

Inner Peripheries: an oxymoron or a real challenge for territorial cohesion?

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ABSTRACT

Inner Peripheries remain, in many ways, territorial enigmas. Their geographical distribution is unknown, and the process through which they are formed is poorly understood. Little is known about how their geographical distribution has evolved over time. From the point of view of policy action, there are few examples of dedicated schemes and programs to halt or ameliorate the deprivation processes by which some inner areas become lagging and peripheral. It is fair to say that the principles and practice of policy responses to halt or ameliorate their marginalisation are poorly developed. This paper explores the origin of the inner periphery concept, proposes practical methods to delimit and map inner peripheries in Europe, and considers the potential policy implications.

INTRODUCTION

This paper considers the term “inner periphery”¹, which has until recent years been relatively neglected in the regional development and planning literature. It attempts to answer the following questions: a) What exactly does it mean? b) Can we identify and map inner peripheries in Europe? c) What forms of policy intervention have been used or should be developed to address the needs of such areas? At face value, the two words “Inner” and “Periphery” seem to contradict each other; how can a place be both “on the edge” (peripheral) and “inner”? This can best be understood in the context of the fact that the original (spatial) meaning of the term “peripherality”, associated with the economic and social penalties faced by locations at a distance from the main “hubs” of economic activity in Europe, has been joined by a range of “analogous” meanings, which are to do with socio-economic “marginality” in an a-spatial sense (Kuhn 2015, p.368). This opens up the possibility that localities which are not geographically remote may nevertheless constitute “peripheries” in terms of their relationship with global economic circuits and interaction. Within this paper however the term “peripheralisation” is preferred to “marginalisation”, - as used in the rural and regional development literature (Jussila & Leimgruber 1998; Danson & Souza, 2012), - since the former draws attention to the role of interaction, whereas the latter may simply denote low levels of socio-economic development or performance, for whatever reason.

This paper is organised in three parts. The first one deals with the theoretical background; the second describes the methodological

¹ The content of this paper derives from a research project (PROFECY - Processes, Features and Cycles of Inner Peripheries in Europe) funded by the ESPON 2020 Cooperation programme.

challenges and possible operational problems in implementing this concept; the third focuses on the implications for the two main fields of intervention involved in the present debate about future EU policy reform; Cohesion policy and Rural Development policy.

THEORETICAL BACKGROUND - THE CONCEPT OF PERIPHERALISATION

Geography versus Interaction Capacity

Our world has changed: New information and communication technologies are gradually, selectively and subtly transforming the environment within which interactions (between individuals, businesses, and institutions) take place. Gradually, both within academic circles and within popular culture, we are changing our concepts of “space” and “proximity”. Geographical, or “Euclidean” space is still the context for flows of goods, and for service interactions which necessitate “face-to-face” contact - basic physics suggests that this will probably always be so. In this sphere proximity is still measured in kilometres, travel-time, or travel-cost. However, it is also true that our economy and society are increasingly dependent upon flows of information as well. In this arena physical distance, travel time and travel cost are no longer the key constraints to interaction. Information can travel across networks where other forms of “organised proximity” (social, legal, institutional) matter much more (Torre & Rallet, 2005; Boschma, 2005).

Thus according to Bock (2016, p.5),

“Whereas in the past, the main cause [of uneven development] was ascribed to geography, this has changed in the sense that the lack of resources is now explained as resulting from a lack of socioeconomic and political connections (‘connectivity’) and, hence, of relational ‘remoteness’ that is not necessarily bounded to geographical

location...Geographical remoteness, as such, therefore does not cause marginalisation, nor does central location promise prosperity.”

As a consequence of the rising importance of this second kind of networking it is now possible to conceive the peripherality of a locality on two distinct levels – in a geographical sense, and in terms of “organised proximity” (Torre & Rallet 2005; Boschma, 2005).

Such a view of the world, where every locality, business, institution and individual operates within both geographical space and within a-spatial networks, is the key to understanding and distinguishing the several “faces” of the concept of “inner peripheries”. In this paper, we will not attempt to establish a single definition. Instead we will consider the various manifestations, explain how they relate to each other within a common conceptual framework, and then explore their implications in terms of delimiting their incidence across Europe, and in terms of the intervention logic(s) for policy.

The Inner Periphery concept which has emerged in the European regional policy discourse seems to have two “roots”. Both of these originated, independently, during the 1970s and 1980s. At that time there was little interaction between them. However, more recently features of both have been incorporated into the same policy discourse, increasing its chameleon-like flexibility rather than its coherence. The first of these owed much to positivist spatial analysis, whilst the second emerged from the structuralist school.

Geographical Peripherality

During the 1980s and ‘90s considerable efforts were made to measure geographic peripherality, using various spatial models, especially one which used Newtonian gravity as an analogy for “economic potential” (Keeble et al., 1988; Schürmann et al., 1997; Wegener et al., 2000; Copus, 2001; Espon, 2004; Spiekermann & Schürmann,

2014). Economic potential was in many ways an indicator designed as a proxy to measure the effects of agglomeration, as described by classic regional development models of Myrdal (1957), Hirschmann (1958) and Friedmann (Wight, 1983), and more recently quantified by the New Economic Geography school (Fujita et al., 1999). Maps were produced, the parameters of the models were carefully tested, and adjusted, using different forms of transport, to explore the assumed effects of geographic peripherality on different aspects of economic and social activity.

Those involved in this research were very aware that such adjustments could have the effect of either accentuating continental scale differences between the outer-most regions of Europe and the core regions, or of highlighting smaller scale differences *within* countries (Schürmann & Talaat 2000; ESPON, 2009). Such “enclaves” of peripherality were particularly striking if they were identified in what is commonly known as “Central Europe”. However, it is fair to say that, since these analyses roughly coincided with the accession of Spain and Portugal (1986), and Sweden, and Finland (1995), the focus of the associated policy debate was very much upon the kind of peripherality experienced by the sparsely populated regions of the North and the West. As a result of this discourse, whilst the peripheral regions of the Iberian Peninsula qualified for designation under Objective 1 of the Structural Funds, the better performing Nordic regions were given a new designation (Objective 6) and additional support, mainly on grounds of their peripherality. On the other hand, Central European “enclaves” (many of them still outside the EU at this stage), received little explicit policy recognition or research attention at this time.

More recently the increasing recognition of the importance of social and economic “well-being”, and the role of “services of general interest” (SGI), has shifted attention away from the notion of “economic potential”. Most western countries have been affected to a

greater or lesser degree by SGI “rationalisation” driven initially by principles of New Public Management, and latterly by the demands of austerity programmes. In consequence, a new formulation of peripherality, which is nevertheless still calibrated in terms of geographic distance, has emerged, focusing upon areas which are poorly served by SGI. Since the key parameter is distance from the nearest service centre, this definition of peripherality tends to identify “enclaves” within regions which, in terms of the conventional “economic potential” models, were regarded as part of the core.

The Modern World System and “Organised Proximity”

The American social historian Immanuel Wallerstein (1976; 1991) is generally associated with the structuralist “Modern World System” perspective which comprehends both modern history and the geography of development on a grand scale. The key aspect of this theory is the division of the world’s countries into three groups, the core, the periphery, and the semi-periphery. This typology is associated with the distribution of power, and processes of capitalist exploitation, whereby the core’s economic development was dependent upon cheap sources of raw material and labour in the periphery. Semi-periphery countries shared in the exploitation of the periphery, and aspired to become part of the core, but lacked the freedom of action and dominance associated with the latter.

The inner/internal periphery concept seems to have been strongly influenced by the Modern World System theory. Early applications of the term were to Appalachia (Walls, 1977; Hanna, 1995) and Lesotho (Weisfelder, 1992). In a European context, Nolte (1991; 2006) argued that enduring inner peripheries of Southern Europe owe their existence to being for many centuries in the border-region between the Christian and Muslim worlds. Vaishair and Zapletelova (2008) in their study of small towns in Moravia describe sparsely populated

areas along national borders and where the topography is hilly as an internal periphery. They also refer to the Alps as being an inner periphery “from a West European view” (p.72). Similarly, in a Russian context, Kaganskii (2013) defines the inner periphery in terms of rural areas which are relatively close to centres of economic activity, but nevertheless lagging in terms of development.

Naumann and Fischer-Tahir (2013, p.9) have recently argued that peripheries are social constructs, rather than fixed geographical features; “we interpret ‘peripheries’ as the outcome of complex processes of change in the economy, demography, political decision-making and socio-cultural norms and values.”

Reviewing recent literature relating to rural decline in Germany, the same authors (Ibidem, p.17) point to

“the multilayered disconnection of rural regions and their marginalization... the new peripheries as disconnected in economic terms and as areas facing rapid demographic change and population ageing. Poor infrastructure, e.g., public transport, health facilities and educational services, leads to loss of quality of life for the inhabitants concerned. In concert, the media abounds with negative images, e.g., newspaper articles on ‘dying villages’ and ‘empty’ regions plagued by unemployment and alcoholism, and ‘contaminated’ by right-wing extremism.”

Because it is liberated from fixed geographical features, operating within socially constructed space and networks, peripheralisation as a process is extremely flexible in terms of context and scale – it can be applied to countries, regions, cities or neighbourhoods (Kuhn, 2015, p.369). However, Kuhn goes on to explain, this leads to a weakness – peripheralisation becomes indistinguishable from marginalisation. Similarly, Naumann and Fischer-Tahir (2013, p.10) ask “is

peripheralisation just another word for spatially structured political and social- marginalization and dependency?”

Three Types of Inner Periphery

Both in the real world, and in much of the recent literature, Inner Peripheries are usually hybrid - in the sense that the drivers are both spatial and aspatial (Copus, 2001). However, the key defining feature is the weakness of interaction, the lack of connectedness, rather than the resulting lagging socio-economic development. An Inner Periphery has its potential for development, or its quality of life, adversely affected by poor connectivity of some kind. This may be due to its location within “Euclidean space” (as in the Economic Potential models), or to poor access to services, or it may be due to aspects of “organised proximity”, through which it is excluded from mainstream economic activity, and unable to derive benefits from globalisation.

Taking account of the above conceptual framework, combined with a general knowledge of socio-economic patterns and trends across Europe we would suggest that three principal types of Inner Periphery may be observed:

1. Enclaves of low economic potential, located between core areas with higher economic potential.
2. Areas which are characterised by poor access to services of general interest, whether this is a consequence of geographic remoteness, or to changing service delivery technologies, or to austerity, or other changes in provision such as privatisation.
3. Areas which exhibit low levels of socio-economic performance which can be attributed to an absence of “organised proximity” (of whatever kind), which are in some way excluded from “the mainstream” of economic activity, or which can be said to be experiencing a process of “peripheralisation”. Such areas also

seem to be characterised by governance structures which are deficient in terms of political influence, and which therefore tend to lose out in the competition for public expenditure resources.

METHODOLOGICAL IMPLICATIONS: OPERATIONAL PROBLEMS AND POSSIBLE APPROACHES

From Concepts to Identification and Mapping

The formulation of the above three theoretical types of Inner Peripherality constitutes a necessary first step towards territorial delimitation, analysis, and the development of appropriate intervention responses. In this paper, we will describe the mapping approaches so far developed. The results of these four approaches remain provisional, and these will be presented elsewhere² after further assessment and validation.

Approaches to identification and mapping are of necessity conditioned by the availability of statistical information at an appropriate spatial scale. As this is the first attempt to define and characterise the concept of Inner Peripheries on the European scale, a pragmatic approach has been developed, which can be carried out with the statistical information available, while still providing sufficiently objective results for decision-making.

Before describing the approaches, it is necessary to provide some explanation regarding the scale of analysis and data constraints. The availability of harmonised statistical data covering all, or even most, of Europe varies according to the level of regional detail. Eurostat uses a hierarchical classification known as “NUTS³”, where NUTS 0

² <https://www.espon.eu/programme/projects/espon-2020/applied-research/inner-peripheries-national-territories-facing>

³ Nomenclature of Territorial Units for Statistics

is a Member State, NUTS 1 is the largest level in the regional hierarchy, built up from a set of NUTS 2 regions, each of which are further sub-divided into NUTS 3 regions. The availability of indicators and statistics is best at NUTS 0, and declines through each successive level. NUTS 3 regions are the smallest, and have the least comprehensive set of harmonised indicators. This is the preferred level for research within the ESPON programme, the funder of our research.

However, the theoretical literature about the phenomenon of inner peripherality suggests that even NUTS 3 is too “coarse” a spatial framework for analysis in most European Member States. Many NUTS 3 regions contain small areas which could be defined as Inner Peripheries, but which are obscured by the average indicators of their wider regional context. In addition, NUTS regions are usually bounded by administrative geographies which have little in common with the functional spaces associated with the processes responsible for Inner Peripheries, which often “straddle” two or more NUTS 3 regions. For both these reasons the identification and mapping of Inner Peripheries (of all types), would be best carried out on the basis of smaller territorial “building blocks”. Confusingly this introduces a different Eurostat terminology; “Local Area Units”. There are two <mailto:francesco.mantino@crea.gov.it> exists for only a small proportion of the European territory. These constraints necessitate an innovative solution.

In the first three approaches to the mapping of Inner Peripheries described below (Table 1), accessibility models have been developed within a Geographic Information System (GIS) environment which use a 2.5 km² grid approximation of continuous space which is independent of the NUTS and LAU geographies. Results are subsequently aggregated to LAU 2 and NUTS 3 for analytical and presentational purposes. In the case of the fourth approach, which uses mainly socioeconomic variables, the reference territorial units

are of necessity NUTS3, the lowest level at which sufficient relevant statistical information is available.

Approaches to Identifying and Mapping European Inner Peripheries

Three of the four approaches to the identification and mapping of Inner Peripheries across Europe derive directly from the three conceptual types described above. The first is more synthetic in its rationale.

In the first three approaches, inner peripheries are identified on the basis of relatively lower, or worse, values in key indicators compared with the average values of the surrounding territories, the region or the country. This method suppresses the effect of the “absolute location” (central or peripheral) of the territories, and assesses performance relative to regional and national contexts, and thus allows for the identification of “peripherality” virtually anywhere in Europe. Since the work has been carried out on the basis of a relatively fine grid, the resulting delineations accurately indicate the location and shape of each Inner Periphery area. The fourth approach is a more conventional mapping of socio-economic indicators which, as explained above, can only be carried out at NUTS 3 level. This approach must therefore be supplemented by case study investigations.

The four approaches to identifying and mapping Inner Peripheries have been labelled as follows (Table 1):

1. Areas with Higher Travel time to Regional Centres
2. Enclaves with Lower Economic Potential
3. Areas with Poor Access to Services of General Interest
4. Areas with Low Interaction Capacity

It is important to note that the approaches to identification are unlikely to result in mutually exclusive results. That is, most

territories may share characteristics of different inner peripherality processes.

Table 1 –Identifying and Mapping Inner Periphery Areas

#	Approach	Description / Thematic focus	Defining attributes
1	Areas with Higher Travel time to Regional Centres	Regional centres (towns) considered a proxy for economic/social hubs and SGI provision points. Areas with poor access to such centres are assumed to be Inner Peripheries. This approach takes account of the geographical distribution of regional centres, and transport networks connecting them to the surrounding territories.	<ul style="list-style-type: none"> - Geographical location (i.e. location of cities) - Population (city size) - Accessibility / travel time - Physical factors (via transport networks)
2	Enclaves of low economic potential	“Enclaves” of increased peripherality, which are not on the physical edge of Europe, and are surrounded by areas of greater centrality. These Inner Peripheries have lower “economic potential” than neighbouring areas, as measured by conventional gravity model approaches.	<ul style="list-style-type: none"> - Geographical location (i.e. cities, metropolitan areas, GDP) - Population (municipality size)
3	Areas with poor access to SGI	Internal Peripheries are areas which have less easy or affordable connections to services of general interest (SGI) than neighbouring regions. Such access ensures wellbeing and helps to retain population and jobs.	<ul style="list-style-type: none"> - Geographical location of the provision of each selected SGI - Accessibility / travel time to the closest SGI provider - Physical factors (via transport networks) - Service themes: Health, Education, Transport, Culture/ Entertainment, Retail, Employment, Business/finance
4	Areas with low interaction	Areas which exhibit low levels of socio-economic performance which are in some way excluded from “the	<ul style="list-style-type: none"> - Population change - GDP per capita/change - Unemployment rate/

#	Approach	Description / Thematic focus	Defining attributes
	capacity	mainstream” of economic activity, or which can be said to be experiencing a process of “peripheralisation”	change - Property prices/ change

Source: Authors

These four approaches to identifying and mapping Inner Peripheries in Europe are implemented according to three guiding principles:

The first principle is that the definitions should differ as much as possible, in order to account for as many factors as possible, acknowledging that not all influencing factors can be integrated within one delineation. The three conceptual types follow this logic, as each type has a specific thematic focus. Comparing the results of these different definitions not only ensures that a sufficiently large number of factors are considered, but also proves that if certain areas appear as Inner Peripheries under all definitions, we can be quite sure that these results are statistically of high relevance.

The second principle is that none of the approaches is *a priori* incompatible with the rest of the Inner Periphery types. Therefore, no exclusions are made in advance of territories with specific characteristics (for example, traditional or “remote” peripheries, mountain areas, etc.).

The third principle refers to the problem of the scale of analysis. Inner peripheries are new territorial concepts in the scientific literature and in the main decision-making documents at European level as well as in the states and regions of Europe. According to the results of the theoretical framework of the project, Inner Peripheries do not necessarily coincide with administrative units, but rather with functional realities, mainly on a sub-regional level. It seems that a convenient scale of analysis for the characterisation of the Inner Periphery phenomenon is a combination of accessibility data at grid level and socio-economic information at local level (i.e. LAU 2). This combination can be achieved through the implementation of

accessibility and gravity models. On the other hand, the lack of socio-economic indicator data on a sufficiently fine grained territorial scale considerably limits the possibilities for mapping in the case of the fourth approach, making supplementary case study investigations necessary.

Some “health warnings” in relation to the identification and mapping process

There is an element of trial and error associated with all four approaches to identification and mapping. Thus the precise number of indicators involved in each approach, the proposed thresholds for some indicators, the inclusion or exclusion of some of the indicators or parts of the identification protocols, will be further explored through sensitivity analysis.

Given the multi-causality behind inner peripherality, expressed in the identification of three conceptual models of the phenomenon on a European scale, it seems quite probable that its territorial location overlaps, at least partially, with other territorial specificities (mountains, sparsely populated, declining industrial areas, etc.). For this reason, and in order to achieve an accurate identification of the spatial expression of inner peripherality, it has been decided not to exclude any territory from the analyses from the outset, since any ex-ante exclusion is, arguably not beneficial to the process. However, two types of ex-post comparison will be carried out. On the one hand, a comparison of the identified Inner Peripheries with maps of “traditional” peripheries and other territories with specific features will be carried out; on the other hand, comparison between the four maps of Inner Peripheries will also be implemented. Such comparisons will potentially pinpoint areas which are common to all approaches and others (which should be reassessed) which are identified by only one of them. This process will lead to the

identification of a central nucleus of territories for which several approaches corroborate their Inner Peripherality status.

The identification and geo-referencing of the different types of SGI constitute a major challenge. The challenge begins with the different concept behind each SGI definition depending on the administrative or national context. Thus, the comparison of secondary schools becomes complex because in some countries secondary education (14-18 years) is divided into two sections that follow different curricula, this complicates the pattern of provision. Likewise, the definitions of medical and health care are not comparable. Basic care takes different forms depending on the country, the dominance of public or private services, etc., and ranges from simple “clinics” of family physicians (not much more than a couple of rooms and one doctor and nurse) to Primary Care Centres with tens of doctors and nurses, equipped with emergency services and so on. This heterogeneity applies equally to most of the other services selected for analysis and adds to the shortcomings of some of the main sources. The task of harmonising and reviewing the available information is this very substantial.

IMPLICATIONS FOR EU COHESION AND RURAL DEVELOPMENT POLICY

For the final part of the paper we turn to consider the potential role of European policies in ameliorating the processes which lead to “peripheralisation”. The European Union’s Cohesion policy is essentially a regional development policy, with the objective to support all regions of the EU in reaching their full potential in terms of economic and social development. EU Rural Development is a part of the Common Agricultural Policy (Pillar 2) and although it technically has a wider rural remit, is primarily concerned with supporting traditional rural economic activities, especially farming.

At first sight it might seem obvious that Cohesion Policy should have the lead responsibility for Inner Peripheries, however, since many Inner Peripheries are rural in character and economy, it is also important to consider whether CAP Pillar 2 has a role to play.

The evolution of the Cohesion policy is characterised by three main trends:

- a) A continuity in the way regions receiving the most support have been defined: being named as “Objective 1” (until 2006), “Convergence” (until 2013) or “Less developed” (since 2014), they have been always defined as having less than 75% of the EU average of GDP per capita in PPS;
- b) A reduction in the degree to which funding is targeted upon “needy” regions. In the 1994-99 period seven different categories of regions were eligible for Cohesion Policy support at different intensities. In the present period, there are just three categories of region and the most developed category is allocated less than 16.5% of total funds (EC, 2014);
- c) A shift to a simpler geographical coverage: For example during the 1994-1999 period Objective 2 (Industrial regions in decline) and 5b (Rural areas with a low level of socio-economic development) were targeted at areas which could be defined at NUTS 3 or LAU 2 level. In the current programming period the building blocks for the three Objectives (Less Developed, Transition and More Developed) have been defined from entire NUTS 2 regions.

The general framework of Cohesion Policy deriving from this evolution, although within an overall logic of financial concentration in the less developed regions, does not exclude funding allocation to more developed regions. This is important since we anticipate that the identification and mapping of Inner Peripheries will provide evidence that peripheralisation processes can occur even in more developed regions. In this respect, further financial concentration in less

developed regions does not seem helpful since it would mean the exclusion of some Inner Peripheries from Cohesion Policy support.

For a more effective policy targeted to Inner Peripheries (and also to areas experiencing the process of peripheralisation), we suggest that territorial priorities should be strengthened in future Cohesion Policy programmes, through place-based policy and targeting specific regional diversity. There are several reasons justifying a major territorial emphasis.

Despite progress in terms of Single European market integration and processes of convergence in many European countries, - thanks to the effects of the Cohesion and Rural Development policies, - disparities at the sub-regional level are increasing. Such disparities are neither limited to the traditional less developed regions nor to the outer-most regions of Europe.

As we have pointed out in the previous paragraphs, peripheralisation processes do not only originate from geographical characteristics or distance from centres of economic activities, but from socio-economic and political drivers. This diversity of situations goes beyond the traditional spatial nature of peripherality (Copus, 2001) and encompasses a-spatial characteristics such as network relations with policy-making centres. In coming years the most likely perspective is a further diffusion and the deepening of the different types of peripherality in the European context as a consequence of the following socio-economic and political drivers:

- a) The continuing process of ageing and out-migration will reduce endogenous human and social resources of many peripheral territories and this will impact upon their capability to generate local development processes;
- b) The impact of the economic crisis on employment will differ significantly between member States and regions, reflecting both the way different sectors are affected by the crisis as well as the policy responses to it. In fact, the economic crises has widened

regional disparities across Europe, and also within single countries (EC, 2014): over 5 million jobs were lost in the EU-27 between the third quarter of 2008 and 2009, though these were unevenly spread across Member States. After 2009 the capacity to respond diverged between countries and regions, with some experiencing economic recovery and others further decline;

- c) The financial instability of the public budget will also continue to affect the national spending capacity in public investment and the provision of essential services at the territorial level. This will jeopardise the capacity of local authorities to support job creation and access to services, both in the ordinary policy intervention and in the national/local co-financing of EU programmes. There are widespread evidences of this problem, since in the previous programming period the EU authorised a temporary increase of the EU co-financing rates (by 10%) for Member States with the greatest budget difficulties.

Appropriate intervention priorities for Inner Peripheries are determined by the peculiarities of each area. Ideally the optimal mix of interventions should not be established by national authorities, but rather through a multi-level governance framework and logic, allowing the configuration to respond to territorial diversity. In the enclaves with low economic potentials, for example, the most appropriate mix might be based on the promotion of economic development through projects funded by the various available European funds. In areas characterised by poor access to services of general interest, interventions should be a mix of economic development and social inclusion in order to reverse and improve demographic trends (reducing outmigration, attracting new residents, raising the birth rate).

The key issue is how to pursue and implement integrated approaches to territorial development, under the perspective of slowing or reversing processes of peripheralisation. Three crucial aspects should

be considered in designing the policy reform: a) the role of additionality within the context of EU policies; b) which territorial approaches should be used; c) the most appropriate scale of intervention.

As we have pointed out, processes of peripheralisation have already taken place in all countries and are still taking place as a consequence of different socio-economic and political drivers. They need to be included in the EU framework as a specific intervention priority and also taken as a priority for national policies. The need for complementarity or “coherence” between national and EU policies is common to many fields of intervention. For example, in Italy, Cohesion Policy is already complementing the national Strategy for Inner Areas, which addresses the needs of territories characterised by the poor access to services of general interest (medical care, local mobility and primary and secondary education). This means that the needs of Inner Peripheries should be explicitly recognised within the main territorial priorities of the National Partnership Agreement 2014-20, earmarking/targeting national funds, national co-financing, and European Structural and Investment Funds to these priorities.

Territorial approaches have been implemented through different tools in the evolution of the Cohesion and Rural Development policy. They were all designed to take into consideration local needs and potentials and were carried out through multi-sectoral and area-based local development strategies. The most recent ones are operating within the 2014-20 programming system are:

- Community-led Local Development (CLLD), derived from the LEADER local development experience of the past decades;
- Integrated Territorial Investments (ITI), combining one or more priority axes of different programmes;
- Territorial Projects funded by inter-territorial and transnational cooperation programmes.

Territorial approaches are capable of addressing various challenges, reconciling territorial and sectoral visions, and ensuring potentially good quality strategies. However, the use of territorial approaches in 2014-20 programmes cannot be considered satisfactory. While the financial take-up of the CLLD and ITI is above the minimum threshold required by the EU regulation, the scope for applying integrated instruments through different European Structural and Investment (ESI) funds and in different types of areas has been quite limited in national and regional programmes. Despite the original EU provisions, the CLLD approach is dominated by the rural Fund (EAFRD). Rural development, in other words, continues to be the lead fund in the EU and national support of territorial approaches in rural areas in all Member States, with a substantial increase of the number of financed Local Action Groups (more than 2500). In about one third of Member States the CLLD continues to be mainly mono-fund and focused on sectoral and thematic objectives (Committee of the regions, 2015; Bachtler et al., 2016; ENRD, 2016).

As regards the ITI instrument, it can be a useful instrument to provide funding for integrated development actions in different types of areas (urban regions or metropolitan areas, surrounding rural regions or even inter-municipal cooperating areas) using a mix of European funds. The ITI contains thematic and territorial dimensions, which imply the coordination of different sectoral policies in a particular area with specific features. Most Member States decided to use this tool to a greater or lesser extent in 2014-20 period. Some first analyses of ITI at the European level highlighted several shortcomings (CEMR, 2014 and 2015). Firstly, there is a general tendency to use ITI for urban development. But in some cases, as in the Spanish programmes, ITI is also envisaged for areas with particular geographic features or economic and demographic handicaps. Secondly, due to the novelty of the approach, it was not widely accepted by Managing Authorities and in some cases this led

to a slow start of implementation (e.g. in the Netherlands). Thirdly, financial allocation to ITIs does not seem to reflect a strong priority to this tool. Finally, ITIs need relevant technical assistance to cope with difficulties in spending across separate ESI funding sources and working beyond administrative borders in case of inter-municipal cooperation. All these factors are hampering the integration of different ESI funds at the territorial scale and they need to be addressed in the future policy reforms.

As already mentioned above in the context of identifying and mapping Inner Peripheries, administrative regions are not an appropriate geography for intervention. Peripheralisation processes are not constrained or contained by administrative borders. They can take place within a small number of municipalities below the NUTS-3 level, or across a wider territory crossing regional or national administrative borders. Furthermore, there may be both an “objective” definition of the territory, given by the homogeneity of the processes involved, and also a “subjective” dimension defined by the perception of actors involved in the local development strategy, sharing objectives and common interests in a collective action. The definition of an appropriate scale for the purpose of policy strategy at local level should allow sufficient space for manoeuvre, depending on the size of collective action and type of partnership.

CONCLUDING REMARKS

Inner peripheries emerge as a result of changes in traditional patterns of the location of the economic activity and population caused by the emergence of new forms of connection, relationship with the environment, and access to public services and the labour market. The common feature of all these processes is the breakdown of the linear core-periphery logic, and the possibility of finding “disconnected” and / or declining territories, regardless of their

location in relation to agglomerations. The set of processes and dynamics that shape inner peripherality is complex and its analysis requires a combination of quantitative and qualitative tools. Furthermore, as shown in this paper, inner peripherality is a multidimensional process that can be decomposed into different theoretical concepts giving rise to different approaches to identification and mapping. In this paper, we have described the characteristics of inner peripherality in its multiple dimensions, and the challenges presented by its delimitation and delineation. In addition the implications of this territorial construct have been reviewed in the light of the European Cohesion Policy and Rural Development Policy. Work on the identification and mapping of European Inner Peripheries, their characterisation, and the elaboration of proposals and strategies for their sustainable development continues within the context of the ESPON PROFECY project.

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