga and Caspian for keeping me company during the long hours at the computer and ensuring that I managed to get some fresh air. Last but not least, I would like to thank my husband Tomas for accompanying me on this long journey and my children, Alexander and Madeleine, for making it worthwhile. I promise you now more of my time and more enchiladas.

Vittinge and Skeppsholmen, October 2011
Abstract

Territorial cohesion has its legal basis in the Treaty of Lisbon and is one of the overarching goals in the 2007-2013 Cohesion Policy instruments. Still the definition of territorial cohesion can be characterized as a ‘moving target’ - each EU Member State and region conceptualizes the policy goal in as befits the specific regional challenges and opportunities of the territory. The thesis examines the concept of territorial cohesion as a normative goal that is intended to be implemented at various territorial governance levels. The point of departure of the thesis is that it is important for institutions, as formal and informal ‘rules of the game’, to have the capacity or potential mobilization resources to plan for and achieve territorial cohesion and regional development. Institutional capacity is operationalized by use of a general framework consisting of knowledge resources, relational resources and mobilization capacity. The thesis is built on six papers that each deal with an issue (EU enlargement, climate change adaptation and mitigation, innovative capacity and cores and peripheries) that has territorial impact at three levels - the international or EU level, the transnational or macro-regional level and the local/regional level. The papers use primarily qualitative methods and each paints a very different picture of the potential role of institutions in understanding territorial cohesion.

A cover essay links the articles analytically, building the question of how territorial cohesion is conceptualized on multiple levels through different theoretical and policy ‘lenses’. Synthesized results of the papers confirm that there are two quite different logics of action informing the way territorial cohesion is used as a goal or a means at the three levels. Applying the institutional capacity framework to cases working towards territorial cohesion at different levels has concluded that knowledge-building resources are most important for EU-level institutions, relational resources are most important at the transnational or macro-regional level, and mobilization capacity is key for local/regional institutions in efforts towards place-based development. The thesis has shown that there is added value in using the same framework of analysis at very different territorial levels. Scaling up or scaling down analytical levels appears to provide some added substance to a coherent picture of territorial cohesion even if there is a risk that it increases complexity.

Keywords:

Territorial cohesion, institutions, institutional capacity, logics of action, Baltic Sea Region, governance, levels-of-analysis
## Acronyms and Abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BaltCICA</td>
<td>Climate Change: Impacts, Costs and Adaptation in the Baltic Sea Region (Baltic Sea Region Programme 2007-2013 project)</td>
</tr>
<tr>
<td>BSR</td>
<td>Baltic Sea Region</td>
</tr>
<tr>
<td>CPR</td>
<td>Common Pool Resource</td>
</tr>
<tr>
<td>ESDP</td>
<td>European Spatial Development Perspective</td>
</tr>
<tr>
<td>ESPON 2006</td>
<td>European Spatial Planning Observation Network</td>
</tr>
<tr>
<td>ESPON 2013</td>
<td>European Observation Network for Territorial Development and Cohesion</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>EUSBSR</td>
<td>European Union Strategy for the Baltic Sea Region (sometimes also called “macro-region strategy”)</td>
</tr>
<tr>
<td>FUA</td>
<td>Functional Urban Area</td>
</tr>
<tr>
<td>INTERREG</td>
<td>EU initiative for cross-border, transnational and interregional cooperation</td>
</tr>
<tr>
<td>IR</td>
<td>International Relations</td>
</tr>
<tr>
<td>LAG</td>
<td>Local Action Group</td>
</tr>
<tr>
<td>MECIBS</td>
<td>Medium-sized Cities in Dialogue around the Baltic Sea (INTERREG IIIB project)</td>
</tr>
<tr>
<td>MEGA</td>
<td>Metropolitan European Growth Area</td>
</tr>
<tr>
<td>NUTS</td>
<td>Nomenclature des Unités Territoriales Statistiques (Statistical regional division)</td>
</tr>
<tr>
<td>OP</td>
<td>Operational Programme</td>
</tr>
<tr>
<td>OMC</td>
<td>Open Method of Coordination</td>
</tr>
<tr>
<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
</tr>
<tr>
<td>VASAB</td>
<td>Visions and Strategies around the Baltic Sea (intergovernmental cooperation forum)</td>
</tr>
</tbody>
</table>
Contents

1 Introduction to Thesis ................................................................. 8
2 Theoretical Considerations in Two Disciplines ........................................ 14
3 Methods .................................................................................. 17
4 Conceptualizing Institutions ............................................................... 21
5 Institutional Capacity and Governance ................................................. 28
6 Conceptualizing Territorial Cohesion in Policy ....................................... 32
7 Review of Results: Institutional Capacity for Territorial Cohesion .......... 38
8 Review of Results: The Logics of Territorial Cohesion .......................... 50
9 Discussion: Understanding Territorial Cohesion - Reducing Fuzziness? ........ 58
10 Conclusions: Towards a Greater Understanding of Territorial Cohesion .... 61

References ............................................................................... 64

List of Papers


1 Introduction to Thesis

The European territory is increasingly characterized by great regional diversity as well as stubborn regional disparities. While the overall gap in GDP per capita has narrowed between the most developed and least developed Member States between 2002-2008, the effects of the financial crisis have had very different impacts on the different types of European regions in terms of competitiveness and social cohesion (CEC 2010:4). Thus equitable and efficient development of the European territory is a major policy area in the EU. Going beyond the notions of economic competitiveness and social cohesion, territorial cohesion focuses on the reduction of disparities and imbalances while taking into account geographical features and the various territorial levels.

Agreed in Hungary in May 2011, The Territorial Agenda of the European Union 2020 elaborates territorial cohesion as a common goal for a more harmonious and balanced Europe. The intergovernmental document ‘believes’ that territorial cohesion is “… a set of principles for harmonious, balanced, efficient and sustainable territorial development. It enables equal opportunities for citizens and enterprises, wherever they are located, to make the most of their territorial potentials” (Territorial Agenda 2011:4). In lieu of a definition, this ‘belief’ is at least a more specific formulation of territorial cohesion than is its legal articulation in the Treaty of Lisbon as aiming to ensure the harmonious and sustainable development of all type of geographical areas in Europe. Neither did the Green Paper on Territorial Cohesion in 2008 come to a common understanding of the term.

The political goal of territorial cohesion was first alluded to with regard to provision of services of general interest in connection with the negotiations around the Amsterdam Treaty of 1997 (Mirwaldt et al. 2009, Waterhout 2007:41-42, 2011:90). The concepts of social and economic cohesion became normative cohesion objectives in 1999 with the adoption of the still seminal European Spatial Development Perspective (ESDP), which spelled out the goals of polycentric development, equal access to infrastructure and knowledge and prudent management of natural and cultural resources. The Second and Third Cohesion Reports (CEC 2001, CEC 2004) further fleshed out the concept. In particular the Third Cohesion Report made the linkage between territorial cohesion and the Lisbon Agenda goal of knowledge-intensive competitive growth.

Territorial cohesion is one of the overarching goals in the 2007-2013 Cohesion Policy instruments. Still the definition of territorial cohesion can be characterised as a ‘moving target’ - each EU Member State and region conceptualizes the policy goal in as befits the specific regional challenges and opportunities of the territory. This thesis delves more deeply into territorial cohesion as a European ‘belief’ or norm by examining its conceptualizations at multi-levels through the lenses of institutional theory and the institutional capacity framework.

The thesis thus examines the concept of territorial cohesion as a normative goal that is intended to be implemented at various territorial governance levels. The point of departure of the thesis is that it is important for institutions as formal and informal ‘rules of the game’ at all territorial levels (governance jurisdictions accorded to a territory) to
have the capacity or potential mobilization resources to plan for and achieve territorial cohesion with the ultimate goal of boosting regional or local development.

The research aim is twofold:

1. To understand more specifically the potential role that institutions and institutional capacity can play in achieving territorial cohesion on various levels

2. To address the current lack of theory-building around the concept of territorial cohesion in terms of levels of analysis and use of various analytical lenses.

The above research aims are addressed in six articles/papers of this thesis. Each paper approaches the question of how institutions influence territorial cohesion (and related goals), but at a different territorial level. Except for Paper 6, which takes a broader international and systemic view of institutional capacity in international climate change negotiations, all papers deal with territorial processes in Europe (see Annex 1 for a more extensive outline and context of the papers):

- Paper 1 looks at spatial processes for development at the macro, meso and micro-levels, with a focus on the European enlargement process of 2004 and the policy recommendations at the different levels that will ensue.

- Paper 2 examines the role of territorial cohesion in the Baltic Sea Region (BSR) and how institutions such as VASAB (Visions and Strategies around the Baltic Sea) can deal with the challenges of cores and peripheries within the territory.

- Paper 3 deals with calls for a climate change adaptation strategy within the EU Strategy for the Baltic Sea Region (EUSBSR), otherwise known as the macro-regional strategy, and the regulative and normative institutional preconditions needed for the realization of such a proposed strategy.

- Paper 4 analyzes processes of innovative and economic capacity on the Danish Island of Bornholm and assesses how top-down and bottom-up institutions achieve regional development.

- Paper 5 problematizes the variety of conceptualizations of territorial cohesion within Cohesion Policy Instruments (Structural Funds) by constructing a ‘meta-storyline’ of territorial cohesion at national and regional level throughout Europe.

- Paper 6 looks at the institutional capacity of the negotiating system of the international regime around the United Nations Framework Convention on Climate Change (UNFCCC) to facilitate fair and efficient negotiation outcomes.

This introductory essay links all of the papers together and discusses how each has contributed to the research aims within its specific context. The variety of research methods used is also presented in this essay, as well as a more in-depth analysis of the
theoretical constructs used and the consolidation of the results of the research efforts. In the end the thesis will revisit the research questions of the articles/papers:

- What can the institutional perspective add to the analysis of territorial cohesion? (Q1)
- What is this thing called territorial cohesion? (Q2)
- How can we analyse territorial cohesion on multiple levels through different theoretical and policy “lenses”? (Q3)

It should be noted that the thesis does not set out to systematically evaluate how institutions and institutional capacity have made an impact on territorial cohesion. Although this is an important endeavor, it has not been the goal of this research. Rather the research presented here problematizes how territorial cohesion is approached as a policy goal and ponders the potential that institutions have to address this. At the onset, however, some preliminary definitions and explanations of the context of the thesis are necessary.

Defining Fuzzy Concepts and Addressing Multi-level Puzzles

*Territorial cohesion* is perhaps a uniquely ‘European’ policy goal as well as a ‘fuzzy moving target’. It is enshrined as a policy objective in the 2009 Treaty of Lisbon alongside the related concepts of social and economic cohesion, yet it remains undefined. In recent years, the concept and policy goal has been a popular subject of academic inquiry as spatial planners, geographers and political scientists have all take a shot at sketching the parameters of the concept and filling the substantive concept with meaning (for instance Faludi 2005, 2007, Molle 2007, Davoudi 2008, Zonnefeld and Waterhout 2005, Adams et al 2011). This is not at all unusual. Even the terms ‘competitiveness’ and ‘cohesion’ are conceptualized in very different ways across the Europe (Ache and Andersen 2008:5).

Faludi (2007) succinctly describes territorial cohesion as a purposely vague, negotiated concept, which allows governments and EU institutions to define it in accordance with their own interests, preferences and development challenges. While the concept eludes definition, a few common understandings are evident with regards to how the term in used as a policy goal. One is the aim of ensuring development in all regions - be the urban, rural, sparsely populated, peripheral, coastal, mountainous, in New Member States or in Old Member States - in accordance with their own territorial capital. A second understanding of the concept seeks to find the most appropriate balance between territorial measures to increase economic competitiveness, ensure social cohesion and strive for sustainable development. The Green Paper on Territorial Cohesion (CEC 2008) does not provide a definition of the concept, but outlines a policy response consisting of three dimensions: concentration of resources, connectivity of regions and the importance of transnational and or macro-regional cooperation.

In very brief and general terms, one could say that territorial cohesion is sustainable development of all types of regions in Europe. To complement this one could also add that reasoning, in accordance with the Third Report on Economic and Social Cohesion, implying that “… people should not be disadvantaged by wherever they happen to live or work in the Union” (CEC 2004:27). Thus while the European policy community has not yet agreed upon a conclusive definition of territorial cohesion, in this thesis the working definition of the concept will be:
The other well-used and multi-purpose concept explored in this thesis is that of institutional capacity. In accordance with the popular definition by North “Institutions are the rules of the game in a society, or more formally, are the humanly devised constraints that shape human interaction. In consequence they structure incentives in human exchange, whether political, social or economic.” (North 1990:3). This thesis focuses primarily on the role of political and administrative institutions. Capacity in general terms is “the ability to perform functions, solve problems and set and achieve objectives” (Fukuda-Parr et. A. 2002 in Willems and Baumert 2003:5). Subsequently, institutional capacity as used in this thesis is an assessment of the way formal and informal institutions achieve a goal (in this case territorial cohesion), and operationalized as knowledge resources, relational resources and mobilization capacity (de Magalhaes et al 2002).

Why does this thesis take such an interest in the popular and ambiguous concepts of institutional capacity and territorial cohesion? The answer can partly be understood by reference to a third popular and timely concept: Territorial governance is becoming an increasingly important aspect of policy studies in Europe. Spurred on by the political debate on territorial cohesion, territorial governance can be seen as a means to achieve endogenous territorial development via the organization of new “constellations of actors, institutions and interests” (Gualini 2008:16). Thus institutional capacity in this thesis is a link between the policy goal of territorial cohesion and the process and means of achieving territorial cohesion through territorial governance. According to Davoudi et al (2008: 352-353) territorial governance implies both horizontal and vertical coordination and can be described, analyzed and evaluated by looking at three broad types of factors: (i) the structural context, (ii) the policies of the institutional realm, and (iii) the results and processes of actions, programmes and projects for territorial cohesion. It can be thus understood as the policy, politics and administration of the territory – at local, regional, national and European levels and their interaction. The puzzle of how ‘levels’ of governance ‘interact’ or influence one another is a dominant theme in my research career.

As a student originally of political science and more specifically of international relations I was puzzled by why actors (people, organisations or states) obey certain rules in the international community. For instance why do actors respect national boundaries and why do borders still have a strong influence on our patterns of economy development and social structures? Or why do states abide by international treaties such as the Nuclear Non-proliferation Treaty or the Kyoto Protocol, when it might be in their better interest to free-ride rather than cooperate? In the international relations literature an answer to questions such as these lies in the understanding of International Regimes consisting of a set of rules, norms, principles and decision making procedures around which the expectations of relevant actors converge (Krasner 1982:186). The intellectual construct
of international regimes has long been employed to analyse how and why sovereign nation states cooperate to achieve common goals with a focus on international norms. As such, “Norms are therefore not only ‘guidance devices’, but also the means which allow people to pursue goals, share meanings, communicate with each other, criticize assertions, and justify actions” (Kratochwil 1989:11). The question then was: Why do states adhere to norms?

While international relations theories such as international regime theory helped to address some of the pressing questions about cooperation and norm-following, I found that it was still lacking in precision of whose interests were at stake and why people cooperate, as nations are a collection of myriad other types of actors, including not only national governments, but interest groups, opposing political parties, sub-national governments, civil society organisations and citizens.

In my transposition into the realm of regional policy and spatial planning I was able to examine some of the same questions that were posed at an international level, but from a more concrete, bottom-up perspective of local and regional governments, stakeholders, and citizens. The question then became, why do people adhere to norms, particularly norms that are defined at a national or international level? For me, the answer lies partly in the study of institutions and in the idea that rather than being inflexible, path-dependent structures, institutions are fluid constructs that are constituted and reified by the role of structuration or the interaction between structures and agency (Giddens 1984). Thus actors (individuals or collective actors) have a role in constructing the norms, rather than being simply guided by them. This element of agency becomes more apparent when conducting research at the regional or local level. Consequently this thesis has drawn theory-informed research questions from both the realms of political science and spatial planning and also uses theories from each field as frameworks of reference.

The thesis examines empirical information on three levels: The EU level or level of European Union policy making, the transnational or macro-regional level, consisting of territorial groupings of sovereign states and the local/regional level featuring the actions taken by municipalities and other sub-national regional actors. While the thesis does not explicitly examine territorial cohesion from the national level, nation state interests, regulations and transfer of ‘room for manoeuvre’ are generally implicit in all of the other levels.

**Structure of the cover essay**

To give some guidance in reading this cover essay, Chapter 1 has provided a short introduction to the territorial cohesion and presented the research questions and the background to this study. Chapter 2 presents the theory of science considerations in the disciplines of international relations and spatial planning used in relation to studying territorial cohesion, while Chapter 3 discusses the specific methods used in the papers for analyzing the topic.

Chapter 4 presents the theories of institutions, norms and the logics of behaviour used in the papers and Chapter 5 briefly presents institutional capacity and governance theories that have inspired the thesis work. Chapter 6 gives an overview of the policy development of the term territorial cohesion and delineates some of the seminal documents on which the policy debate on territorial cohesion is based.
Chapters 7 and 8 form the analytical chapters of the thesis, drawing from the conclusions of the six papers. Chapter 7 offers a review of the role that institutional capacity can play in the analysis of territorial cohesion, and chapter 8 discusses the results and usefulness of using March and Olsen’s *logic consequences and appropriateness* as a framework of analysis. Finally, Chapter 9 presents how territorial cohesion can be examined at different levels of analysis and with different theoretical and contextual ‘lenses’. It asks the question: which lenses reduce fuzziness and which increase complexity. This cover essay ends with conclusions and directions for future research in Chapter 10. The papers are presented in their entirety in subsequent sections of the thesis. Table 1 presents a brief categorization of the papers and a more extended summary of each of the six papers, their methods, contexts and results is shown in the Annex.

Table 1: Categorization of papers

<table>
<thead>
<tr>
<th>Paper</th>
<th>Level of analysis</th>
<th>Empirical subject</th>
<th>Key theme</th>
<th>Territorial cohesion dimensions</th>
<th>Institutional Theories</th>
<th>Research questions addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>EU, macro-meso and micro</td>
<td>Spatial processes and Policy recommendations for different territories</td>
<td>EU Enlargement, ESPON</td>
<td>Territorial challenges and policy needs</td>
<td>March and Olsen’s Logics Bottom-up and top-down institutions</td>
<td>Q1, Q2</td>
</tr>
<tr>
<td>2</td>
<td>BSR Macro region</td>
<td>Development potentials for cores and peripheries</td>
<td>Polycentric development, ESPON, VASAB, transnational cooperation</td>
<td>Territorial cooperation, Endogenous development in peripheral regions</td>
<td>Institutional capacity</td>
<td>Q1, Q2</td>
</tr>
<tr>
<td>3</td>
<td>BSR Macro region</td>
<td>Institutions for climate change adaptation</td>
<td>Institutional design, Macro-regional cooperation</td>
<td>Territorial Cooperation, dealing with complexity</td>
<td>Ostrom’s polycentric governance of CPR, normative institutions</td>
<td>Q1, Q3</td>
</tr>
<tr>
<td>4</td>
<td>Local/ regional</td>
<td>Innovative and economic capacity on Bornholm</td>
<td>Innovative Capacity</td>
<td>Endogenous development in peripheral region, Innovation</td>
<td>Social capital, Institutional Capacity framework (de Magalhaes et al)</td>
<td>Q1, Q2, Q3</td>
</tr>
<tr>
<td>5</td>
<td>EU, national, regional</td>
<td>Territorial cohesion in Cohesion Policy Instruments</td>
<td>Cohesion Policy instruments, Territorial Cohesion discourse</td>
<td>Use of territorial approach in Cohesion Policy</td>
<td>March and Olsen’s Logics</td>
<td>Q1, Q2, Q3</td>
</tr>
<tr>
<td>6</td>
<td>Systemic</td>
<td>Climate Change Negotiations</td>
<td>Institutional design</td>
<td>Dealing with complexity</td>
<td>Institutional Capacity framework (de Magalhaes et al)</td>
<td>Q1, Q3</td>
</tr>
</tbody>
</table>
2 Theoretical Considerations in Two Disciplines

This thesis is anchored in a social constructivist paradigm of research and social interaction, whereby behavior consists not only of acts of rational, calculated choice, but is also dependent on how a situation is cognitively interpreted in relation to contextual standards of behavior and perceived identity, often in an institutional setting (Gonzáles and Healey 2005:2057). Also inherent in the social constructivist philosophy of science is the idea that causality among variables such as agency and structure is sometimes difficult to establish (Giddens 1984, Ruggie 1998). Were the research to be even weakly tethered to a more positivistic approach to causality we could say that territorial cohesion is the dependent variable to be explained, institutional capacity is the independent variable which helps to determine territorial cohesion, and territorial governance would be the intervening variable. But rather than take such an explanatory causal outlook, the thesis seeks to trace and understand the interplay between the variables to bring some type of clarity, if not explanatory power, to what these concepts actually mean for regional development and regional development policy. It draws guidance from both the disciples of international relations and spatial planning.

Understanding vs. Explaining in Social Science

In a seminal book from 1990, Hollis and Smith discuss the different research tasks in the field of international relations as grounded on two research paradigms of explaining and understanding, based on Weber’s distinction between Erklären and Verstehen respectively. The papers in this thesis are firmly embedded in the research tradition of understanding how institutions work and how territorial cohesion is addressed in a number of cases. They use a variety of methods to exemplify processes of development at various territorial levels. But as mentioned above, a degree of explanation as to why and under which causal circumstances institutions contribute to territorial cohesion is also evident in the articles, although, to a much modest degree. I do not feel that these two very different research objectives – understanding and explaining – are mutually exclusive in a broader research programme. Both are valid elements of research, even if they have different ambitions, are based on different philosophy of science traditions and use different analytical tools.

Often the trade-off of pursuing one ambition at the expense of the other is in degree and scope of research. In the types of limited studies such as those represented in this thesis, it may be possible to explain (in a cause and effect sense), a very limited aspect of reality. On the other hand, it may be possible to understand to a greater degree some of the processes of various phenomena in interaction. Thus we can either explain a little in a positivist sense and understand a lot in a more constructivist tradition, or conversely, explain a lot, but understand a only a little in a more comprehensive manner. This thesis tries to do the former, rather than the later as the nature of the analyses on multi-levels blurs the boundary between cause and effect of analytical units. Thus the research is built on mainly constructivist research platform of understanding, although some of the articles (especially Papers 1 and 2 for instance) utilize some positivistic forms of research or research from the technical-rational paradigm in order to feed the policy-relevant arguments.
Level-of-analysis problem

In their work on explaining and understanding international relations, Hollis and Smith (1990) also refer to the level-of-analysis problem articulated by Singer in 1961, where he argued that social science analysis happens on two levels – the systemic level and the level of the unit. Singer further postulated that analysis of the two levels can never be reconciled into one overall explanation of international relations and that research should be cautious of not shifting unawares between levels within a study (Hollis and Smith 1990:100). Within a positivistic research paradigm, for Singer, it is impossible to conduct research from both the top-down (systemic level) and the bottom-up (unit level), as causal explanation (does the system wield an effect on the units or do the units determine the system?) becomes tricky (Hollis and Smith 1990:199). Thus this thesis alleges that when doing analysis of several different levels of governance, the aim cannot be to explain how one level affects the other, but rather it is to understand how the levels as analytical constructs interact with one another by tracing patterns of interaction between structures and agents among levels.

In social analysis Giddens presents us with a way to tackle the level-of-analysis problem by means of structuration. Structure, according to Giddens (1984:17) refers to “…the structuring properties allowing the ‘binding’ of time-space in social systems, the properties which make it possible for discernibly similar social practices to exist across varying spans of time and space and which lend them ‘systemic’ form”. Structures are made up of rules and resources and are both constraining and enabling. Giddens calls the structural properties that are ‘deeply embedded’ as structural principles and the practices that are greatly extended in time and space as institutions (Giddens 1984:17). The duality of structure in structuration means that agency and structures are not independent of one another, but part and parcel of each other, or constantly reifying one another. Thus structure is at one an outcome and a contributing factor of this reification.

Constructivist approaches in International Relations and Planning Theory

The types of constructivist arguments utilized in international relations theory work by relaxing core assumptions of (neo)realism and (neo)liberalism. First, constructivism assumes that the structural environment is made up of something other than only material capabilities. Second, the arguments presented look at what would happen if analysis is also focused on the effects of social factors such as norms and identities upon agents’ interests (Katzenstein 1996:17). The social determinants of interaction at the international level are deemed as important as decision-making styles and calculation of interest, because “life is not only choice but interpretation” (Katzenstein 1996:28). Behavior is made up of both rational, calculated choice contextual standards of behavior and identity. This approach does not aspire to deductive modes of theory construction, but is inductive in orientation, examining empirical case studies to tell an informed story.

In planning theory, Alexander (2005) discusses how the rational choice approach gives primacy to structures and presumes actors with fixed preferences and decision-making capacities based on the logic of efficiency. What Alexander calls the sociological approach, on the other hand is more concerned with processes in organizations and focuses on practices adopted for legitimacy in logics of social appropriateness (Alexander 2005:212). Even within sociological approaches the distinction can be made between
‘hard’ structuralism which sees structure as bereft of norms, values and culture, and ‘soft’ structure which includes these factors essential elements of structure (Rubinstein 1986). Furthermore Alexander (2005:217-218) discusses that there is not much knowledge about institutional design (encompassing both institutional workings and institutional change) in practice due to the fact that institutional design is a relatively new topic, the scientific-systemic knowledge is not necessarily relevant for this task and institutional design is ‘wickedly’ complex. Thus ‘explaining’ the effects of institutions on planning can prove to be a difficult endeavor. Perhaps this is why communicative approaches based on a constructivist paradigm have stepped in to help in this task.

In other studies of planning theory a similar dichotomy of approaches or paradigms is seen, although with slightly different names. Allmendinger’s (2002) dichotomy is between positivistic and post-positivistic typologies of planning theories. He paints a picture of positivistic planning theory which was previously dominated by “…systems and rational approaches both of which emphasized process above substance” (Allmendinger 2002:79) and spearheaded by the early work of Faludi (1973) which made the distinction between process and substance, whereby planning was meant to concern the former. Yiftachel and Huxley assert that one way to problematize the explanatory planning field and the state of the theoretical literature is to bring back the aspects of the production of space into the theoretical field. That is, planning is “not theorized in abstraction from the activities, organizations and substantive objects being ‘planned’ ” (2000:910). The focus should thus be as much on ‘what’ is planned, as it is on ‘how’ it is planned.

While this thesis is located in a constructivist paradigm, it takes its cue more from political science theories and paradigms. Thus it hardly discusses planning, and in particular the normative aspects of ‘how’ planning should be done, in a collaborative or communicative manner. Instead the thesis is more interested in the substance behind planning, politics and action. At the same time the thesis acknowledges that the ways of examining questions of territorial cohesion look very different depending on the choice of method, framework and theory that is employed, as well as the main analytical level that studied. Thus the thesis and the papers that make up the thesis use various institutional ‘lenses’ to examine goals and processes of territorial cohesion. The lenses range from panoramic (EU-level analysis) to zoomed-in (local development analysis) with a meso-level lenses in between (transnational or macro-regional level). Each lens gives a slightly different picture of territorial cohesion. Some of the lenses increase the fuzziness of the concept while others bring clarity. Each paper depicts a certain picture of territorial cohesion and this cover essay brings together the pictures to see which conclusions can be drawn.
3 Methods

The thesis was written over a period of seven years, during which time I have been involved in numerous international research projects regarding territorial cohesion at various governance levels. These projects have funded most of the empirical data-gathering in the papers included in this work. All of the projects have insisted that the research produced be policy-relevant, with the goal to producing policy recommendations or at the very least enumerating implications and important considerations of policies to decision-makers. One of the advantages of the long time span of this thesis and the strong emphasis on relevance for policy-makers is that I have been able to follow the policy development process in territorial cohesion policy and even contribute modestly to the policy debate on polycentric development and territorial cohesion.

In some of the projects, the methods for doing the research have sometimes been suggested either by the client or the project’s Lead Partner and in other projects I have specified the appropriate methods myself or in collaboration with other colleagues and other partners. In all cases, however, the researcher has been able to influence the choice of method. The methods used in the papers and articles in the thesis are diverse, but are predominantly qualitative. In most of the papers where quantitative methods were used (particularly ESPON 2006 results presented in Papers 1 and 2) some of data has been gathered and analyzed by other project partners, and the proper attributes and sources have been cited. Analysis and synthesis of the various results from the data have been done by me, sometimes in conjunction with the co-author.

Each of the papers in this thesis could perhaps be seen as their own ‘case’ of institutions working towards territorial cohesion. As a whole they represent a multi-case study method whereby all cases “serve a specific purpose within the overall scope of inquiry” (Yin 2003:47). The multiple-case study design also facilitates exploration of the differences and similarities in territorial cohesion and institutional capacity processes within and between cases. The cases, however, are not comparative, although they do allow comparison of certain governance goals and means, use of framework of analysis or outcomes for regional development.

Process tracing in multiple cases

The papers in the thesis all trace the challenges, the necessary preconditions or the potential of institutions at different levels working towards territorial cohesion. Each study examines a range of social and political phenomena and a complex web of interrelations. Therefore a suitable method for performing the studies is the ‘process tracing method’. This method enables us to trace multi-level governance processes and outcomes, taking into account social, cultural environmental, economic and organisational aspects. According to Blatter and Blume (2008:29), “Process tracing involves stressing the temporal unfolding of causality, and it is based on a holistic ontology in which the basic unit of analysis is not an individual variable, but a multi-level model or configuration of densely linked causal factors”. Each case showcases processes of governance involving multiple levels in issues that have a clear territorial dimension.
Most of the cases have been inspired by process tracing as well as the ‘thick description’ method whereby the researcher examines everyday details of a case and asks both large and small questions (Flyvbjerg 2004, Kahler 1998). This allows the papers not only to describe the distribution of knowledge, resources, and mobilization capacity, but to link these actively with the relational processes that characterise the interplay between structures and agents, such as negotiation processes, stakeholder deliberations, consensus-building and partnerships among and between the levels. In unfolding these linkages process-tracing can show how strategies, development programmes and/or projects are mobilized into action for territorial development through a mixture of a top-down, bottom-up and/or horizontal interactions.

**Specific methods used in the papers**

This thesis as a whole represents a wide discourse analysis seen through various lenses consisting of different frameworks, methods and levels of analysis. Hajer’s approach to discourse analysis of environmental policy has often been transposed to understanding questions of spatial planning (Böhme 2002) and territorial cohesion (Waterhout 2007). According to Hajer (2005:66), discourse analysis is the “examination of argumentative structure in documents and other written or spoken statements as well as the practices through which these utterances are made”. Discourses are never neutral constructs, as Ache and Andersen allege, but rather “…emerge as brain spin or pathways of the mind, which we can hardly escape from” (Ache and Andersen 2008:12). The practical ways of operationalizing discourse will depend on the question and area examined, but Hajer discusses how several steps are necessary for argumentative discourse analysis including desk research, document analysis, interviews, key incidents and interpretation (2005:72-73).

**Literature and policy reviews**: Each of the papers in the thesis has its empirical foundation in extensive literature and policy reviews. Literature and theory reviews helped to inform the choice of the research questions, trace the state-of-the-art in each area and form the context for the research subject. Both literature from international relations/political science and spatial planning was reviewed. Likewise review of pertinent policy documents regarding were perused; various EU policy documents, programmes, policies and strategies, macro-regional strategies and perspectives, national development programmes and priorities, as well as regional and local development programmes. In Paper 6 theoretical and policy literature forms the basis for the paper, which synthesizes relevant studies on facilitating climate change negotiations, seen through the lens of institutional capacity.

**Content analysis** looks at the explicit and sometimes the implicit meanings in texts (Bergström and Boréus 2005). In doing content analysis of how Operational Programmes conceptualized the goal of territorial cohesion in Paper 5, the idea was that international experts would look for both manifest discussions of territorial cohesion, as well as more hidden meanings that were related to the context of the content analysis as a whole - which had a main focus on the potential of the programmes to deliver the Lisbon and Gothenburg goals of growth, jobs and sustainable development. These were later inductively coded by the author in terms of the main responses and then quantified as a whole. In Paper 6 on climate change negotiations, analysis of actors’ discourses was achieved through content analysis of negotiating positions as reported in the ‘Earth Negotiation Bulletin’ (ENB) reporting from climate change negotiation meetings over a
period of 10 years. ENB is an independent reporting service on environmental and sustainable development issues and all reports are available online (www.iisd.ca).

**Interviews with stakeholders and significant actors:** Papers 2, 3 and 4 were informed by interviews with important actors at the local, regional and national level. In particular, the results of paper 4 are based on in situ interviews in 2007 with significant actors on Bornholm. The process of selecting the interviewees was based on a ‘snow-balling’ technique. Each interviewed actor was asked to recommend what they thought was another significant actor and thus a series of in-depth interviews were performed. These were also complemented by telephone interviews at a later stage in the research. In paper 2, the needs and challenges of small and medium sized cities in the BSR were also distinguished by in situ interviews with policy-makers, planners, industrial leaders etc., individually as well as group interviews. Interviews were performed during 2004-2005 in connection with the MECIBS project in the cities of Salo, FI; Kokkola, FI; Nyköping, SE; Nakskov, DK; Sillamaä, ES, and Kuldiga, LV. Paper 3 complemented desk research and action research by two telephone interviews with actors involved in BSR climate change adaptation projects.

**Action Research and Workshops:** Paper 3 on institutions for climate change adaptation in the BSR relied on gathering qualitative data on the need for institutional facilitation at different levels by an ‘action-research’ method of inquiry (O’Brian 2001, Pain 2003). Crouched within the BaltCICA project we derived our findings empirically by facilitating dialogue and transnational learning through active participation in stakeholder workshops in Hamburg, Mecklenburg-Vorpommern, Bergen and Riga, as well as organizing and running a two-day workshop with 40 representatives of the case studies organized in Stockholm in October 2010. Four focus groups were formed as workshops with a workshop facilitator and a rapporteur in each group. Participants in the four focus groups were asked, among other things, to outline their main challenges in achieving local or regional climate change adaptation strategies, what they would need to be able to do this, and how transnational learning within the BaltCICA project could help them with this. The results of each workshop were documented and collated in a synthesis report. Paper 6 is also partly based on personal experiences participating in climate change negotiations of the co-author.

**Building storylines:** One way of organizing discourses is through storylines, which as Hajer sees them, lie in between metaphors and discourse coalitions. Hajer employs the idea of a storyline to summarize more complex narratives that may be subject to change over time (Hajer 2005:69). In this vein, storylines are reiterated over time by both the sender and the receiver. Regardless of whether a mutual understanding occurs or not, interpretations will be accepted if they ‘sound right’ (Hajer 2005:69). Paper 5 develops a ‘meta-storyline’ of territorial cohesion conceptualizations as a compilation of existing storylines and discourse analysis of European, national and regional concepts of territory within Cohesion Policy. This paper also presents categorizations of territorial cohesion in 246 Cohesion Policy Operational Programmes in Europe in which a team of 14 international partners were asked to provide short discourse analysis on the programmes in accordance with a framework developed by me and a core group of colleagues.
Limitations and scope of the research

The scope of this thesis as a whole is wide – spanning multiple levels of governance in the six papers. Due to the nature of the thesis work, which is based on research performed within five different research projects, each with its own specification and demands for policy-relevant research, it has not been possible to rigorously test a hypothesis about the impact of institutional capacity on territorial cohesion using the same methods or framework of analysis for all cases. Similarly, it has not been possible to pick a more representative sample of cases representing a spread of geographical territories in the Europe or the Baltic Sea Region. Nevertheless the cases examined in the papers do offer a wide enough scope to provide a generalized picture of territorial cohesion on multi-levels.

The transnational level studies in the papers generally refers to the Baltic Sea Region (BSR) where the thesis author was involved in several transnational cooperation projects under the aegis of the INTERREG IIIB Baltic Sea Region Programme and the Baltic Sea Region Programme 2007-2013 and thus had opportunity for data gathering.

The national level has also been under-represented as a specific unit of analysis in this thesis. However this level remains tacitly omnipresent in all of the papers. As it is now, the papers mainly build on case studies from the Nordic countries, especially Denmark. Further research could have been performed looking specifically at the regions on the eastern side of the Baltic Sea Region, that is the Baltic States and Poland which face different challenges and opportunities of achieving territorial cohesion than the western shore of the Baltic Sea.

Paper 6 deals with institutional capacity within the international climate change negotiations under the United Nations Framework Convention on Climate Change (UNFCCC). It has been included in the thesis, not only because it employs the same framework for analysing institutional capacity and thus forms a type of ‘control case’ for using this framework, but also because climate change and the low-carbon society have become an important facet of territorial cohesion and may form one of the more thematically concentrated areas of intervention for the future of Cohesion Policy instruments (Barca 2009).
4 Conceptualizing Institutions

There is a marked lack of qualitative theory building around the concept of territorial cohesion. The reasons for this lack are perhaps because it is a relatively new area of research, but perhaps even more so because it is undefined, fuzzy and a highly political concept. Several researchers (Davoudi et al 2008, Waterhout 2007, for example) have noted how research thus far has been performed around territorial cohesion and related concepts from a highly technical-rational scientific paradigm. As territorial cohesion is also a highly political concept (Faludi 2007) it may make sense to use theories of political science, as I try to do in this thesis, to try to fill the concept with a different type of meaning and further operationalize it as a political goal.

Thus far, the concept and political goal of territorial cohesion has yet to spawn a critical mass of theory-building efforts. While economic and social cohesion have specific fields from which to draw (mainly macro-economic or economic geography) there has been relatively little coming out of the academic field of planning to provide theory for building hypotheses, suggesting research questions or forming frameworks of analysis of territorial cohesion, as discussed previously in chapter 1.

This is not to say that the field has been totally devoid of such efforts. Earlier debates around planning for Europe, as an extension of local or regional planning, emphasized theories of communicative action. Scholarly efforts which analysed the ESDP process (Böhme 2002), the policy process around territorial cohesion (Faludi 2005, 2006, 2007), crouched research in the political science discipline of European integration (Gualini 2008) and governance (Davoudi et al 2008), emphasizing the two-level games of Putnam or network governance or multi-level governance (Hooghe and Marks 2001). These were important starting points for territorial cohesion studies, particularly in connection of the 2004 Enlargement round, linking territorial cohesion with integration.

This section describes the main institutional and governance theories that are used in the papers of this thesis. It provides a deeper context for understanding the norms and the logics of behaviour used within the framework of the papers by outlining the relationship between actors, structures, norms, and institutions. Norms and rules are socially produced structures. Although the thesis profiles institutions as a way of looking at territorial cohesion, it is important to remember that institutions, norms and structures are all agency-driven. And agents in turn are enabled and constrained by the institutions and norms that they produce.

New Institutionalism

Institutions are the collection of the formal and informal ‘rules of the game’ that guide behaviour of actors within the political, economic and social contexts (North 1990, Ostrom 2005). Over the years, institutional theory has produced several distinct conceptualisations of institutions, commonly generalised (Alexander 2005, Draelants and Maroy 2007, Scott 1995) through several different lenses; institutions as normative (or sometime called sociological) instruments (March and Olsen 1994), institutions as regulatory (or sometimes called rational choice) instruments (Ostrom 1990) or institutions as cognitive (or sometimes called historical) instruments. To some extent
these distinctions are only analytical constructs and depend on how institutions are defined; in reality institutional functions may encompass all of these types of instruments or structures, although one or the other may be dominating.

Originally coined by March and Olsen in the early 1980s (Peters 1999:17), New Institutionalism set collective action at the heart of institutional analysis. The New Institutionalism perspective comes largely from political science, and in particular international relations and organizational studies and takes a sociological view of institutions, adding a cognitive dimension to the normative of institutions. In this vein, institutions help to determine not only what is to be done, but how to do it within a certain context and how to interpret action (Hall and Taylor 1997; Draelants 2007). All of the papers in the thesis have been more or less influenced by the New Institutionalism perspective.

Institutional theory in political and organizational science

According to North, institutions reduce uncertainty by providing a structure for our everyday actions and reduce uncertainty involved in human interaction by establishing the rules that structure human actions. (North1990:6). They are both informal constraints to action and formal constraints. They can be created and they may evolve. Sanctions and the costs of sanctions are an important element of institutions. Political institutions are perhaps the most well-know of institutions, as all political levels base their legitimacy on the territory and the constituency base on which the territory is defined. The political ‘room for manoeuvre’ that institutions enjoy in relation to other actors is an important parameter for defining the procedural ‘rules of the game’ and helps define the scope of territorial ‘levels’.

While institutions are likened to the rules of the game, organizations are seen as the players of the game, be they political bodies, economic bodies, social bodies or educational bodies. “They are groups of individuals bound by some common purpose to achieve objectives” (North 1990:5) and as such are the agents of institutional change. Therefore the interplay between institutions and organizations is important for understanding how institutions work. “Institutions are a creation of human beings. They evolve and are altered by human beings … At the same time, the constraints that institutions impose on individual choices are pervasive” (North 1990:5).

Because informal institutions both constrain the behavior of agents and are constituted and altered by the actions of agents, “the normal distinction between exogenous and endogenous variables is thus awkward for institutional analysis” (Snidal 1995:54). They are neither fully exogenous nor endogenous to a research framework of analysis as it depends on how malleable the institutions are for change.

Within political science in the 1990s researchers were preoccupied with finding the answer to two main questions: ‘Do institutions matter?’ And ‘How do they change?’. The resounding agreement was that institutions do matter. However less agreement is seen in how institutions change. There may also be a difference in institutional change between local and international level. For instance at local level, Ostrom’s regulatory institutions for dealing with common pool resources (profiled in Paper 3) help to create rules that are endogenous to the institution and it may thus be more difficult to change the output of an institution which has been devised and developed from inside by the actors that
actually constitute the institution. The rules and norms of international regimes, on the other hand, as understood by Krasner (1982) are mainly seen as exogenous. A smaller group of hegemonic actors within the international regime may be involved in organizing normative rules, but not all parties will be both the devisors and the recipients of the rules at the same time, as their parameters are more amenable to change (Snidal 1995:54).

**Constructing normative frames of reference at multi-levels**

One structural element that encourages self-interested actors to cooperate is the construction of common norms. Norms and normative policy are important aspects of Papers 1, 3 5 and 6. Norms are defined as “collective expectations for the proper behavior of actors with a given identity” (Katzenstein 1996). Finnemore and Sikkink (1998) also note that norms "normally include standards for appropriate or proper behavior and by definition embody a quality of ‘oughtness’ and shared moral assessment. They prompt justifications for action and leave an extensive trail of communication between actors."

Katzenstein (1996:5) focuses mainly on one cultural-institutional context that is also applicable in this thesis, that of international norms as “collective expectations for the proper behavior of actors with a given identity”. Norms can emerge in many ways, all via processes of communication. They are “… spontaneously evolving, as social practice; consciously promoted, as political strategies to further specific interests; deliberately negotiated, as mechanisms for conflict management; or as a combination, mixing these three types” (Katzenstein 1996:21). Norms may have both regulative effects and constitutive effects. Regulative effects prescribe and specify standards of behavior, while constitutive effects are rules that define identity and recognition vis-a-vis other actors. This view of state identities in the international system differs from neorealism and neoliberalism, which takes national identities as given and similar for all states in the system. Instead state identities are constructed within the social environment.

In an interesting book that links up levels of analyses, Keohane and Ostrom compare and contrast institutional approaches for collective action agglomerations at local level - Ostrom’s local Common Pool Resources (CPR), and at international level - Keohane’s international regimes. A perspective that colored much thinking in the discipline of International Relations during the early 1990s, Keohane’s regimes are commonly defined by reference to Krasner (1982:2) as “implicit or explicit principles, norms, rules and decision-making procedures around which actor expectations converge in a given area of international relations”. While such regimes do not have the formal enforcement mechanisms of CPR institutions, they nevertheless provide a forum for knowledge exchange and reduce transaction costs to facilitate cooperation (Keohane and Ostrom 1995:2). Aspects of international regimes are discussed in Paper 3 and Paper 6.

Keohane and Ostrom believe that there is value in comparing collective-action problems at different scales - both the local arrangements for managing common pool resources as well as international regimes to provide public goods and govern the distribution of private resources. “Gains can be achieved through political exchange involving construction of institutions to make commitments credible, improve the flow of information and reduce the costs of enforcing agreements. But lack of effective hierarchical governance means that the participants themselves must provide such institutions: they cannot rely on outside authority but rather on self-enforcing agreements, maintained through strategies such as reciprocity” (Keohane and Ostrom
Paper 3 examines how collective action is achieved through actions at different levels and combined in a macro-regional strategy for climate change adaptation in the BSR.

Oran R. Young also takes up the problem of scale in comparing institutional arrangements at the local and global levels. Young problematizes the idea of transferability of propositions and models between the levels, what he calls “scaling up and scaling down” (Young 1995:27). He asks “To what extent, for example, do propositions concerning the conditions governing success in avoiding the ‘tragedy of the commons’ in small-scale systems hold at the international level? Conversely, can we scale down from the level of international society to small-scale systems?” (Young 1995:29). In short, he finds that there is some utility of this cross-level fertilization, but the researcher must be wary of the causal assertions that result on the transferability of the arguments made (Young 1995:33).

This is an analytical puzzle that is partly addressed by the common focus on institutions, institutional dynamics and governance at the local and international levels. However there are several differences between institutions at the various levels. For instance with regard to informal institutions (ie cultural or norms) at the local level, individuals often have little choice as regard to their participation in social practices that are inherited. In international regimes, the greater formality of these on the other hand, means participants will most likely choose to take part or not (Young 1995: 33). The asymmetric role of heterogeneous actors is also an area where such institutions differ. In international regimes it is often desirable to have a small number of players, and the dominance of a single actor or hegemon may contribute to the success. In CPR institutions, the larger number of actors involved usually does not make regime unwieldy, although a dominant actor of agent of change will play both a positive role and a negative role.

As this thesis is built on examining institutions for territorial cohesion on the European, macro-regional and local/regional level, the above theoretical discussion of normative frames at multi-levels is central to the thesis aim of how to understand the role that institutions and institutional capacity can play in achieving territorial cohesion on various levels. While each paper takes at least an implicit multi-level approach, Paper 3 more explicitly looks at the institutional preconditions for dealing with common action problems at the macro-level in accordance with the Keohane and Ostrom framework.

The logics of behavior and normative frames of reference

Decision-makers sometimes make a decision based on the rational calculation of the potential consequences of action, and sometimes based on how appropriate an action is in light of the prevailing cultural norms or values. In discussion of some of the problems with the rational choice approach, North distinguishes two aspects of human behavior as it relates to institutions: 1) motivation and 2) deciphering the environment. However, correctly deciphering the environment is not always easy for individuals when rationality is bounded. When it is difficult to select the best choices based on known self-interests, North asserts that actors will be more likely to rely on patterns of previous behavior to help reduce complexity (North 1990:23).
March and Olsen (1998 and 2004) have also discussed these two modes of institutional thought as the logic of expected consequences and the logic of appropriateness. The logic of consequences which “sees political order as arising from negotiation among rational actors pursuing personal preferences or interests in circumstances in which there may be gains to coordinate action” (March and Olsen 1998:949). Obligations for individuals in this logic are given through consent and contracts of consequential advantage. Decisions radiating from this logic will be rationalistic, rely on epistemic knowledge and preference will be largely taken as given. The logic of appropriateness, on the other hand, is rule-based. “Human actors are imagined to follow rules that associate particular identities to particular situations… (a)ction involves evoking an identity or role and matching the obligations of that identity or role to a specific situation” (March and Olsen 1998:951). The rules of appropriateness are the conduits of institutional learning (March and Olsen 2004:12). Choice within this logic is less focused on sectoral interests and more focused on larger norms and identities. Those actions that validate an actor’s chosen or assumed identity will be seen as the most appropriate. Visions of appropriateness are based less on epistemic knowledge and more on knowledge that is consensual, in the sense of being an agreed understanding of an issue or context (Sjöstedt 1994). Hansenclever, Mayer and Rittberger (1997:155-156) assert that when actors follow the logic of appropriateness they ask themselves different types of questions. Instead of asking what course of action would have best consequences in light of individual goals and preferences (as in the logic of consequences), they ask instead “What kind of situation is this?”, “Who am I?” and “What is the best action for me in this situation?”.

These two logics represent a recurring theme throughout many of the papers in this thesis and in this cover essay. Paper 1 gleans its policy recommendations for spatial processes at multi-levels from the logics of consequences and appropriateness. But more to the point, Paper 5 on Conceptualizing the Territorial in Cohesion Policy explicitly examines how the two logics are seen in storylines of territorial cohesion at several levels. In both of these papers the various aspects of the two logics are shown in Figure 1 below:

Figure 1: Elements of the Logics of Consequences and Appropriateness. (Inspired by March and Olsen 1998, 2004)
Institutional theories in planning

Why should planners be interested in institutional design? According to Alexander (2005:210), “to be effective, planners must understand something about institutions in general, and know their specific institutional contexts in particular”. Institutions pattern much of the work of planners. Institutions, and their rules and norms are also important for understanding processes of European spatial planning and territorial cohesion. Gualini, for instance, describes Europeanization as a process of ‘political institutionalization’, involving, according to Risse et al 2001:3 “…the development of formal and informal rules, procedures, norms and practices governing politics at European, national, and subnational levels (Gualini 2004:12).

Institutions in planning and regional development have been analysed in various theoretical ways. Moular et and Mehmood (2010) also recommend a structural-realism approach to spatial development research. A structural-realistic perspective would be part of a critical-realism approach. As they explain the critical-realism perspective, Moular et and Mehmood discuss how within the framework, “…theories with different highlights and causal foci will communicate with each other and shed light on the different social phenomena and structures that explain regional development policy” (2010:104). In their critique of Territorial Innovation Models, they say that it only goes half-way in explaining methodological challenges in regional development analysis with a one-sided emphasis on economic growth (Moular et and Mehmood 2010:105). To deal with this, they advocate to a return to an older institutionalist tradition whereby institutions can “fill the gap between the structure and other objects of social reality” (Moular et and Mehmood 2010:105) with an emphasis on temporality, culture, structures, agency and institutions.

Within the planning discipline, institutions are often studied in connection with theories of collaborative planning (Healey 1997) and Habermas’ communicative action. Phelps and Tewdwr-Jones (2000) discuss how collaborative and associative forms of governance studies focus on building institutional capacity as an analytical and normative construct, and are perhaps over-optimistic about the possibilities for “open and undistorted communication, consensus and trust” (Phelps and Tewdwr-Jones 2000:112). Rather they advocate expanding the analysis of collaborative social actions to include other types of social action such as teleological action, normatively regulated action and dramaturgical action to bring back into institutional analyses questions of power, hegemony, leadership and strategic direction. While local planning institutions may appear to operate on a very different level than those at EU or macro-regional level, in reality initiating collaborative planning or local stakeholder involvement processes are vital ingredients of many transnational cooperation project, as shown in Paper 3 with the work of the BaltCICA project on climate change adaptation.

In explaining how institutions work in the activity of planning, we need to open up Giddens’ recursive causality of agency and structure and look at only one half of this equation: how structures or institutions affect planning actors. In explaining institutional change, there is a need to examine the other half of the equation, seeing how actors affect and change the institutions in which they work. Both of these imply causal relationships, but they are quite tentative in the explanatory tradition. Explanations for institutional change or transformation could follow a methodology for examining the tactics agents use to instigate change. Rather than a vague focus on discourses used, the emphasis could be on how these strategies are pointed towards the deliberate altering of some institutional aspect, either through negotiation, persuasion or manipulation. Such an
emphasis may include a ‘skilled agent of change’ or a ‘norm entrepreneur’ as shown in Paper 4, and examines how power may be mobilized for such purposes.

This is not an easy task, and it requires a theoretical framework that goes beyond the influence of informed discourse. But such an endeavor may help to better inform the explanatory aspects of institutions or planning. If we can understand the institutions in which planning takes place, perhaps we can even more effectively change these institutions into what they ‘should’ or could be.

The above section has examined the way in which institutions are approached in both political science theory and in planning theory. It has featured how institutions are seen at multi-levels, which is discussed more in-depth in Paper 3 and introduced March and Olsen’s logics of action which forms the framework of Paper 5 and is implicit several other papers. Finally this section has discussed the role of institutions in collaborative planning which patterns the results presented in Papers 3 and 4.
5 Institutional Capacity and Governance

Like the concept of capacity, institutional capacity defies tight definition in lieu of a more specific context delineating capacity ‘for what?’ In this thesis, the ‘for what’ is the policy goal of territorial cohesion in Europe. Segnestam et al (2002) as quoted in Willems and Baumert (2003: 10) conceptualise institutional capacity as “…a moving target… today, institutional capacity often implies a broader focus of empowerment, social capital, and an enabling environment, as well as the culture, values and power relations that influence us”.

Within planning, Healey et al (2002) use the term institutional capacity based on the work of Amin and Thrift (1995) as an analytical tool to understand how urban governance relations evolve and are transformed through the interplay of agency and collective action processes (Healey et al 2002:22). De Magalhaes et al (2002) delve deeper into assessing institutional capacity for city center regeneration in Newcastle’s Grainger Town. To do this they develop a conceptual framework for investigating the workings of institutional capacity building, based on how institutions contribute to the long-lasting transformations of an area. This framework refers to building institutional capital by means of knowledge resources, relational resources and mobilization capacity.

Figure 2. Elements of Institutional Capacity (adapted from de Magalhaes et al 2002:55-57)

<table>
<thead>
<tr>
<th>Knowledge resources</th>
<th>Relational resources</th>
<th>Mobilization capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Include not only formal static knowledge, but also tacit knowledge. In further operationalizing the concept but also the range of knowledge, frameworks of reference that shape meanings and interpretations of knowledge, the degree of integration of knowledge used by stakeholders and finally the openness and learning capacity of stakeholders.</td>
<td>Draw upon the ideas of actor networks and the relationship bonds of trust and reciprocity and bind the networks. Here the operationalization includes the range of networks, the morphology or ‘architecture’ of nodes and linkages, the integration of relational webs, means of negotiating individual interests and the prevailing power relationships.</td>
<td>Is the ability to action through the interaction of agency and structures, including how to identify “windows of opportunity” in power structures, symbolic frames of reference, opportunity structures for collective action, areas for action and a repertoire of mobilization techniques. Mobilization capacity also requires skilled agents of change in order to jump start action.</td>
</tr>
</tbody>
</table>
Earlier March and Olsen (1995:45-46) also implicitly discussed such a trilogy of institutional capacity in showing how governance implies developing identities, capabilities of action, accounts of political events and an adaptive political system. Going further into the types of capabilities needed for action, they delineate three further types: Building capabilities, diffusing capabilities and mobilising capacities. “In an institutional perspective, governance involves creating capable political actors who understand how political institutions work and are able to deal effectively with them” (March and Olsen 1995:28). As such institutional capacity is a collective trait; it is the capacity of an institution to achieve action through the assimilation of various interests.

What the above delineated framework of institutional capacity does not explicitly include is a linkage to material resources, such as financing, as well as a capacity for action that is given by a political mandate or delegation of political ‘room for maneuver’. These are naturally seminal elements of the capacity of an institution to act. But in the de Magalhaes et al study and in this thesis, the focus of the study is on softer forms of governance, rather than governmental processes (see below). Rather institutional capacity is seen as an active or latent potential to development action. The de Magalhaes et al framework of institutional capacity as knowledge resources, relational resources and mobilization capacity is used throughout several of the papers in the thesis looking at institutional capacity on different levels of governance and plays a major role in this cover essay as a meta-framework to analyze the collective results of all of the papers in chapter 7.

It is important to note that the papers in this thesis do not evaluate institutions as to the impact they have made on territorial cohesion. Rather the three categories of institutional capacity are used to frame the analyses of the papers (expressly in Papers 4 and 6) to assess in which parts of the framework the potential for action is sufficient and in which areas capacity for territorial cohesion or regional development (on the local level) are lacking.

**Governance**

For several decades, questions of governance have been pondered within the realm of political science, especially within the disciplines of international relations and institutional studies. In international relations this was particularly in relation to the functional integration versus intergovernmentalist debate which characterised studies of the European Communities in the early 1990s. Federalist and regional studies focused on questions of governance and the changing role of supra-national and sub-national actors in relation to the central state. In public policy governance mechanisms provided new arenas in which to address problems of collective action and ensuring the provision of public goods (Ostrom 1990, Stoker 2000). In an institutionalist perspective, governance implies developing identities, capabilities of action, accounts of political events and an adaptive political system (March and Olsen 1995:45-46).

Governance in social science research has a dual role – descriptive and normative. As a descriptive construct governance can be a conceptual tool to trace the emergence new intersectoral issues like climate change adaptation (ie Kern and Bulkeley 2009) and deliberate policy making processes (ie Healey 1997), or post-political societal issues, such as terrorism that can no longer be addressed by traditional governmental efforts (ie
Mouffe 2005). Linked to the idea of governance as a post political project is the question of why governance is useful as a normative framework for questions that involve long-term strategies such as climate change mitigation that can outlast political periods (Giddens 2009). The idea of ‘good governance’ formulated for example by the EU White Paper on Governance, outlines normatively that desirable governance outcomes and processes should be based on the principles of openness, participation, accountability, effectiveness and coherence (CEC 2001).

Multi-level governance

Multi-level governance is a concept that has been used to understand the system of nested relationships among primarily governmental levels within the EU. The focus of the multi-level governance concept was to depict the role that supranational EU institutions play together with the national state in policy-making. This was largely entwined in the policy and academic debate of the early 1990s on European integration and inter-governmentalism. Marks (1993: 292) first uses the multi-level governance term to describe how various layers of government are nested or “enmeshed in territorially overarching policy networks”. Further these are “… a system of continuous negotiation among nested governments at several territorial tiers” (Marks 1993: 392) [in which] “supranational, national, regional and local governments are enmeshed in territorially overarching policy networks” (Marks 1993: 402-3).

Later, Hooghe and Marks (2001) distinguish between Type I governance systems with a limited number of non-overlapping multi-issue jurisdictions and Type II governance systems composed of many flexible, sometime overlapping jurisdictions that are often task-specific. Type I governance, which takes its cue from federalism studies (Hooghe and Marks 2001: 4) depicts various types and processes of formal decentralization or devolution of government levels. Type II governance is much more ad hoc in nature and informal. Because of the high transaction costs, it can be difficult for these types of governance arrangements to break into and complement constitutional established Type I governance. Thus Hooghe and Marks (2001:9-12) assert that Type II governance patterns lie mainly at the edges of Type I. They are at the public/private frontier as in multi-level governance arrangements for the provision of public services involving both private and public actors, at the national/international frontier, in types of intergovernmental or transnational cooperation (such as VASAB – Visions and Strategies around the Baltic Sea), at the frontier of densely populated border regions, such as those represented by Euroregions or the Territorial Cooperation Objective and finally in localities where local government and community associations are able to engage in partnerships to solve a common pool resource challenge. Both types of governance can co-exist, but Hooghe and Marks (2001:26) call for further empirical and comparative studies to show how these forms of governance work and evaluating the results.

Territorial Governance

Theory-building around forms of territorial governance is to date still in the process of reification and builds on a more spatial planning-oriented tradition of urban planning and urban governance involving mutually interdependent actors from the state apparatus, the private sector and civil society in a deliberative policy making process (Cars et al 2002). But territorial governance, being based on the various territorial levels - EU, national,
regional or municipal – includes not only spatial planning processes, but also governmental processes. While papers 1 and 2 make the case for better territorial governance processes, papers 3 and 4 illuminate what these processes look like.

Davoudi et al characterizes territorial governance as “… the process of territorial organisation of the multiplicity of relations that characterize interactions among actors and different, but non-conflictual, interests” (Davoudi et al 2008:352). According to Davoudi et al (2008:352-353) territorial governance implies both horizontal and vertical coordination and can be described, analyzed and evaluated by looking at three broad types of factors: the structural context, the policies of the institutional realm, and the results and processes of actions, programmes and projects for territorial cohesion. Spurred on by the political debate on territorial cohesion, territorial governance is addressed in theory as a means to achieve endogenous regional development via the organization of new “constellations of actors, institutions and interests” (Gualini 2008:16).

Territorial governance is thus a more encompassing way of understanding relationships and linkages among actors within a specific territory or ‘nested territories’, than either of the types of multi-level governance as characterized by Hooghe and Marks. Territorial governance might be said to encompass both the Type 1 (formal governance/government) arrangements of multi-issues within a specific territory, as well as Type 2 (informal governance) processes among territories and with regard to issue-specific as well as more cross-sectoral issues (a prime example of this being for instance climate change adaptation within the EU Strategy for the Baltic Sea Region (EUSBSR).
6 Conceptualizing Territorial Cohesion in Policy

The European territorial cohesion debate is framed within several seminal strategies and agendas to achieve regional competitiveness, sustainable development and territorial cohesion. These include the ESDP, the Lisbon Strategy, the Territorial Agenda, the Commission’s Green Paper on Territorial Cohesion and more recently the Europe 2020 discussions for smart, sustainable and inclusive growth.

This section briefly traces the evolution of the concept of territorial cohesion in policy documents, policy-relevant evaluations and academic studies. As this process has been repeatedly and competently reiterated (Böhme 2002, Faludi 2005, 2007, Davoudi 2005, Paper 5 of this thesis) this thesis will only recap some of the background to the evolution of the concept. This background sets the historical and policy context to the papers in the thesis. In Chapter 9 the thesis will discuss how there is not just one story of territorial cohesion, but many stories which will vary depending on the level of analysis and the ‘lens’ used. Thus territorial cohesion understood from the local/regional level (as in Paper 4) will be a different story from that at the EU level (as in Paper 5), as understood in the depiction of the processes which lead to the development of the concept as shown in this section.

Spatial Development Policy as a Normative Process

Achieving territorial cohesion in Europe is primarily seen as action that takes place within the realm of spatial planning or spatial development processes. As a shared competency of the EU, spatial planning is largely the formal and legal responsibility of regional and local governments within Europe, while what takes place at the EU and national levels is more accurately called spatial development policy (Böhme 2002:12). The EU does not have full competence in the area spatial development policy, although it has been active in producing a set of common norms for the area which color interventions on all levels for spatial policy for Europe. Norms, as discussed earlier in this cover essay describe “collective expectations for the proper behavior of actors with a given identity” (Katzenstein 1996:5). They differ from policies or regulations in that they have weak legally enforceable qualities. Rather norms prescribe or proscribe the range of acceptable actions for an actor (governmental or non-governmental) that adheres to a certain identity. Some norms are the result of a lengthy consensual negotiating process while others appear to occur spontaneously or seem common sense. Even today the most salient spatial development norms, which have given rise to the concept of territorial cohesion, are enshrined in European Spatial Development Perspective (ESDP).

ESDP

With regard to European spatial development, we can conceive of the first major normative document being the European Spatial Development Perspective or ESDP from 1999. This legally non-binding code of guidelines and actions that ‘ought’ to be carried out has no legal backing, but assumes its power via the intensive negotiating process between governments and EU institutions that preceded the adoption of the
document. The broad norms of the ESDP are synthesized into economic and social cohesion, conservation of natural and cultural heritage and balanced and effective competition across the community territory and further operationalized as polycentric spatial development, prudent management of natural and cultural heritage and equal accessibility to transport, communication infrastructures and knowledge respectively. The ESDP process has also been conceptualized as a ‘discourse’ by Böhme (2003). This conceptualization of the ESDP process can also be seen as a normative one, with an emphasis on the identity factor; that is that the ESDP proscribes and prescribes the actions that should be taken for an actor with a ‘European’ identity. Papers 1 and 2 are inspired by the ESDP as at the time of writing of these earlier papers (2004-2005) the ESDP was the seminal document for understanding cohesion processes.

**ESPON programme**

The ESPON 2013 Programme (European Observation Network on Territorial Development and Cohesion) lies under the Structural Funds 2007-2013 with the goal to support policy development with evidence-based analysis and territorial dynamics in throughout Europe (ESPON 2010). Formerly the ESPON 2006 Programme, the ESPON network of researchers and policymakers has been a major force in providing into impetus into policymaking on Territorial Cohesion. ESPON funds transnational project groups in a number of research priorities: Applied Research, Targeted Analyses, Scientific Platform and Transnational Networking Activities. ESPON periodically publishes both synthesis reports and scientific reports. Papers 1 and 2 were partly funded by the ESPON 2006 programme and Paper 5 has drawn inspiration from projects in the ESPON 2013 programme.

**EU Cohesion Reports**

The Cohesion Reports of the EU are published every third year and provide an up-to-date bill of health of the European territory. The Second and Third Cohesion Reports (CEC 2001, CEC 2004) reports fleshed out the concept of territorial cohesion. In particular the Third Cohesion Report made the linkage between territorial cohesion and the Lisbon goals of knowledge-intensive competitive growth. The most recent report, the Fifth Cohesion Report, published in 2010, has fully integrated territorial cohesion into its rhetoric, and highlights the importance of well-established, efficient and effective governance systems for territorial cohesion (CEC 2010). The knowledge (in Paper 2 specifically) and discourses (in Paper 5 especially) produced in the Cohesion reports has been used in throughout the thesis.

**The Lisbon and Gothenburg Agendas**

In 2000, the European Union adopted the Lisbon strategy\(^1\) with a view to creating a competitive knowledge economy that aimed to build sustainable economic growth with more employment, greater social cohesion and respect for the environment. The main idea of the strategy was that knowledge and innovation are the major resources open to the Member States, enterprises and individuals to sustain the European competitiveness

\(^1\) Presidency Conclusions of the Lisbon European Council, 23-24 March 2000, Council documents Nr. 100/1/00.
and national welfare models. The problem with the Lisbon agenda, however, was that no common approach was put into place to coordinate different objectives of the Lisbon strategy. Dissatisfaction with the implementation of the Lisbon approach and lack of engagement subsequently led however to a review of the Lisbon strategy’s priorities, guidelines and targets.

With the mid-term review of the Lisbon Agenda in 2005 (Kok Report) the focus was realigned from not only balancing European territorial developments to help make Europe the most competitive knowledge-based economy in the world, but also to build on the endogenous competitive potential of each territory (See paper 3). The focus on the Lisbon and Gothenburg agendas and the insistence on their implementation in the use of the Structural and Cohesion Funds reified this move towards the territorial discourse on “Competitive Europe” (see paper 5). The Lisbon strategy was thus relaunched in 2005 to improve Europe’s ability to meet new challenges in relation to strengthening growth and employment. This was to be done by concentrating on delivering policies that will have the greatest impact on the ground, synthesizing the three dimensions economic, social and environmental of sustainable development within the application and implementation of Cohesion Policy Instruments such as the Structural Funds and involving territorial actors on all levels, as well as an array of social partners, private actors and civil society.

The Gothenburg agenda has strengthened the requirement for environment protection and the enhancement of natural resources in EU policies. It has also demanded the development of regional strategies that have the potential to combine the priorities of the Lisbon strategy with those of the Gothenburg agenda. For instance, it is necessary to establish the contribution that regional economic development can make, such as enhancing competition, while also respecting the need for environmental sustainability. The Lisbon and Gothenburg agendas are important strategies that color the analysis in especially Papers 3, 4 and 5.

The Territorial Agenda Process

The Territorial Agenda of the European Union (2007) is also a normative document, building upon the European Development Perspective (ESDP) and highlighting Europe’s territorial and cultural diversity. It outlines six priority areas for spatial development measures: 1) strengthening polycentric development and innovation via city and regional networking, 2) new forms of urban-rural governance and partnerships, 3) promotion of regional clusters of competition and innovation, 4) strengthening the trans-European networks, 5) promoting trans-European risk management, including the impacts of climate change, and 6) strengthening ecological and cultural resources as assets in development. The key challenges to be overcome are regional disparities at EU and national level; especially highlighted are those regions with special geographic challenges such as peripheral location and those facing demographic change such as decline in natural population growth, shrinking labour markets or ageing. While the Territorial Agenda is less concrete than the ESDP, it is constructed around the substantial evidence-based knowledge foundation to which the ESPON programme, among others, has contributed (Adams et al 2011).

As a relatively new process the Territorial Agenda has informed the analysis of the later papers in this thesis, especially Papers 3 and 5. The recently published Territorial Agenda
of the European Union 2020: Towards and Inclusive, Smart and Sustainable Europe of Diverse Regions (Territorial Agenda 2011) refines the six priorities of the 2007 document as: 1) Promoting polycentric and balanced territorial development, 2) Encouraging integrated development in cities, rural and specific regions, 3) Territorial integration in cross-border and transnational functional areas, 4) Ensuring global competitiveness of the regions based on strong local economies, 5) Improving territorial connectivity for individuals, communities and enterprises, and 6) Managing and connecting ecological, landscape and cultural values of regions. The main way to achieve these goals is through multi-level governance and territorial coordination of policies.

The Green Paper on Territorial Cohesion

The Green Paper on Territorial Cohesion (2008) forwards the territorial perspective on economic and social cohesion as it propounds to deepen the understanding of the concept of territorial cohesion. Specifically the focus is on settlement patterns across Europe - regional concentration, connectivity and cooperation of regions. Regions with special development challenges due to their geographical features are pointed out. These include sparsely populated, mountain and island regions as well as coastal regions, regions which are impacted by demographic change to a greater degree than other types of regions. While the Green Paper on Territorial Cohesion points out territorial challenges across Europe the recommendations it gives for addressing these challenges are crouched in coordination with other EU policies such as transport, environmental and energy policy and in the CAP and in new types of partnerships for territorial development. The policy responses from nations, regions and institutions to the open process for commenting on the Green Paper are seen in the discourse analysis of Paper 5.

Europe 2020

Europe 2020 (2010) is a European vision for “smart, sustainable and inclusive growth”. As such the strategy is not solely directed towards territorial matters, but addresses a broader array of challenges to the EU brought about by the current financial crisis but also long-terms trends such as globalisation, pressure on resources and an ageing society. Five interrelated targets to be reached by 2020 are enumerated: 1) 75% of the population aged 20-64 in employment, 3% of the EU GDP invested in R&D, 3) the ‘20/20/20’ climate/energy goals should be met, 4) early school leavers should be under 10% and at least 40% of the youngsters should have a tertiary degree, and 5) 20 million less people should be at risk of poverty. These are to be implemented by seven flagship initiatives including greater digitalisation, switch to a low carbon economy, support so that businesses and industries can compete globally, capacity building for new skills to increase labour participation and a fight against poverty and social exclusion. The Europe 2020 strategy is today used as the main document in which to frame territorial cohesion policy, as seen in some of the storylines presented in Paper 5.
Barca Report

The ‘Barca Report’ of 2009, entitled “An Agenda for a Reformed Cohesion Policy: A place-based approach to meeting European Union challenges and expectations” was prepared at the request of DG Regio in order to pave the way for the next generation of Cohesion Policy Instruments (2013-2020). The report makes the case for a ‘place-based’ approach to Cohesion Policy in order to achieve both efficiency and equity (social inclusion). It asserts that efficiency and equity can be pursued in the same interventions and seems to equate the ‘place-based’ approach with a local conception of territorial development or endogenous growth as an essential feature is tailoring interventions to specific territorial contexts and spatial linkages. In setting out the parameters for the future of Cohesion policy it maintains that NUTS2 regions are the appropriate level for programme management, although not necessarily for interventions and recommends concentration of the funds into 3-4 core priorities where more political attention is possible. Among the areas which may form these priorities are: Innovation, climate change, migration, children, skills and ageing. The Barca report’s emphasis on ‘place based’ policy is especially relevant in Paper 4 of this thesis.

Cohesion Policy and Cohesion Policy Instruments

Cohesion policy was made a cornerstone of European policy with the adoption of the Single European Act in 1986 and with the goal of addressing the economic and social disparities between the richest and poorest regions and the promotion of further economic integration received a major boost. The four generations of Cohesion Policy since then have invested in the ‘least favoured regions’, with the 2000-2006 programming period involving a doubling of the development gap with the accession of ten new Member States in 2004.

The 2000-2006 regional policy instruments focused on regions lagging behind (Objective 1) and regions undergoing structural change (Objective 2). With the publication of the Third Report on Economic and Social Cohesion in 2004, a reform of cohesion policy for the 2007-2013 period was called for and the concept of territorial cohesion was emphasised. For 2007-2013, the three Cohesion policy priorities cover the entirety of the European territory: 1) Convergence regions - with a GDP per capita in PPS of less than 75% of the EU average; 2) Regional competitiveness and employment regions - for all other regions to help deal with economic and social change, globalisation and accession to the knowledge society, and 3) Territorial cooperation, including cross-border and transnational cooperation.

The Community Strategic Guidelines (CEU 2006) adopted by the European Council explicitly aimed to strengthen synergies with and to help to deliver the objectives of the renewed Lisbon agenda. The new policy, as expressed through the Guidelines should:

- Make Europe and its regions more attractive places to invest and work
- Encourage innovation, entrepreneurship and the growth of the knowledge economy
- Create more, and better, jobs

2This section is largely taken from the Nordregio evaluation for the European Commission: Nordregio 2009: The Potential for regional Policy Instruments, 2007-2013, to contribute to the Lisbon and Göteborg objectives for growth, jobs and sustainable development. The author of the thesis is the main author.
The re-launched Lisbon strategy was less focused on meeting targets by 2010 and more focused on action for growth and employment, more and better jobs in the EU, better governance procedures and increasingly on the territorial and sustainability dimensions of Cohesion policy. The renewed Sustainable Development Strategy focuses on the adoption of better methods of integrated and balanced policymaking and on its role as a complement to the Lisbon Strategy. Paper 5 of the thesis specifically looks at how territorial cohesion is conceptualized in Cohesion Policy instruments. Paper 4 also makes reference to the use of these instruments at local level.

**Territorial Cooperation**

Territorial Cooperation is the third priority under the Cohesion Policy 2007-2013 instruments. It includes cross-border cooperation, transnational cooperation and interregional cooperation strands and co-fines projects featuring partners at local, regional and national level. The territorial cooperation priority is often still called by its former name, the INTERREG initiative. Territorial cooperation and the macro-region proposals are touted as specific ways in which to achieve territorial cohesion within a new policy space. Papers 2 and 3 of this thesis have been partly and wholly financed (respectively) by INTERREG IIIB Baltic Sea Region Programme and the Baltic Sea Region 2007-2013 Programme.

This brief discussion of the main documents, strategies and instruments of territorial cohesion is meant to provide a background for both the following analytical sections of the cover essay and the subsequent Papers.
7 Review of Results: Institutional Capacity for Territorial Cohesion

The first question of this thesis asks: What can the institutional perspective add to the analyses of territorial cohesion? In other words, how can institutional analysis rise to the challenge of dealing with territorial cohesion? This section of the thesis looks at how institutions and institutional capacity have the potential to contribute to increasing territorial cohesion in practice, as well as how institutional theories of institutions can help increase our understanding of the concept. It thus focuses on questions such as how to implement policies and strategies at various levels (ie institutional capacity) to achieve territorial cohesion and helps us to understand why the concept remains vague and interpreted from many different types of lenses or logics. This in turn can indicate some of the potential problems or opportunities in the practical implementation of territorial cohesion, either through use of the Structural Funds, efforts for substantiating a macro-regional strategy or in encouraging place-based or endogenous development.

The papers in this thesis examine institutional capacity on three different governance levels and from three institutional dimensions using the general framework of de Magalhaes et al (2002) operationalizing capacity of institutions as knowledge resources, relational resources and mobilization capacity. The following section details the results of the papers showing how each of these elements of institutional capacity can contribute to territorial cohesion at the different levels.

Knowledge resources

Inspired by the framework of de Magalhaes et al (2002) knowledge resources, as seen in the papers of this thesis, include not only formal and tacit epistemic knowledge, but also the consensual knowledge frameworks of reference that shape meanings and interpretations of knowledge, the degree of integration of knowledge used by stakeholders and finally the openness and learning capacity of stakeholders.

Knowledge resources at EU level and international level

Knowledge resources are essential to institutions at all levels. In Paper 6 of this thesis the collective epistemic and consensual knowledge resources available to climate change negotiation delegates are shown to be important aspects to a fair process and outcome. The climate change process, as an international regime, is particularly dependent on consensual knowledge of issues to be able to understand one’s own national mandate as well as values and interests of the other delegates.

The other papers included in this thesis trace a progression of how territorial cohesion has been used in the political discourse over nearly a decade, taking a cue from the ESPON 2006 and ESPON 2013 Programmes. Implicitly the discourse has been marked by the academic and policy-relevant research produced to substantiate European spatial development policy. In the early 2000s the key word in spatial development policy was polycentricity or polycentric development. Informed by the ESDP and the first and second ‘Cohesion Reports’, polycentricity was used in EU rhetoric as a way to achieve
social and economic cohesion throughout the European territory. While polycentricity has been replaced by territorial cohesion as the new buzz word, the epistemic and consensual knowledge building around the concepts have remained quite similar within the more recent Territorial Agenda process. As Gualini argues, the Territorial Agenda process, as the successor of the ESDP process has its epistemic focus mainly on “…developing an ‘evidence-based’ policy approach, at the expense of a focus on policy choices and how they are developed and enacted.” (Gualini 2008:8).

Papers 1, 2 and 5 are partly or fully based on results of the ESPON 2006 and ESPON 2013 Programmes. Thousands of pages of project results of the ESPON 2006 programme to produce evidence-based research on spatial issues have analysed polycentric development at multi-levels, among which the ESPON Project 1.1.3 “Enlargement of the European Union” forms the framework for Paper 1 in this thesis. The verdict on the role of polycentric development on territorial cohesion met with somewhat mixed results with regard to the efficiency and equity of polycentric development to produce economic growth and convergence within Europe. This was due to inherent goal conflicts (ESPON 2005, ESPON 2006) in pursuing these goals on various territorial levels (Adolphson et al 2006). Early rounds of the ESPON projects were based on a highly technical-rational scientific tradition featuring quantitative methods and readily available European-wide indicators. This research on EU spatial issues produced a rich descriptive cartography of the state of the European territory, but only limited understanding of the spatial processes happening within territories and sectors. Thus the production of research-derived policy recommendations, one of the mainstays of all ESPON 2006 projects was a very difficult endeavour, as evidenced in Paper 1. Davoudi (2006:87) asserts of the ESPON 2006 programme that “The technical-rational approach is based on the assumption that objective assessment and scientific advice, underpinned by positivist epistemology will lead directly and unproblematically to better decisions”. Indeed, Paper 2 of this thesis relates that early ESPON research found that, “…carte blanche policy interventions to achieve polycentricity may lead to conflicts between the goals of competitiveness, cohesion and sustainability at various levels” (Van Well, Cortés Ballerino & Johansson 2006:193).

In the later stages of in the ESPON 2006 programme, perhaps due to the non-conclusive results of the utility of polycentric development as a strategy for social and economic cohesion, the focus was rather turned on the concept of territorial cohesion and the cautious inclusion of more qualitative methods and case studies to help understand why and how territorial cohesion was being achieved. The ESPON 2013 Programme has gone even further to include case studies which exemplify typologies (ie the ESPON DEMIFER project on demography and migration) as well as projects that are largely based on case studies of governance processes (such as the newly started ESPON TANGO project on territorial governance). This is a step in going further to incorporate institutional approaches into the ESPON research mandate, which may help to produce research whereby we can better understand territorial cohesion processes. The storylines of territorial cohesion presented in Paper 5 represent collective European knowledge understood through an institutional perspective and the different logics underpinning them.
Knowledge resources at transnational/macro-regional level

The knowledge resources utilized at the transnational or macro-regional level have to a great extent mirrored the positivistic knowledge base at EU level. But as an informal institution or a ‘soft space’ in the process of solidifying (Metzger and Schmitt forthcoming), the Baltic Sea macro-region has a more specific need for knowledge, based upon the territorial challenges and opportunities of the region. For instance, as noted in Paper 2 “…while peripheral in the European context, the BSR is replete with its own core-periphery patterns of nodes, functional areas, and hinterlands, which in turn colour the territorial cohesion of the regional at all levels” (Van Well, Cortés Ballerino & Johansson 2006:191). The ESPON 2013 Programme has responded to this knowledge gap by creating priority projects of a smaller geographic scope within the Targeted Analysis and Scientific Platform priorities, many of these projects stipulated by the actual stakeholders and tend to focus on a smaller geographical area or functional network. Among these types of research projects are projects that examine cross-border of transnational challenges as well as a new project call that specifically addresses territorial cohesion indicators in the BSR - “Territorial Monitoring in a European Macro Region – A test for the Baltic Sea Region”.

Paper 3 further details the type of knowledge resources that would be necessary for the creation of a climate change adaptation strategy for the Baltic Sea Region. The paper profiles the use of knowledge resources in both the normative and regulatory elements of the informal institution and shows how existing institutions and transnational cooperation projects are already working from both the top-down and the bottom-up to reduce the complexity of adaptation issues (Figure 3). The BaltCICA project, for example, working from the bottom-up facilitates the creation and exchange of epistemic knowledge such as cost-benefit analysis and multi-criterion analysis as well as knowledge transferred among the local participants in organizing local stakeholder forums on climate change adaptation (Paper 3). The BALTADAPT project, on the other hand, works from the top-down and “…sets the institutional framework for what national policy makers need to take into account, creates create an umbrella structure for coordinating information on climate change adaptation in the BSR, and acts as a ‘knowledge broker’ or ‘clearing house’ between political decision makers and research institutions dealing with the question” (Paper 3). In its knowledge coordination function, the BSR appears to be creating this particular element of institutional capacity for territorial cohesion. This may be the initial (but in no way decisive) way that a macro-region can have an operational impact on territorial cohesion.
Knowledge resources at local level

At the local level, the knowledge aspect of a formal or informal institution’s capacity might easily be taken for granted. The analysis in Paper 4 shows that it is the knowledge gaps, rather than the capabilities, that become glaring elements of snags in a local institution. A real or perceived lack of knowledge may also be a reason for delaying or deferring a policy decision. March and Olsen assert that “in democracies, an example is the vision of an institutionalized demand for expert information and advice as a precondition for informed political decision, followed by technical–logical implementation, monitoring and adjudication of decisions” (March and Olsen 2004:22). This was seen in the workshops organized within the BaltCICA project. As an example, in Paper 3 the City of Riga representatives mentioned the great need for cost-benefit knowledge in preparing their climate change adaptation strategy and that this type of analysis “could not be detailed enough”, especially when dealing with municipal land planners who are concerned about the details before making a decision (Paper 3).

Paper 4 directly employs the institutional capacity framework to analyze and assess innovative and economic capacity on the Bornholm. The study examined how local/regional level institutions encourage and coordinate innovative practices through boosting and coordinating knowledge in order to create value or innovative capacity on Bornholm. In terms of knowledge resources, while formal education and training is still in demand and qualified labor is needed in several sectors, there interviewees mentioned the wealth of untapped potential in the form of formal and informal knowledge on Bornholm that could be employed in building up the innovative capacity of the island, if the actors were willing to learn from one another and cooperate in building up a new core capacity in the tourism and experience economy sectors. Results of interviews on Bornholm show
that the key is realizing \textit{ways to free up this potential} and carving out a role for local and regional level institutions to help in doing this (Paper 4).

\textbf{Relational resources}

According to de Magalhaes et al (2002) the relational resources element of institutional capacity includes actor networks and agglomerations as well as the relationship bonds of trust and reciprocity that bind the networks. These include the range of networks, the relationship between the specific nodes and linkages, negotiation forms for handling competing interests, the integration of relational webs and the prevailing power relationships.

\textit{Relational resources at EU and Macro-regional level}

Gualini has asserted that EU Cohesion Policy is a means of mediating between “… ‘regionalization’, as seen as a process ‘from above’, and ‘regionalism’ as a process ‘from below’, favouring the building of new institutional capacities as well as interest coalitions and collective commitments for regional development: in short, by contributing to the emergence of truly regional policy arenas” (Gualini 2008:13-14). Transnational and macro-regional cooperation, promoted by the EU are examples of such policy arenas built upon relational resources. Territorial cooperation is such an important means to achieving territorial cohesion that the First ESPON 2013 synthesis report (2010:29) considered it “a midwife for territorial cohesion and an essential tool for European recovery and resilience”.

Paper 2 features the ‘connecting potentials’ of the Baltic Sea Region as a potential peripheral counterpart to the ‘Pentagon’ of Europe. Through connectivity there is significant morphological potential for the BSR to be a polycentric integration zone on the European scale (Figure 4), although functionally, politically and historically this territory does not have the same competitive potential as the ‘Pentagon’. However the problem with focusing policy interventions on such a strategy to increase competitiveness of the region as a whole is that this could worsen the existing disparities between metropolitan areas and small and medium-sized cities, especially on the eastern shore of the Baltic Sea, thus creating lower-level peripheries. Physical accessibility and connectivity is one way to address the gap between first and second and third tier cities this, but also greater cooperation and relational connectivity between the second and third tier cities in the form of transnational cooperation to exchange experiences and best practices on dealing with regional specialization and specific capacities.
Papers 2 and 3 feature territorial cooperation (transnational cooperation and macro-regions) means of implementing territorial cohesion in the BSR. Paper 3 looks at the regulatory and normative institutional design instruments that would be needed to respond to the call for a BSR climate change adaptation strategy within the 'macro-regional' strategy. However the crux is that according to the EU (CEC 2009) the macro-regional strategy and all ensuing strategies should include neither new institutions nor new financing mechanisms. Paper 3 profiles how cooperation and coordination within the BSR macro-region is thus essential in order to design an informal institution composed of both top-down coordinated guidance and bottom-up exchange of experiences. As an exploratory exercise Paper 3 postulates that the risk of a climate change adaptation strategy at macro-level, as a collection of existing normative institutions and regulatory initiatives, is potential fields of tension due to overlapping agendas and increased complexity. The relational coordination mechanisms of such a strategy would thus be important to reduce complexity. Paper 5 also discusses how territorial cooperation, either under the EU aegis or other forms, is an example of ‘good territorial governance’ or deemed to be appropriate behavior for a Member State. Perhaps this is why there are numerous references within the current territorial cohesion debate at EU and national level to a macro-regional strategy as an instrument for achieving cohesion. An example of this is the Finnish consultation paper to the Green Paper on Territorial Cohesion. Finland has long been seen as a forerunner in implementing the normative spatial policy of the EU to its unique geographic conditions (Johansson et al 2009). In the Finnish consultation document territorial cohesion is linked to national regional policy, but not much is said in relation to EU Cohesion Policy and distribution of funds. The Finnish comments however, focus on Territorial
Cooperation and in particular the EU Strategy for the Baltic Sea Region (EUSBSR) as important elements of territorial cohesion (Finnish Ministry of Employment and the Economy 2009). While definitions of territorial cohesion are unwieldy at the EU level they could be more manageable at the macro-regional level. In a similar vein, it may be easier and more politically accepted, to discuss the instrumental aspects of territorial cohesion, in the sense that macro-regions and territorial cooperation are ways to achieve it, than it is to actually make references to what the goals of the concept actually are.

Relational resources at local and regional level

At the local/regional level institutions to facilitate territorial cohesion are dealing more specifically with their own endogenous regional development, rather than more conceptual aspects of territorial cohesion. Endogenous regional development actors have long been encouraged to organize new forms of territorial governance involving various “constellations of actors, institutions and interests” (Gualini 2008:16), or patterns of multi-level governance.

Paper 4 on economic and innovative capacity on Bornholm takes up the issue of connectivity at a micro-level in showing the importance of the creation of bridging social capital among economic actors to boost endogenous development. The research in Paper 4 shows that the relational function of institutional capacity is still lacking in sufficient scope on Bornholm. The paper recommends that Bornholm public and political institutions should make further efforts into connecting people, strategies and development potentials. While connectivity is vital in Bornholm, the paper concludes that the type of relational connectivity capital produced needs to be of the ‘bridging’ sort to facilitate inclusion of new actors, rather than the ‘bonding’ sort, which reifies existing relational patterns among traditional economic actors on Bornholm. As one interviewee on Bornholm stated, “we have networks but not the right type of networks”.

Paper 3 discusses the need for relational resources to clearly define the responsibilities climate change adaptation at local level in order to clearly define the boundaries of the problem area. In the workshops organized to discuss local needs in developing climate change adaptation strategies, several of the case study areas brought up the need for managing the institutional complexity inherent in climate change adaptation measures by coordination of efforts to help make stakeholders accountable – in essence delineating who takes responsibility. In the Hamburg Metropolitan Region, for example, the actors involved span not only in various municipalities and regions, but also across three federal states. The challenge here is to improve the efficiency of the responses to climate threats and create interaction among the local, regional and even federal institutions.

Relational resources are also a form of mobilization. For instance Paper 2 discusses transnational cooperation and exchange of best practices which could help integrate functions of sparsely populated areas, thus providing more job opportunities and diminishing out-migration (Van Well, Cortés Ballerino & Johansson 2006:202).
Mobilization capacity

Mobilization capacity, according to de Magalhaes et al (2002) is the ability to achieve action through the interaction of agency and structures, including identifying ‘windows of opportunity’, symbolic frames of reference, opportunity structures for collective action, areas for action and a repertoire of mobilization techniques. Mobilization capacity may also be spurred on by skilled ‘agents of change’ in order to jump start action. Territorial cohesion is a European-wide goal. But it is difficult to discuss the concept without some reference to local or regional level where territorial cohesion is implemented – mainly in terms of sustainable development of a territory – be it a local entity, regional, national or macro-regional.

Mobilization capacity at EU and transnational / macro-regional level

In addition to being defined by epistemic concerns or as a desired state of affairs, territorial cohesion can also be seen as “…an action-oriented, activating and mobilizing concept, legitimised by the way it is interpreted and enacted”. (Gualini 2008:14). Thus the concept builds both on knowledge and relational resources, but should also be seen to have a very active, mobilization, element. But according to Gualini this also means that the political nature of the territory must also be addressed, including capacity building, specific needs of regions and governance arenas.

Papers 1 and 5 examine territorial cohesion in terms of the specific development challenges of regions and policy responses on behalf of the EU. Paper 1 looks at the territorial cohesion situation in Europe as macro, meso and micro levels processes and diagnoses the specific needs of the regions and ways that they might achieve territorial cohesion. Mobilization capacity at EU level is primarily based on amassing knowledge resources and promoting relational resources. However the EU as an institution can mobilize capacity through policy, particularly Cohesion Policy funding mechanisms such as the Structural Funds and Cohesion Funds. Paper 5 also examines territorial cohesion at macro, meso and micro levels (EU, national and regional) in depicting its conceptualization and storylines as it relates to the use of Cohesion Policy instruments. While Paper 1 only alludes to how territorial cohesion could be addressed in policy recommendations related to the two logics of March and Olsen, paper 5 looks more explicitly at how the arguments about territorial cohesion are organized in the Structural and Cohesion Funds.

Paper 2 expounds on the need for more mobilization to achieve competitiveness and cohesion at the transnational level. It states that the learning opportunities for local actors participating in transnational and cross-border cooperation projects is one key method to achieve territorial cohesion in a bottom-up manner, “…but the case could also be made that the global nature of many of the challenges could also demand greater guidance from the BSR institutions as a whole” (Van Well, Cortés Ballerino & Johansson 2006:200). Paper 3 directly addresses the question of what a macro-region as an informal institution can do in theory and practice. The mobilization capacity of the EUSBSR and an ensuing climate change adaptation strategy for the BSR clearly shows that action from such an institution needs elements of both regulatory and normative institutions, but its proposed strength would lie in its ability to reduce institutional complexity rather than increase it (Paper 3).
Mobilization capacity at local / regional level

This is the level at which mobilization capacity for territorial, unsurprisingly, is most operational. At this level the focus has tended to be on governance processes, strategies and the existence of a strong ‘agent of change’ or ‘norm entrepreneur’ to actually induce a territory to deal with its development challenges and gaps.

Paper 2 details how small and medium-sized cities in the BSR, as studied in the MECIBS (INTERREG IIIB) project, have been able to foster development even in an environment characterized by lack of polycentricity. A good example of a municipality that has been able to deal with structural change is Nakskov, a small city in the periphery of Denmark where municipal authorities, as strong agents of change, have been able to see the problems of globalization and outsourcing as opportunities for proactive change, particularly through work to boost inter-municipal institutional capacity in transnational cooperation projects (Van Well, Cortés Ballerino & Johansson 2006:197).

Paper 4 specifically examines how Bornholm is in the process of mobilizing innovative capacity in the tourism and experience economy, carving this capacity out of traditional core competencies of the fishing and agricultural sectors. This in turn could lead to greater economic capacity and eventually greater territorial cohesion of the Danish territory, as Bornholm is the region most lagging behind of all Danish regions. Core competency is assimilated with a root system of a tree, nourishing and continually bearing up the tree with many branches and limbs of various types. Innovative capacity is likened to the trunk of a tree, an intervening variable; dependent upon the rootstock of core competency, yet at the same time supporting the branches and limbs of economic capacity (Figure 5). Despite a number of innovative persons and ‘agents of change’ active on the island, institutions on the island are being hindered from truly mobilizing development due to the dichotomies of development goals, norms and traditions of different groups of people on the island. The innovative ‘mobilizers’ are being stymied somewhat in their efforts to create innovative synergies between the traditional fishing and agriculture industries and the newer tourism and experience economies by sections of the population that are not sure about the degree of development that is desirable on Bornholm. Paper 4 alleges that Bornholm institutions for regional development do not yet have sufficient capacity to be able to deal with the competing interests of all actors and achieve their regional development goals.
Figure 5. Core competency, innovative capacity and economic capacity as mobilization on Bornholm (from Paper 4).

**The Institutional Capacity Framework: Applicable at Different Levels?**

The above presentation of the research results in accordance with the knowledge, relational and mobilization aspects of institutional capacity has proved to be an applicable framework of analysis by which to study territorial cohesion as an institutional issue. Part of the applicability has to do with the extreme generalness of the framework. In essence nearly all structures or processes could be analysed in accordance with these three criteria and thus it is difficult to find any counter-factual evidence, except when we consider the things that the framework does not take up, such as material resource capability. Within each of the case studies that directly transpose the framework (Paper 6 and Paper 4) we can see that the framework seems to be just as useful at both the international level and systems (Paper 6 on climate change negotiations) and at the local level (Paper 4 on innovative capacity on Bornholm). This usefulness consists of the framework’s ability helping to generate some interesting observations, such as illuminating the need for greater ‘bridging social capital’ on Bornholm or illuminating the importance of consensual knowledge for facilitating climate change negotiations in Paper 6. Applied more generally to issues of territorial cohesion in Papers 2, 3 and 5, the framework helps to understand the parameters of studying such a fuzzy concept.

However the usefulness of the framework, as used by de Magalhaes et al, is limited to the organization of the study object, i.e., what are we looking for when we study institutional capacity? The framework is less operational in terms of assessing the efficiency of institutional capacity to procure territorial development, as in both the de Magalhaes et al study of Newcastle’s Grainger Town, and the articles in this thesis, there has been no attempt to ‘weight’ the variables or make comparisons between cases. On the other hand, this was not the goal of the thesis. Rather the goal is to show what the institutional
perspective can add to the analysis of territorial cohesion, thus exploring different ways that territorial cohesion can be examined from a ‘soft’ structural institutional perspective, in addition to using technical-rational methodologies focusing on ‘hard’ structure or territorial morphology. And in accordance with a more constructivist research tradition, the institutional capacity framework does indeed help to understand certain patterns, even if it does not necessarily explain these patterns.

For instance at the local level in the case of Bornholm (Paper 4), using the framework for analysing interview material illuminated the interesting conclusion that what were most lacking on Bornholm were the relational resource aspects. City administrators and NGOs did not complain much about lack of material resources, but rather were quite active in trying to free-up the untapped knowledge potential. Various networks had been formed to get the business sectors talking to one another. However even though these networks existed, they were not the right type of networks. In more theoretical terms the type of networks being created were more characteristic of ‘bonding social capital’ forming exclusive and traditional groups, rather than ‘bridging social capital’ which would open up to new, previously neglected constellations of actors. Conversely, in the case of Nakskov as presented in Paper 2, the different constellations of relationships, with partners from around the BSR, were contributing to the capacity of the city to mobilize its knowledge and relational resources to remain competitive.

The institutional capacity framework was not strictly applied to the study of the papers dealing with transnational cooperation /macro-regions (Papers 2 and 3). But by analysing the papers in terms of the three elements the findings point out that the main role that can be carved out for a macro-region, as yet a ‘soft’ space lacking in institutional authority, is to be a ‘knowledge-broker’ and coordinate the various types of relational activities that are happening in the region. In Paper 3 we also see an interesting temporal pattern; the knowledge collection and dissemination function, in the case of collecting indicators for the region or disseminating ‘best practices’ to solve common challenges, is thus far the initial and more limited function of a macro-region, which in turn is to inform actors into creating networks and relations to deal with such challenges.

This situation is mirrored even more clearly at the EU level where the institutional function of EU institutions seems to be fairly limited to producing consensual knowledge about territorial cohesion (from a logic of appropriateness – see the following chapter) and encouraging and funding the production of epistemic knowledge about territorial cohesion, as we see represented by the ESPON 2006 and ESPON 2013 Programmes and shown in Papers 1 and 2. The Commission, however, is foraging into relational institutional aspects by encouraging the macro-regional perspective as a one of the means or instruments to achieve territorial cohesion throughout Europe.

A more encompassing meta-observation that can be made as the result of the research produced in the six papers of this thesis is that the importance of the three elements of institutional capacity varies at the institutional level examined. At the EU or international level, the production of knowledge resources is the main institutional contribution to territorial cohesion, while the EU’s mobilization capacity comes mainly from the Commission’s involvement in funding the Cohesion Policy Instrument. At the macro-regional or transnational level, the coordination of knowledge resources are paramount, but efforts towards territorial cohesion are further seen in different types of relational networks, projects and programmes. At the local level, all three elements of institutional capacity are vital, particularly as this is the only level able to truly mobilize the knowledge
and relational resources to create development. The figure below analyses the role that knowledge resources, relational resources and mobilization capacity play in each of the governance levels of the papers. The dark grey shades indicate an important role for the institutional capacity factor, while the medium grey shade indicates a medium role and the light grey indicates a lesser role for the element.

<table>
<thead>
<tr>
<th>EU / International</th>
<th>Knowledge</th>
<th>Relational</th>
<th>Mobilization capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transnational / Macro-regional</td>
<td>Knowledge</td>
<td>Relational</td>
<td>Mobilization capacity</td>
</tr>
<tr>
<td>Local / regional</td>
<td>Knowledge</td>
<td>Relational</td>
<td>Mobilization capacity</td>
</tr>
</tbody>
</table>

Figure 6: Pertinent elements of Institutional Capacity at three levels

Does the figure above seem to say that institutional capacity building is most important at the local levels? Not necessarily, although at the local levels it can be made much more operational. Paper 6 which deals with institutional capacity building for a different subject matter (climate change negotiations) but within a multi-level perspective of individuals, institutions and systems confirms that all levels are important: “If society or a state is thus viewed as a system consisting of individuals and organizations or entities working towards a common goal, then capacity development should be targeted to the needs of the different levels within the system. Accounting for the broader context and the different levels reflects to a certain degree the potential for the multiplicative effect of actions that a particular level would have” (Paper 6). By the same token, all institutional levels involved in producing territorial cohesion in Europe will build upon one another, in effect being “nested” within the structures of the adjacent levels.
8 Review of Results: The Logics of Territorial Cohesion

In answering the second question posed in the introduction ‘What is this thing called territorial cohesion?’ the papers in this thesis have all analysed some aspect of the ambiguous concept of territorial cohesion at a different territorial level. As presented in the preceding section, territorial cohesion has been analysed in accordance with three dimensions of institutional capacity. Continuing on in the New Institutionalism research tradition, the analytical track of the thesis also looks at the different conceptualisations of territorial cohesion through the lens of March and Olsen’s logic of consequences and logic of appropriateness, and ponders the question: Are there differing logics of territorial cohesion?

It is not the intent of this thesis to rigorously critique the logic of appropriateness and logic of consequences. Rather the thesis explores the utility of employing such a perspective to discourses on territorial cohesion. How does the March and Olsen perspective help us to make sense of the numerous texts and discourses surrounding territorial cohesion? Is it possible to trace the motivations behind conceptualisations of territorial cohesion? Even if it is so, why is it important to understand such a background?

March and Olsen (1989) assert, in presenting their two logics upon which they allege all political decisions are grounded, that actors do not always make decisions in a perfectly rational manner, based on perfect information and known interests. Rather decision making employs a rationality that is bounded. Within bounded rationality decision makers do not always have perfect access to information and are also influenced by societal norms, rules and appropriate institutionalized procedures. As recapped in section 4 of this cover essay, those decisions which are made or justified by rational-technical assumptions or calculations of own interest come from a logic of expected consequences, while those decisions that are influenced by norms, rules, identity considerations and ideas as to what is ‘right’ in a certain context are made from the logic of appropriateness. While paper 5 explicitly traces the two different logics of territorial cohesion in European-level and regional-level storylines related to Cohesion Policy instruments, all of the other papers allude to the two different logics (see Table 2).

In response to processes induced by EU enlargement, Paper 1 explores the types of policy recommendations (or combinations) at three levels which could enhance competitiveness and cohesion in all parts of the EU, with a special focus on regions with specific needs due to territorial factors such as peripherality, demographic challenges, specialization in primary sectors and low income and technological levels. The main value of the paper is that it problematizes the task of making policy recommendations from research grounded in the technical-rational tradition. The paper thus makes the point that policy recommendations must be based on two different types of logics: Principle-based recommendations to boost ‘hard’ structure and infrastructure as the result of technical-rational research, as well as capacity-based recommendations from an institutional perspective to facilitate coordination of policy interventions, boost human and institutional capacity resources and create more efficient communication mechanisms (Persson and Van Well 2005: 78-79). These types of policy recommendations, which the paper urges should be pursued in tandem, are based on
what policy makers at all levels might do if they were reacting from the *logic of consequences* and a *logic of appropriateness* respectively.

In Paper 2 the logics are evoked in pondering the potentials and challenges of the Baltic Sea Region for achieving the goal of territorial cohesion via polycentric urban development and accessibility. The paper points out the potential of a BSR integration zone, but also the inherent level-of-analysis contractions in working towards polycentrism in the core and peripheral regions. As with Paper 1, Paper 2 makes recommendation for territorial cohesion, but at the level of the Baltic Sea Region. The *logic of consequences* can be seen as informing policy at a wider level with a focus on European competitiveness which would mean interventions to promote the BSR as a global integration zone, but the paper asserts that it is also important from a *logic of appropriateness* to promote the inclusion of small and medium-sized towns in a EU and national strategy and focus on social and economic cohesion.

The governance efforts towards establishing a climate change adaptation strategy for the Baltic Sea Region, crouched in the EUSBSR macro-region strategy are operationalized in Paper 3, which concludes that such the strategy (which is only in the initial process of development) would have to include regulative and normative institutional elements. On the regulatory side the macro-regional strategy would include a coordination of strategies mainly at local level for dealing with complex threats of climate change via technical analysis through a *logic of consequences*. On the normative side, the strategy should facilitate transnational learning among national, regional and local actors and benchmarking through a *logic of appropriateness*, by which adaptation actions could be compared and contrasted.

In Paper 4 detailing the capacity of institutions on Bornholm to create innovative capacity and endogenous development it was slightly more difficult to trace how the different logics colored efforts towards territorial cohesion on the island. Results of the interviews made on Bornholm, however, displayed a dichotomy among actors on the island as to what development goals should be and how to achieve them. The distinction between what significant actors considered the ‘innovators’ and the ‘traditionalists’ was mentioned by interviewees as a factor hindering innovative capacity. It would be tempting to conclude that the innovators were acting from a *logic of appropriateness*, as this logic seems to characterize more capacity-building efforts in all of the other papers, including Paper 6 on climate change negotiations. Reality, though, is not so neat. In the case of Bornholm, it appears that the innovators are acting more from a *logic of consequences*, asking themselves “what is best for me” rather than “what should I do” and employing forward looking logic rather than backward looking logic as do the ‘traditionalists’.

It is important to remember that the *logic of appropriateness* is not inherently better or more ‘ethical’ than the *logic of consequences*. Some critics of the logics, such as Goldmann, assert that March and Olsen assume that working from a *logic of expected consequences* is based on a simplified and unsophisticated account of human thinking, while the *logic of appropriateness* is a more complex and sophisticated view of human motivation (Goldmann 2005:44). But March and Olsen themselves contend that the two logics are not mutually exclusive that and most political and social actions will involve elements of each logic. Neither is one logic ‘better’ or morally superior to the other (March and Olsen 2004:17). What may be happening on Bornholm is a classic clash between the logics of development, or
territorial cohesion on a very local scale. The use of the logics has helped to illuminate this clash.

Table 2. Elements of the two logics within the papers

<table>
<thead>
<tr>
<th>Paper</th>
<th>Logic of Consequences</th>
<th>Logic of Appropriateness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper 1</td>
<td>Principle-based recommendations</td>
<td>Capacity-based recommendations</td>
</tr>
<tr>
<td>Paper 2</td>
<td>Polycentricity on BSR scale, focus on European competitiveness</td>
<td>Inclusion of Small and medium-sized towns, focus on social and economic cohesion,</td>
</tr>
<tr>
<td>Paper 3</td>
<td>Regulative institutional elements</td>
<td>Normative institutional elements</td>
</tr>
<tr>
<td>Paper 4</td>
<td>Innovative capacity</td>
<td>Traditional regional development</td>
</tr>
<tr>
<td>Paper 5</td>
<td>Regional and local conceptualizations of territorial cohesion, local competitiveness</td>
<td>National and European-wide conceptualizations of territorial cohesion, wider cohesion issues</td>
</tr>
<tr>
<td></td>
<td>Territorial Cohesion as a goal</td>
<td>Territorial Cohesion as a means</td>
</tr>
<tr>
<td>Paper 6</td>
<td>Traditional negotiation and individual state capacity-building – Epistemic knowledge</td>
<td>Focus on boosting institutional capacity of the system – Consensual knowledge</td>
</tr>
</tbody>
</table>

The main question studied in Paper 5 is whether there are different logics of territorial cohesion in the various academic and policy-oriented storylines produced around the concept. This paper is the most straightforward of the papers included in the thesis in terms of applying the logics of action as a framework. The paper profiles existing storylines of territorial cohesion and adds to these its own storyline with empirical evidence of how the 246 Structural and Cohesion Fund Operational Programmes (OPs) in Europe define and conceptualize territorial cohesion (Figure 7). Paper 5 concludes that the wide variety of definitions of the concept highlights the complexity involved in operationalizing territorial cohesion. From the figure we can see that conceptualizations of territorial cohesion also differ as to their character. At least 57% of the OPs conceptualized territorial cohesion as goal, in terms of a reduction of regional / spatial imbalances (A in the figure) and these were mainly programmes in the Convergence Objective regions, while slightly fewer OPs (43%), mainly in the Regional Competitiveness and Employment regions, addressed the concept more specifically in terms of the means by which to achieve it (B-D in the figure). The paper evidences that there are some striking differences in the conceptualisations at different levels. Member states that have regions with specific and pressing territorial gaps and challenges will formulate territorial cohesion as a goal with a more significant emphasis on logic on consequences. Member States with regions that conceptualize the role of territorial cohesion in Cohesion Policy as a means or instrument in terms of the future opportunities for sustainable development, coordination and cooperation (regional, cross-border, transnational or macro-regional level) may be evoking a logic of appropriateness in the sense
that the norms of policy coordination, regional cooperation and exploiting regional potentials are active uses of Cohesion Policy instruments. Formulations of territorial cohesion at the EU and even national level tend to appeal to a \textit{logic of appropriateness}, while regional and local formulations tend to interpret and apply territorial cohesion in accordance with a \textit{logic of expected consequences}. They focus on using the concept to justifying their endogenous development challenges and potentials.

Further Paper 5 asserts that if territorial cohesion is to become a more dominant concept in Cohesion Policy, the importance of clarifying the various meanings of the term must be underlined. Using the March and Olsen’s logics may be a way of clarifying these meanings.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure7.png}
\caption{Definitions and Conceptualization of Territorial Cohesion in 246 Regional Competitiveness and Employment and Convergence OPs (2007-2013). From Paper 5.}
\end{figure}

\textbf{Assessing the logics: How do they help conceptualize territorial cohesion?}

March and Olsen (2004) discuss the relationship between the logics and governance – both democratic government, as well as more informal governance constellations. They assert that governments in the 1980s reinforced the trend of turning from an emphasis on rules and procedures to being more result-oriented. While process was still important, “… rules were often seen as instrumental rather than having a legitimacy of their own. In particular they aimed at binding and controlling elected politicians and experts” (March and Olsen 2004:18). However March and Olsen go further to say that when scandals and strong in-appropriateness occur, there is often a demand for a return to rules and norms of responsibility. For instance, the EU focus on governance, and in particular on ‘good governance’ in the aftermath of the scandals at the Commission in the late 1990s may be a bid to return to policy more focused on a \textit{logic of appropriateness}. The Commission-driven macro-regional strategy may also be an example of a bid from the EU to evoke a \textit{logic of...}
appropriateness in constructing a normative framework in which to coordinate actions, interests and identities which dictate specific actions.

As a concept, territorial cohesion has been characterized and expanded as storylines in several different directions. Paper 5 presents a number of these storylines, including how Waterhout (2007) has characterized four different storylines of territorial cohesion. In the following discussion the elements of the Waterhout storylines, as a very general and encompassing collection of political storylines, are related to the two different logics. The ‘Europe in Balance’ storyline as linked to the key concepts of polycentric development, services of general interest and center-periphery relations and emphasizes creating European convergence, particularly in the regions lagging behind. This is a storyline which may be appealing to the logic of consequences for achieving development in all parts of Europe as shown as well in Papers 1 & 2. The ‘Coherent European Policy’, a logic which appears to be taking a cue from the more process-oriented logic of appropriateness marks much of the discourse of countries like the Netherlands, Denmark, France and Belgium as well as the European Commission (Waterhout 2007), and stresses processes of good governance of the entire EU territory and reducing spatial conflicts via specific territorial instruments. ‘Competitive Europe’ could be said to be a logic of consequence discourse favored by many of the well-performing Member States and has an emphasis on territorial capital, infrastructure networks and the Lisbon/Gothenburg agendas. ‘Green and Clean Europe’ can be seen as characterizing a logic of appropriateness discourse of the Nordic countries, Germany, Ireland, the UK and Slovenia, even if the support is sometimes more passive and rhetorical. This fairly optimistic storyline, as exemplified by Paper 3 on climate change adaptation and also stresses local and regionally integrated strategies for sustainable development.

The ‘Competitive Europe’ storyline seemed to be the hegemonic discourse right up until the time of the financial crisis in 2008/9. The crisis appeared to make the single-minded pursuit of the Lisbon goals infeasible and inappropriate for many regions, particularly those what were still attempting to build up territorial capital in the form of infrastructure, tourism and other goals that were not yet ripe for the focus on innovation and entrepreneurship. Discussions also turned to the institutional and human capacity for such regions to make effective use of Cohesion Policy support (Papers 4 and 5). The ‘Coherent European Policy’ with its focus on governance, both intersectoral to reduce spatial conflicts and among territorial levels (Waterhout 2007:54), propounds to address the context-dependent processes of territorial cohesion with an emphasis on the not only policies, programmes and projects that build territorial capital, but also the specific methods and instruments of territorial coherency.

Expanding the scope of territorial governance is also seen as a way to ensure territorial cohesion. One of the measures taken at European level is to encourage the formation of macro-regions, as shown in Paper 3. Combining elements of a normative and a regulatory institution, macro-regions would thus be a forum to pursue territorial goals, particularly those relating to ‘Green and Clean Europe’ discourses at the adequate scale. Thus we see the spilling-over of the ‘Coherent European Policy’ discourse into those linking environmental concerns with social development and economic growth, as in the Europe 2020 strategy. Territorial cohesion, itself like a very informal institution, has both informed the policy debate (through strong interests such as those of the Commission or through the work of epistemic communities such as ESPON) and been informed by it.
The thesis finds that March and Olsen’s logics of action are an interesting, but difficult to apply, way of analysing territorial cohesion. It fruitfully helps to show how discourses are very different on different territorial levels. What the framework does not do, however, is to help operationalize the concept of territorial cohesion. This was a somewhat disappointing aspect of the thesis work, as the promise of the New Institutional perspective and March and Olsen’s logics seemed to be an appropriate way of addressing territorial cohesion; what a researcher with an identity in both the political science and the spatial planning realms should do. However assessing the usefulness of the March and Olsen framework to shed light on the subject matter from the consequences of the exercise, has shown that it was perhaps not as fruitful as expected!

The closest March and Olsen come to operationalization is to distinguish the circumstances under which one or the other logic may be operative. The thesis results show that at the EU and transnational levels, the discussions of territorial cohesion tend to be general and define territorial cohesion as something that an EU Member State or region ‘should’ be concerned with, appealing to a logic that is concerned with appropriateness of action. A telling example portraying how territorial cohesion is something to be ‘believed’ from a logic of appropriateness rather than ‘proven’ from a logic of consequences is seen in an article to the Nordregio News regarding territorial cohesion from a Swedish perspective. The article partly tongue-in-cheek discusses how the ‘non-believers’ of territorial cohesion may eventually be convinced of the importance of the concept (Lindblad 2011). On the other hand, territorial cohesion seen from the local level, is only proved by the impact of the concept on development needs in terms of reduction of regional and spatial imbalances as it is frequently characterised in the 2007-2013 Operational Programmes in Paper 5 (Figure 7).

The greatest utility of using the logics in this thesis work, is that analysis of the two ways of motivating and justifying political action brings with it important aspects of individual and collective interests in understanding territorial cohesion, something that is not specifically built into the other framework of analysis used in this thesis, the institutional capacity framework. Thus the logic of consequences and appropriateness can complement the institutional capacity perspective by providing it with just the element that it lacks.

This thesis has explored the how we can boost our understanding about territorial cohesion by employing institutional theories, from both the political science discipline (March and Olsen’s logics of action) and the planning discipline (institutional capacity). Combining the theories (which are also frameworks of analysis) could lead to a new framework by which to pattern our empirical results. Reality is not often amenable to being put into neat boxes. But this is exactly the task of science – to categorize, develop typologies and generally try to give some pattern to our empirical observations. Within a rational-technical scientific programme and a social-constructivist programme alike, researchers try to gain clarity on empirical processes and outcomes. The results are not always perfect, but often the process of categorization will bring new insights to specific examples. Table 3 below nevertheless depicts a possible extended framework for studying territorial cohesion at several levels, combining the two dichotic logics into a holistic framework.

Within the framework shown in Table 3, empirical evidence from the papers shows how different types of institutional capacity appear to be influential in accordance with different logies, academic concerns and EU policy contexts. In general, knowledge resources of an institution are more important for making decisions from a logic of
consequences, while relational resources are highlighted when making decisions according to the logic of appropriateness. But both logics utilize all types of resources, albeit in slightly different ways.

Table 3: Towards a framework for further analysis of territorial cohesion/territorial governance

<table>
<thead>
<tr>
<th>Institutional aspect</th>
<th>Logic of Consequences</th>
<th>Logic of Appropriateness</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Academic concerns</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Academic discipline</td>
<td>Economic Geography</td>
<td>Political Science, sociology</td>
</tr>
<tr>
<td>Research paradigm</td>
<td>Technical rational</td>
<td>social construction</td>
</tr>
<tr>
<td>Key task</td>
<td>Explaining</td>
<td>Understanding</td>
</tr>
<tr>
<td>Level of analysis</td>
<td>More focused at lower territorial level</td>
<td>Larger scale territorial level – macro-regional</td>
</tr>
<tr>
<td>Analysis perspective</td>
<td>Bottom-up</td>
<td>Top-down</td>
</tr>
<tr>
<td>Orientation</td>
<td>Outcome-oriented</td>
<td>Process-oriented</td>
</tr>
<tr>
<td>Role of interests</td>
<td>Pursuing own interests</td>
<td>Developing collective interests</td>
</tr>
<tr>
<td><strong>Political context</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cohesion Policy aim</td>
<td>Regional/local competitiveness</td>
<td>Larger scale social and economic cohesion</td>
</tr>
<tr>
<td>Cohesion goal</td>
<td>Economic growth</td>
<td>Quality of life</td>
</tr>
<tr>
<td>Policy guidance document</td>
<td>Lisbon Agenda</td>
<td>Europe 2020</td>
</tr>
<tr>
<td>EU Programme</td>
<td>ESPON</td>
<td>INTERREG</td>
</tr>
<tr>
<td>Policy recommendations</td>
<td>Principle-based</td>
<td>Capacity-based</td>
</tr>
<tr>
<td><strong>Institutional capacity element</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge resources</td>
<td>Cost-benefit analysis</td>
<td>Stakeholder participation</td>
</tr>
<tr>
<td></td>
<td>Local knowledge</td>
<td>EU/national norms</td>
</tr>
<tr>
<td></td>
<td>Boosting skill level</td>
<td>Local branding</td>
</tr>
<tr>
<td></td>
<td>Epistemic knowledge</td>
<td>Consensual knowledge</td>
</tr>
<tr>
<td>Relational resources</td>
<td>Exchange of best practices</td>
<td>Work towards common solutions</td>
</tr>
<tr>
<td></td>
<td>Bonding social capital</td>
<td>Bridging social capital</td>
</tr>
<tr>
<td>Mobilization capacity</td>
<td>Regulatory institutions</td>
<td>Normative institutions</td>
</tr>
<tr>
<td></td>
<td>Anticipation of events – pro-active</td>
<td>Recall of previous events - reactive</td>
</tr>
</tbody>
</table>

To some extent the cross-fertilization of theories across levels can also help to generate innovative research questions and hypotheses. Very general theory-generated frameworks of analysis can be transferred to another level, but some modifications may be necessary. Tracing the different logics of action in discourse and contextual analysis, for example
implies different ways of operationalizing them. For instance in the case of Bornholm (Paper 4) the March and Olsen’s logics are less discernable at local level as the development discourse tends to be very much grounded in pragmatic concerns and less so in referring to lofty EU rhetoric. Whereas the storylines of territorial cohesion profiled in Paper 5 more clearly refer to either normative principles or calculations of interest. In this case transferring and comparing the logics works as an analytical framework, but may not generate very meaningful comparative observations. What it does do quite well, however, is to help shed light on an extra layer of the storyline perspective.

Along the same vein, the three elements of institutional capacity as a framework from which to study international action (Paper 6) and local action (Paper 4) transfer quite well among the levels. This is perhaps not surprising since the framework is extremely general to begin with. While comparisons among the cases may not be very striking, the institutional capacity framework does allow the researcher to see processes from a new angle. An area for future research would be to develop the framework further so that assessments among the knowledge, relational and mobilization elements can be made as to the conditions under which one or the other capacity element will be more important, similarly to how March and Olsen have discussed when one logic may be more meaningful than another logic.
9 Discussion: Understanding Territorial Cohesion - Reducing Fuzziness?

The presentation of the results above has helped to put the concepts of institutional capacity and territorial cohesion into a wider academic and policy-oriented debate. What can be gleaned from the previous discussion is that it is still quite difficult to get a very clear grip on ‘this thing called territorial cohesion’ perhaps because the concept has so many degrees of complexity. This section summarizes how territorial cohesion can be analyzed on multiple levels and through different theoretical and policy lenses and addresses the third question of the thesis. Within both the academic and policy discourses on territorial cohesion (and related concepts such as cooperation or polycentric development) there are several different ‘lenses’ through which territorial cohesion has been understood. The papers within this thesis have each used a specific lens by which to address the subject. This section discusses how each of the papers has contributed to the study of territorial cohesion in terms of the results and methods used. The important questions will remain: What is the contribution of using each lens and why is it important to view territorial cohesion through multiple lenses? Which lenses increase clarity of the concept and its application? Which only add more fuzziness?

No single lens is able to tell the entire story of territorial cohesion; this is evident in the results from the papers, each of which tells the story from a certain viewpoint. Another certainty is that the lenses, from an analytical point of view, do not seem to contradict one another, nor do they compete with one another. As Gualini states “different models of institutional analysis need not be considered as rival theories as they are taken as expressions of different analytical focus rather than as alternative explanations” (Gualini 2004:24). However, examining territorial cohesion from only one lens might explain a small detail of the concept, but will miss out on telling other aspects of the story, i.e. missing the forest for the trees and vice versa.

Table 4 summarizes the use of each paper of the thesis as a particular lens. It first delineates the scope of the lens; wide angle or zoomed-in, clarifies if the view of the research has been from the top-down or bottom up, give the main temporal framework of the research, i.e. whether the medium is a snapshot (structural focus) or a film (examining a process), determines if the object under observation is a single issue or multi-issue, discusses the coloring of the ‘theoretical filter’ of the lens, and finally summarizes the contribution of the specific lens to understanding territorial cohesion from an institutional perspective.

From the summarization provided in Table 4 a number of observations regarding the use of the different lenses can be made. Paper 1 provides a panoramic view of territorial cohesion. It looks mainly at the structural fabric and as such contributes with an overarching description of the problems of achieving cohesion. Paper 1 paints a picture of territorial cohesion the wide strokes and little detail. It points out the needs of general types of regions and the importance of adapting policy recommendations to these regions, but it says nothing about how recommendations are actually implemented on the ground.
<table>
<thead>
<tr>
<th>Type of Lens</th>
<th>Wide angle or zoom</th>
<th>View of object</th>
<th>Snapshot or film (structure or process)</th>
<th>Single issue or multi-issue</th>
<th>Theoretical Filter</th>
<th>Contribution to understanding Territorial Cohesion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper 1 Spatial Development in EU</td>
<td>Panoramic</td>
<td>Top-down</td>
<td>Structure</td>
<td>Multi-Social and economic cohesion</td>
<td>Knowledge, policy recommendations</td>
<td>Overarching description of the spatial processes such as polycentricity at multi-levels. Problematization of making policy recommendations</td>
</tr>
<tr>
<td>Paper 2 Cores and Peripheries in BSR</td>
<td>Wide angle (BSR)</td>
<td>Top-down</td>
<td>Structure</td>
<td>Multi-Accessibility core and peripheries</td>
<td>Polycentric development</td>
<td>Slightly narrower focus, patterns of cores and peripheries distinguished and focus on competitiveness vs cohesion as a policy goal</td>
</tr>
<tr>
<td>Paper 3 EUSBSR Climate Change Adaptation Strategy</td>
<td>Wide angle (Macro-regional)</td>
<td>Both</td>
<td>Process</td>
<td>Single-Climate change adaptation</td>
<td>Creating an institution</td>
<td>Processes of institution-building in the BSR macro-region Understanding the role of a strategy with a macro-region</td>
</tr>
<tr>
<td>Paper 4 Dichotomies on Bornholm</td>
<td>Zoom in (local)</td>
<td>Bottom-up</td>
<td>Process</td>
<td>Single-Innovative capacity</td>
<td>Innovative capacity</td>
<td>In-depth view of territorial cohesion processes at local level and understanding the capacity needs for innovation</td>
</tr>
<tr>
<td>Paper 5 Territorial Cohesion Storylines</td>
<td>Wide and zoomed- in Collage</td>
<td>Bottom-up</td>
<td>Structure</td>
<td>Single-Cohesion policy use</td>
<td>Logics of appropriateness and consequences</td>
<td>Shows differences in territorial cohesion storylines at EU, national and regional level and outlines the different logics</td>
</tr>
<tr>
<td>Paper 6 Climate Change Negotiation</td>
<td>Panoramic, scenic (International)</td>
<td>Top-down</td>
<td>Structure</td>
<td>Single-climate change negotiations</td>
<td>Negotiation capacity</td>
<td>“Testing” institutional capacity dynamics for negotiation on a different issue area, but one with similar levels of analyses</td>
</tr>
</tbody>
</table>

Table 4. The many lenses of Territorial Cohesion
Thus Paper 1 with its panoramic view provides the context and the description of the policy problem of territorial cohesion at EU level. With this lens the issue is clear but, lacks detail. Rather than going deeper into territorial cohesion, the paper points out the existing disparities of the European territory and detects regions with specific needs.

Paper 2 narrows the focus slightly and is a complement to Paper 1 in using the same quality of lens (based on mainly ‘hard’ structural factors) but focused on a smaller territory of the BSR. It focuses on the specialized needs or more specific types of territorial regions – cores and peripheries – and problematizes the use of transport infrastructure for linking the cores at the expense of the intermediate peripheries in light of the norms of competitiveness and cohesion. In this paper the need for territorial cohesion as a policy goal sharpens as compared to Paper 1.

Both Papers 2 and 3 focus more narrowly to the Baltic Sea Region in terms of transnational cooperation and macro-regional strategy. Paper 3 keeps the scope of the lens on the Baltic Sea Region, but alters the material of the lens to focus more specifically on the issue of climate change adaptation. With a narrower single-issue focus and a specific institutional filter on transnational cooperation, Paper 3 moves from looking at territorial cohesion as a goal to examining more specifically one of the means to achieve it – the macro-region. Here the fuzziness of the concept dissipates greatly since the paper ponders what types of things a new macro-regional institution is able to do to achieve cohesion. However Paper 3 only looks at a small corner of the larger issue.

Zooming further in on territorial cohesion at the local level, as in the case of Paper 4 provides some evidence on how territorial cohesion is mobilized as endogenous regional development, dependent on building ‘bridging social capital’ among individuals within traditional and innovative sectors and skilled agents of change to mobilize the untapped knowledge potential. But it doesn’t see territorial cohesion as a political concept in the wider political context. At the local level, territorial cohesion thus becomes nearly synonymous with place-based regional development. The focus is quite clear, but perhaps too narrow to be of use on its own in trying to understand territorial cohesion.

Paper 5 employs a wide-level and partly zoomed-in view of territorial cohesion, but is arranged more in the shape of a collage featuring interlocking and sometimes overlapping storylines of territorial cohesion. These are then focused in and out slightly to look at more concrete regional conceptualisations of territorial cohesion from March and Olsen’s logics of action. Due to the zooming back and forth in this paper, the issue becomes less clear, but this motion allows to ‘test’ different logics of territorial cohesion, from the more focused logic of consequences at the local and regional level to the logic of appropriateness at the EU level. Finally Paper 6 has a very wide panoramic lens, looking at institutional capacity in the international climate change negotiations. It changes the object of inquiry, to test if the institutional capacity lens can thusly be applied.

From these results it is difficult to determine which lenses increase fuzziness of the concept and which increase clarity. As a whole the six papers represent a still somewhat unclear, but quite encompassing, picture of territorial cohesion. Those lenses, however, which depict a territorial cohesion as a process (or a film as in the analogy), Papers 3 and 4 do seem to present more transparent and interesting research results than those which focus primarily on structure.
10 Conclusions: Towards a Greater Understanding of Territorial Cohesion

As discussed earlier in this cover essay there is much written about the development of territorial cohesion as a political goal, but little in the way of theory-building and frameworks by which to operationalize the concept at several levels. There are currently many methods, particularly ‘hard structural’ methods within the rational-technical tradition methods for assessing the state of territorial cohesion, but few theories from which the researcher can generate hypotheses from a ‘softer’ structural tradition. This thesis has partly addressed this need. The heavy focus on hard structure dominates, both in the early papers presented in this thesis (Papers 1 and 2) and in the most current literature. Only the literature that traces the political process of territorial cohesion (ie Faludi 2007, Janin Rivolin 2010), the literature on territorial governance (Davoudi et al 2008, Gualini 2002), or the storyline literature (for example Waterhout 2007) explicitly refers to actors or institutions involved in the process. These are very appropriate starting points, but they only scratch the surface of provide the tools to further delve into the processes of territorial cohesion.

To summarize this cover essay, Chapter 1 has given a short introduction to the territorial cohesion and presented the research questions and the background to this study. Chapter 2 reviewed the theory of science considerations in the disciples of international relations and spatial planning used in relation to studying territorial cohesion, while Chapter 3 discussed the specific methods used in the papers for analysing the topic. Chapter 4 presented the theories of institutions, norms and the logics of behaviour used in the papers and Chapter 5 briefly delineated the institutional capacity and governance theories that have inspired the thesis work. Chapter 6 gave an overview of the policy development of the term territorial cohesion and delineates some of the seminal documents on which the policy debate on territorial cohesion is based.

The analytical chapters of the cover essay, Chapters 7 and 8, synthesized conclusions from the six Papers. In Chapter 7 the results of using an analytical framework of institutional capacity based on knowledge resources, relational resources and mobilization capacity were presented. The framework is very general and neglects important aspects such as material resources and only implicitly includes ways to amalgamate diverse interests. Still, applying the framework on various territorial levels has helped to portray that territorial cohesion implies different types of resources at the various levels. For instance the research presented here shows that institutions for territorial cohesion at the macro-level may mainly be concerned with coordinating knowledge resources and creating relational links among actors to solve regional problems, but are quite weak in mobilization capacity. Despite its generality, the use of the institutional capacity framework is a fruitful way to pattern empirical observations since it can illuminate new questions to be asked from the empirical information.

Chapter 8 has also shown that there are very different dynamics, different institutional preconditions and differ logics of understanding territorial cohesion at the various scales. The synthesis of the papers in this chapter concludes that regions and municipalities understand territorial cohesion mainly in relation to their own regional challenges. Territorial cohesion may be a normative goal at EU-level, something regions ‘ought to’
strive for and integrate into regional strategies in terms of a logic of appropriateness. But on
the ground, regions instead seem to weigh the consequences of policies with a territorial
impact and their own development needs and approach territorial cohesion from a logic of
consequences. While the use of March and Olsen’s logics can shed light on why actors on
different levels understand territorial cohesion differently, there are many remaining gaps
in the theory. Foremost is that the theory is difficult to operationalize in terms of indicators of one logic or the other. Yet what the use of the logics can contribute to in a
research program is that it brings up important questions of how actors see their own
interests versus common interests or common norms. In this sense it complements the
institutional capacity theory which only tacitly takes interests and preferences into
consideration.

Chapter 9 presented how territorial cohesion can be examined at different levels of
analysis and with different theoretical and contextual ‘lenses’. The thesis has postulated
that there is added value in using the same framework of analysis (such as the elements
of institutional capacity) at very different territorial levels. Scaling up or scaling down
analytical levels appears to provide some added substance to a coherent picture of
territorial cohesion even if there is a risk that it increases complexity.

Implications for policy

Each of the papers in this thesis concludes with its own specific recommendations or
implications for policy. Policy implications drawn from the synthesis of the six papers,
however, will be very general. Chapter 9 postulated that no single lens or description can
capture the dynamics of territorial cohesion. When referring to the policy goal of
territorial cohesion, policy makers should be aware that it means different things at
different levels.

At the same time there are various policy implications that are relevant for policy
institutions at different levels. EU level institutions, for example, could consider boosting
knowledge-building resources with a focus on qualitative, as well as quantitative, studies
of territorial cohesion at different levels. This thesis is a very modest example of such
research. In terms of mobilization capacity for territorial cohesion, if, as the Fifth
Cohesion report states, territorial cohesion is to play a more prominent role in the future
of Cohesion Policy, it is important that the concept is clarified and operationalized.
Studies such as this one help to show policy makers how and why the conceptualizations
appear so different. As well, future Cohesion Policy instruments could be directed to
boosting institutional capacity to a greater extent.

At the transnational or macro-regional level, territorial cohesion interventions are thus
far focussed on coordination of knowledge resources, as well as on relational resources
to organize networks for collaboration. If a macro-region is to have any type of
mobilization capacity, it could be in the role of institutions acting as ‘knowledge brokers’
between efforts at EU level and local actions for territorial cohesion.

The local/regional level is where territorial cohesion is actually achieved. Local
institutions need to have all three elements of institutional capacity in order to achieve
their development goals. Public institutions at local or regional level may need to boost
their mobilization capacity in order to utilize previously untapped local innovative
knowledge and ensure that the relational networks are bridging various interests.
Directions for further research

Territorial cohesion means different things on different levels. While this statement is unsurprising and uncontroversial, more empirical evidence is needed in order to substantiate this and understand how and why it varies.

The thesis has shown the importance of gathering robust empirical data to formulate an institutional theory of territorial cohesion. What is presented in the thesis can be seen as a framework for an integrated research agenda on operationalizing territorial cohesion in its many incarnations. By further use of institutional perspectives to analyze territorial cohesion and territorial governance new theories will eventually evolve. Further academic inquiry should be pointed in this direction.

Additional areas for further research include an analysis comparing how national, regional and local conceptualizations of territorial cohesion differ between the ‘old’ EU Member States and the ‘new’ Member States. Similarly an area of further inquiry could be to analyse and compare the institutional capacity of regions with different territorial preconditions, such as urban and rural areas, island and mountainous regions or peripheral and core regions. Finally it may be fruitful to explore the mechanisms of the Open Method of Coordination (OMD) in territorial issues as well as other issues, in terms of a framework featuring the logic of consequences and logic of appropriateness.
References

Literature


Näringsdepartement. NUTEK:


**Policy documents**


Committee of Spatial Development (1999). European Spatial Development Perspective: Towards Balanced and Sustainable Development of the Territory of the EU. Potsdam, 10/11 May 1999


Annex 1 Outline of Papers

Paper 1: Spatial processes at macro, meso and micro level during EU enlargement

Territorial Scope:
Europe

Key themes:
Polycentricity, EU Enlargement, multi-level governance, policy recommendations, ESPON 1.1.3, principle-based and capacity-based policy combinations

This paper derives from an ongoing research project within the European Spatial Planning Observation (ESPON) programme that concerns enlargement of the European space. The aim is to highlight preliminary findings on spatial processes at the macro, meso and micro levels, which call for coordinated policy intervention. Throughout the paper, needs are outlined for further empirical and theoretical research on the possibilities to achieve more balanced spatial developments in the mid and long term future. This paper is a study of the art and science of making spatial development policy recommendations for and enlarged Europe. The paper distinguishes two types of policy recommendations: Principle-based policy combinations and Capacity-based policy combinations. The focus on capacity-based combinations purports to illuminate some European-wide lessons for the importance of boosting regional and local capacity for adhering to the norms of the European Spatial Development Perspective (ESDP) in order to achieve sustainable growth/development

Research questions:
- What are the current processes of polycentric development in the EU Enlargement area?
- What is the diagnosis of the spatial tissue (territorial cohesion) in the EU-25?
- Where are the specific regions at risk with regard to sectoral specialization?
- In light if enlargement, what policy combinations/recommendations could enhance competitiveness in all parts of Europe?

Methods:
‘Measuring’ polycentricity, economic and population distribution at NUTS3 in EU-27, spatial association of to measure spatial disparities, policy analysis

Results:
- Due to the diversity of regions with regard to polycentric structure and development, policy at all levels needs to be much more targeted than in the past to be efficient.
• Proposal of two main types of policies: Principle-based policy combinations based on growth of major and second tier cities across Europe by increasing polycentric development at European scale through accessibility networks and endogenous growth and Capacity-based policy combinations to address governance processes for development by stimulating capacity of institutional frameworks and communication.

• Principle-based combinations based on epistemic knowledge (European-wide typology of regions at risk and potential) are largely top-down and addressed to EU institutions. They are based on known interests and diagnosis.

• Examples of principle-based combinations include:
  o Create new public institutions in second-tier cities
  o Develop regional highway networks focusing on major regional centres
  o Local transport accessibility.
  o Development of tourist networking possibilities (natural, cultural, historical)

• Capacity-based combinations are based on activating bottom-up processes, administrative and institutional capacity for cross-sectoral integration. They are addressed to all levels, but work to strengthen European identity and norms.

• Examples of capacity-based combinations include:
  o Evaluating institutional frameworks
  o Boosting human resources
  o Creating more efficient communication mechanisms and facilitating networking

Role of Paper 1 in thesis:

Paper 1 sets the scene for much of the subsequent research by illuminating the problems and challenges of European spatial development and by introducing the ESPON programme. It profiles the diversity of European regions in terms of economic and social development and points out the need for policy recommendations/combinations at all levels of governance – the macro, the meso and the micro. While the paper was written prior to the popularity of using the concept of territorial cohesion to describe spatial goals, it nevertheless implicitly takes up cohesion of the entire EU territory. The primary results show the strong need for different types of institutional capacity at various levels of governance.
**Paper 2: Strategies and priorities for cores and peripheries in the Baltic Sea Region**


**Territorial Scope:**
Transnational, Baltic Sea Region

**Key themes:**
Accessibility, core-periphery, polycentricity, territorial cohesion, potentials, small and medium sized cities, Baltic Sea Region, VASAB, ESPON, INTERREG, MECIBS

In this study we explore these core-periphery patterns in the Baltic Sea Region (BSR) and discuss the potentials and challenges of the BSR for achieving the goal of territorial cohesion and by means of the policy instruments of polycentric urban development and accessibility. The focus of the study is on the connecting potentials of transport accessibility and capacity for transnational cooperation. We build upon the visions and strategies for the BSR produced by VASAB 2010+ and other Interreg projects and take the ESPON (European Spatial Planning Observation Network) programme methodology as a point of departure.

**Research questions:**
- What are the challenges and potentials for achieving territorial cohesion in the BSR via polycentric urban development and accessibility?
- Is there such a thing as a polycentric Baltic Sea Integration Zone?
- What are the potentials of the territorial periphery?
- How can small and medium-sized cities in the BSR contribute to territorial cohesion within the macro-region?

**Methods:**
Mixture of qualitative and quantitative methods: Builds on ESPON 1.1.1 typologies of FUA and Polycentricity index (size, connectivity, locational indicators), policy analysis, in-depth interviews with planners and policy-makers in MECIBS cities.

**Results:**
- Differing challenges in the BSR with regard to polycentric urban structure, accessibility and connectivity as seen in the core-periphery patterns.
• In theory a Baltic Sea Integration Zone could be possible considering the structure of MEGAs in the region. Policy efforts to strengthen such a structure, as a complement to the ‘Pentagon’ in the BSR periphery would focus on support to the metropolitan and functional urban areas.

• This would be to the detriment of polycentric development and territorial cohesion at the macro-regional and national level, as disparities between urban centres and rural areas and small and medium-sized cities would increase.

• There is scope for a both top-down and bottom-up institutionalized responses to the challenges of achieving territorial cohesion in both the centre and periphery of the BSR.

• In terms of top-down normative institutions, there is still scope for guidelines that deal more specifically with territorial cohesion in the Baltic Sea Region. Such a strategy would rely on the generation of common norms, like the ESDP. Transnational cooperation would be one way to implement this strategy.

• The VASAB strategy ‘Connecting Potentials’ needs to include the support for non-urban areas in order to achieve territorial cohesion. Transport accessibility is even more crucial for the peripheries within the BSR.

Role of Paper 2 in thesis:
This paper builds upon some of the observations in Paper 1 but transposes them to the transnational regional level (the BSR). The concept of territorial cohesion is introduced and related to the BSR, particularly the idea of territorial cores and peripheries. It problematizes the role of small and medium-sized cities and implicitly warns that a one-sided focus on development of the large urban areas as the engines of growth in the BSR could worsen territorial cohesion at the macro-regional and national level, even if it increased competitiveness for Europe as a whole. Institutions that deal with territorial cohesion in the BSR, such as VASAB, need to take this into consideration.
**Paper 3 Towards a macro-regional climate change adaptation strategy in the Baltic Sea Region?**


**Scope:**
Macro-region, Baltic Sea Region

**Key themes:**
Multi-level governance, Climate change adaptation, institutions, macro-region, transnational cooperation, EU Baltic Sea Region Strategy (EUSBSR)

Climate change adaptation strategies have become priorities for most of the countries of the Baltic Sea Region (BSR). While adaptation to a changing climate requires specific local and regional planning interventions based on the risk, vulnerability and climate scenarios of a territory, guidance for adaptation has mainly come from above – the national and EU levels. This article problematizes the potentials and challenges associated with calls for a macro-regional climate change adaptation strategy in the BSR. From the analytical lens of institutional theory it examines the local, national and transnational climate change adaptation actions undertaken. It then delineates the regulatory and normative institutional design elements that would be needed for polycentric governance (in the words of Ostrom) of the EUSBSR climate change adaptation strategy.

**Research questions:**

- Is there a need for an EU Baltic Sea Region Strategy for climate change adaptation?
- What types of governance and institutional functions would be needed to establish a macro-regional climate change adaptation strategy?
- How can transnational cooperation efforts help to encourage coordination and learning about institutional complexity associated with climate change adaptation?

**Methods:**
Document and policy analysis, telephone interviews, ‘action research’ including participation in stakeholder workshops and organization of focus group workshops.

**Results:**

- While there is a call for a BSR climate change adaptation strategy, the EUSBSR specifically states: No new institutions, no new regulations, no new funding. Thus the strategy would need to be rather a coordination of the ongoing efforts.
- Both top-down and bottom-up governance of climate change adaptation is happening in the BSR and both are essential.
- There is a need for such strategy, but only if it reduces complexity rather than add another layer of institutional ambiguity.
• On-going transnational cooperation efforts are working from both the bottom-up (BaltCICA) to provide local adaptation solutions and from the top-down (BALTADAPT).

• Regulatory (principle-based) instruments include National Adaptation Strategies, multi-level governance and intersectoral, clearly defined authority and responsibility among levels.

• Normative (capacity-based) instruments include sufficient cooperation schemes, ensuring high level of political commitment, methods to transfer local and regional knowledge, coping with complexity of the problem, enhance coordination and exchange of experiences.

• The role of transnational and cross-border cooperation is very important in an institution for climate change adaptation.

• As with the broader EUSBSR, a climate change adaptation strategy at macro-regional level would need a common rationale, objective and territorial shape to be viable, as well as forums for facilitating transnational learning and ‘logics of appropriateness’

**Role of Paper 3 in thesis:**

Paper three further explores the Baltic Sea Region as a ‘macro-region’, but this time with regard to the issue of climate change adaptation. Macro-regions are seen as one of the instruments by which to achieve territorial cohesion in Europe. The paper goes into detail regarding the institutional preconditions for top-down and bottom-up governance, ‘testing’ Ostrom’s theory of institutional design for common-pool resources in an issue that demands territorial governance at multiple levels. It shows the role that transnational cooperation plays in bridging these levels. The paper was written in conjunction with the Baltic Sea Region Programme 2007-2013 project BaltCICA.
Paper 4: Dealing with Dichotomies: Economic and Innovative Capacity on Bornholm


Territorial Scope:
Local/regional, Bornholm, DK

Key themes:
Economic and innovative capacity, core competency, institutional capacity as knowledge resources, relational resources and mobilization capacity, endogenous regional development

Bornholm, a Danish island in the midst of the Baltic Sea, is currently dealing with the structural effects of globalization processes. This study traces Bornholm’s economic and innovative capacity for economic development and provides a portrait of the traditional ‘root system’ or core competency on Bornholm, which is split between the fishing industries and agriculture. The study documents top-down and bottom-up attempts to create greater innovative capacity and in turn economic capacity according to a framework of analysis depicting knowledge resources, relational resources and mobilization capacity. It also discusses how a more contemporary core competency might be realized in the tourism and experience economy. Finally the article discusses how dealing with its dichotomies could help Bornholm to achieve regional development and innovative capacity.

Research questions:

- To what extent is economic and innovative capacity being facilitated on Bornholm and what are the main barriers to such development?
- Where are the strengths and weaknesses with regards to institutional capacity on Bornholm?
- How is bridging and bonding social capital contributing to innovative capacity?
- How is Bornholm creating a new core capacity of the tourism /experience industry and what role do top-down and bottom-up institutions on the island play in this?
- Will overcoming its social and economic dichotomies help Bornholm create territorial development?

Methods:
Process tracing and thick description through policy analysis and in-depth interviews in person and per telephone.
Results:

- Both top-down (Bornholm Growth Forum) and bottom-up (LAG) institutions are addressing regional development (territorial cohesion).
- But there is a greater need to develop better relational aspects among actors involved in territorial cohesion on the island, particularly the need to for ‘bridging social capital’ rather than ‘bonding social capital’.
- Use of local knowledge and innovative capacity is impressive, but Bornholm institutions need to better be able to mobilise or free-up this capacity.
- Innovative capacity on Bornholm is being hampered by the socio-economic dichotomies on the island.
- Addressing these dichotomies may help to create endogenous growth, if the significant economic and political actors cooperate with one another towards a common goal of development.

Role of Paper 4 in thesis

This paper has been written as part of a series of studies on the role of the autonomous regions in the Nordic countries. Bornholm is a ‘control’ case as it is not autonomous in the same sense as the Faroe Islands, Åland or Greenland, but nevertheless retains some regional autonomy in light of the new regional reforms in Denmark. The paper is a extraction from a larger published research report. The concept of innovative capacity in the paper is approached with a similar theoretical framework as institutional capacity – the knowledge, relational and mobilization aspects. The paper shows is an on-the-ground look at a peripheral, non-urban agglomeration region in the BSR strives for territorial development in light of many of the EU goals.
Paper 5: Conceptualizing the Territorial in Cohesion Policy Instruments

Territorial Scope:
European level, European regions, Nordic National and regional level

Key Themes:
Territorial Cohesion, Cohesion Policy instruments, Logic of Appropriateness, Logic of Consequences, ERDP Operational Programmes, Storylines of Territorial Cohesion at various levels

This paper explores the multiple and more specific conceptualizations of territorial cohesion in relation to Cohesion Policy instruments. In setting the stage for this the paper first examines a number of European-wide ‘storylines’ in conceptualising territorial cohesion. Second it looks more specifically at national definitions of the concept, with a particular focus on the Nordic EU countries. Finally, moving on to the regional level the paper examines how territorial cohesion is explicitly and implicitly addressed in 246 ERDF Operational Programmes (OPs) under the Regional Competitiveness and Employment and Convergence Objectives 2007-2013. The wide variety of the definitions in the OPs serves to further highlight both the vagueness and complexity of the concept. On the basis the EU-27-wide data, a simple categorization of conceptualizations of territorial cohesion in the OPs is drawn and a more in-depth look is taken of the how the three EU Nordic countries (Denmark, Sweden and Finland) conceptualise the territorial dimension in Cohesion Policy instruments. The theoretical lens of the study is March and Olsen’s logic of appropriateness and logic of consequences.

Research questions:
• How do EU Member States conceptualize and use the normative concept of territorial cohesion in relation to the identified challenges and priorities of the regions as well as expectations from EU-level institutions?
• How do Operational Programmes, as Cohesion Policy instruments conceptualize territorial cohesion?
• Do different logics seem to be evident in the conceptualizations of territorial cohesion at various spatial scales?
• When in the discourse and storylines does one logic seem to take precedence over the other and why?

Methods:
Discourse and policy analysis, devising a ‘meta-storyline’ as result of literature survey.
Results:

- Nearly two-thirds of all Operational Programmes translate the territorial dimension into explicit definitions of territorial cohesion, although all Programmes contain implicit conceptualisation of territorial cohesion.
- Definitions used varied. The most common way of addressing territorial cohesion is in terms of the reduction of regional and spatial imbalances.
- Bottom-up processes such as those that incur in developing Operational Programmes and regional or national strategies relating the conceptualizations of territorial cohesion, tend to be more focused on the challenges, geographic specificities and development gaps on the ground of policy choices, and thus are based on a logic of consequences.
- Top-down processes, both conceptualizations at EU level of territorial cohesion and those aspects of developing Operational Programmes that must be vetted by the Commission, focus on using normative guiding devices and relate to logics of appropriateness, ie what an actor in such a situation should do to maintain the identity of and EU Member State.
- Both top-down and bottom-up processes are evident and necessary in conceptualizing territorial cohesion in Cohesion Policy instruments and thus both logics are active to some degree.
- Regions with specific and pressing territorial challenges, such as Eastern Finland and Bornholm to some extent, will formulate territorial cohesion with a more significant emphasis on logic on consequences than a logic of appropriateness. This can be seen in the results of the study of the OPs where Convergence programmes addressed territorial cohesion mainly in terms of the reduction of regional and spatial imbalances.
- Regions that conceptualize the role of territorial cohesion in Cohesion Policy in terms of the future opportunities for sustainable development, coordination and cooperation (regional, cross-border, transnational or macro-regional level) tend to refer more to logics of appropriateness. In the OP study Competitiveness programmes focused more on inter-regional and international co-operation to address economic and social disparities.

Role of Paper 5 in thesis:

Territorial cohesion is one of the overarching goals in the 2007-2013 Cohesion policy programmes. This paper traces the recent history of conceptualizations of territorial cohesion particularly in relation to Cohesion Policy instruments in the various storylines taken from a literature survey and adds a further conceptualization with European-wide data of 246 Operational Programmes taken from a larger study for the European Commission: (Nordregio 2009) The Potential for regional Policy Instruments, 2007-2013, to contribute to the Lisbon and Göteborg objectives for growth, jobs and sustainable development. The author was lead partner and project leader of this study. As such the paper provides an overarching and fairly up-to-date description of territorial cohesion in policy and in literature.
Paper 6: Institutional capacity for facilitating climate change negotiations


Territorial Scope:
Systemic, Global

Key Themes:
Climate Change Negotiations, institutional capacity as knowledge resources, relational resources and mobilization capacity, reducing complexity in negotiations, long-term vs short-term capacity building

This paper examines the process of international climate change negotiations to ascertain which parts of the process might profit from being altered so to insure capacity of all parties around the negotiations table. This largely systemic perspective centers around the structures of the negotiations, in the attempt to make them more efficient, equitable, coherent and accountable, thusboosting the capacity of negotiating parties. Capacity of the system is examined according to three themes: Knowledge Resources, relational resources and mobilization capacity (de Magalhaes et al 2002).

Research Questions:
• How is capacity manifested within negotiation processes in general and in the long-term negotiations within the climate change regime in particular?
• What are the stumbling blocks in the region and how does institutional capacity help to overcome these?
• How does systemic capacity help to boost the capacity of individual negotiators?

Methods:
Literature survey, process-tracing, tracking and monitoring of negotiations via ‘Earth Negotiations Bulletin’ and personal experience (of co-author) in climate change negotiations.

Results:
• One of the main stumbling blocks in climate change negotiations is complexity and multiple actors, as well as the institutional structure of the negotiations themselves.
• Consensual knowledge within the negotiations is an institutional frame of reference necessary to understand in order to be able to negotiate effectively.
• The capacity to negotiate fairly is bolstered by networking and coalition building to achieve fairness of procedure.
• Leadership and skilled change agents are often the key to mobilizing action within the negotiations.
• Knowledge resources, such as common frames of references and consensual knowledge are imperative, especially such short-term interventions in the agenda setting stage of negotiations, such as capacity-building workshops.
• In the medium term, training programmes can have incremental effects of the overall capacity threshold.
• In the long term, capacity building can transform structures of the negotiation process and strengthen the foundation for stronger and more effective regimes for climate change.

Role of Paper 6 in thesis:
This paper concerns a slightly different subject matter – climate change negotiations at a systemic level, rather than territorial cohesion. However the paper also tests the feasibility of using a similar general framework of reference designed for the local level, at the global or systemic level. It thus sheds light on the role that institutions can play, even at the global level.