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Summary

The main aim of this report is to present a framework for analysis which will be used for partnership case studies. In particular, we will address our attention to one specific aspect of the development of cooperative experiences, i.e. their consolidation process, with a particular focus on Italian public-private partnerships aimed at territorial development regulation. First, an articulate definition of partnership - derived from the existing literature on the topic - will be provided; second, a more specific framework for analysis will be presented and some research hypotheses will be formulated; third, a preliminary selection of cases will be presented and discussed; finally, some brief remarks on the continuation of the research will conclude the paper.

Contents

I. INTRODUCTION ......................................................................................................................................4

II. LOCAL PARTNERSHIPS: A NEW TOOL FOR TERRITORIAL GOVERNANCE .............................5
   II.1 TOWARDS A WORKING DEFINITION ............................................................................................5
   II.2 INSIDE PARTNERSHIPS: THE STATE OF THE ART .......................................................................7

III. THE CONSOLIDATION OF LOCAL PARTNERSHIPS: A FRAMEWORK FOR ANALYSIS ....9
   III.1 THE RELEVANCE OF PARTNERSHIP CONSOLIDATION .............................................................9
   III.2 INSIDE CONSOLIDATION: DEFINITION AND EMPIRICAL INDICATORS ......................................10
   III.3 THE ANALYTICAL FRAMEWORK AND THE RESEARCH HYPOTHESIS ......................................12

IV. CASE SELECTION: A COMPARISON BETWEEN TURIN AND MILAN .....................................15
   IV.1 THE RESEARCH DESIGN .............................................................................................................15
   IV.2 THE PROVINCE OF TURIN ..........................................................................................................16
       IV.2.1 Local development partnerships in the Province of Turin ...................................................18
           IV.2.1.1 The evolution of the Zona Ovest Pact ...........................................................................37
           IV.2.1.2 Explaining the Zona Ovest Pact partnership consolidation ...........................................39
           IV.2.1.3 The evolution of the Stura Pact .....................................................................................43
           IV.2.1.4 Explaining the Stura Pact’s failure to consolidate ............................................................46
   IV.3 THE PROVINCE OF MILAN ..........................................................................................................49
       IV.3.1 Local development partnerships in the Province of Milan ..................................................50
           IV.3.1.1 The evolution of the ASNM/MM partnership ..................................................................62
           IV.3.1.2 Explaining ASNM/MM partnership consolidation .........................................................67
           IV.3.1.3 The evolution of the CRAA partnership ..........................................................................68
           IV.3.1.4 Explaining CRAA’s failure to consolidate ......................................................................73

V. CONCLUSION ..................................................................................................................................74

VI. REFERENCES ...................................................................................................................................78
   VI.1 BIBLIOGRAPHY ..........................................................................................................................78
   VI.2 INTERVIEWS .................................................................................................................................83
Table of Figures and Graphs

FIGURE 1. PUBLIC-PRIVATE INTERACTION PATTERNS ........................................................................................................... 5
TABLE 1. THE STATE OF THE ART: LITERATURE STRANDS AND RESEARCH TOPICS ............................................................. 9
FIGURE 2. INSIDE PARTNERSHIP CONSOLIDATION ................................................................................................................... 12
FIGURE 3. THE ‘POLITICAL EXCHANGE’ INVOLVED IN PARTNERSHIP EXPERIENCES ................................................................. 14
FIGURE 4. COMPANIES BY SECTOR ........................................................................................................................................ 17
FIGURE 5. TREND IN MALE AND FEMALE UNEMPLOYMENT RATE OVER THE 1993-2005 PERIOD ..................................................... 18
FIGURE 6. THE EIGHT TERRITORIAL PACTS IN THE PROVINCE OF TURIN ...................................................................................... 19
TABLE 2. ACTORS INVOLVED, TERRITORIAL EXTENSION AND PUBLIC FUNDING FOR LOCAL DEVELOPMENT PARTNERSHIPS ........................................................................................................................................ 20
TABLE 3. THE ZONA OVEST PACT ............................................................................................................................................. 23
TABLE 4. THE CANAVESE PACT .................................................................................................................................................. 25
TABLE 5. THE PINEROLESE PACT .............................................................................................................................................. 27
TABLE 6. THE SANGONE PACT ................................................................................................................................................... 29
TABLE 7. THE TORINO SUD PACT ........................................................................................................................................... 31
TABLE 8. THE STURA PACT ......................................................................................................................................................... 32
TABLE 9. THE VALLI DI SUSA PACT ........................................................................................................................................ 34
TABLE 10. THE PO PACT ............................................................................................................................................................. 35
TABLE 11. COMPARING THE CONSOLIDATION OF LOCAL DEVELOPMENT PARTNERSHIPS: THE CASE OF TURIN .......................................................................................................................... 36
FIGURE 7. THE SIX PARTNERSHIPS IN THE PROVINCE OF MILAN ............................................................................................ 51
TABLE 12. LOCAL PARTNERSHIPS IN THE PROVINCE OF MILAN ............................................................................................... 52
TABLE 13. NORTH MILAN – ASNM ........................................................................................................................................... 54
TABLE 14. ALTO MILANESE – EUROIMPRESA ........................................................................................................................................ 56
TABLE 15. VIMERCATESE – AGINTEC ........................................................................................................................................ 57
TABLE 16. BRIANZA - SVILUPPO BRIANZA ........................................................................................................................................ 59
TABLE 17. RHODENSE – COMUNIMPRESE ........................................................................................................................................ 60
TABLE 18. ARESE – CRAA .......................................................................................................................................................... 61
TABLE 19. COMPARING THE CONSOLIDATION OF LOCAL DEVELOPMENT PARTNERSHIPS: THE CASE OF MILAN .......................................................................................................................... 62
FIGURE 8. MAP OF THE NORTH MILAN AREA ........................................................................................................................................ 63
FIGURE 9. MAP OF THE ARESE AREA ........................................................................................................................................ 70
I. Introduction

Over the past years partnership has become a very fashionable word in both political and academic discourses. Partnership analysis has been primarily connected to the diffusion of what has been labelled “collaborative discourse” [Clarence and Painter 1998; Glendinning et al. 2002] which emphasises the advantages of social regulation patterns based on a broader inclusion of social and political actors or – in other terms – focuses on the more systematic link between national/public authorities and the “stakeholding society” [Geddes 1997].

The ‘partnership solution’ has rapidly and broadly been diffused as a common strategy to deal with issues related to socio-economic governance at various levels of government: local, national and supranational. A good example is the Italian case where, during the second half of the ‘1990s, many partnerships took place at both regional and sub-regional levels, involving not only local governments, but also other local societal interests, with the aim to solve multi-dimensional problems such as limited local development growth. In several cases a key role in the creation of such partnerships was played by local public actors who tried, successfully, to mobilise private resources and to make traditionally public decision-making processes more inclusive. Among other examples\(^1\), the United Kingdom is an interesting case with regards to national partnership initiatives: the Blair government explicitly promoted a ‘partnership culture’ as a ‘third way’, different from more traditional hierarchical regulatory patterns based on the exclusive role played by public authorities or ‘quasi-market’ contractual forms of regulation [Glendinning et al. 2002; Bevir 2002]. Finally, at the supranational level what has been called a “partnership orthodoxy” [Geddes 2000] has developed in connection to specific domains such as regional development, environment and social inclusion policies [Hooghe 1996]. Also international institutions such as the OECD, the World Bank and the UNESCO have increasingly made policy recommendations aimed at promoting horizontal cooperation among different social and political actors [OECD 2001 and 2004; World Bank 2004; Unesco 1998]. Therefore, partnership experiences have acquired great interest over the past fifteen years at various levels of government, making its study particularly relevant for political science scholars.

The aim of this report is to present a framework for the analysis of partnership case studies. In particular, our attention will be devoted to one specific aspect of these cooperative experiences, i.e. their consolidation as new modes of socio-economic governance at the local level. Our research will be addressed to three main questions:

1. if and to what extent do partnership experiences show clear evidences of consolidation almost ten years after their creation?
2. What are the internal dynamics which characterize partnership evolution and what are the main factors that have affected it?
3. What can be observed about the pathways of consolidated partnerships as new modes of socio-economic governance?

The report will be divided into four parts. First, an articulate definition of partnership - derived from the existing literature on the topic - will be provided (§ 2). Second, a more specific framework for analysis will be presented and some research hypotheses will be formulated (§ 3). Third, the central part of our research will be devoted to the empirical analysis of partnership experiences developed in two areas: the Milan and the Turin Provinces (§ 4-5). Finally, we will resume the main findings of our work, focusing on the facilitating conditions which

\(^1\) See Walzer and Jacobs [1998]; Osborn [2000]; Burroni [2005].
have promoted partnership consolidation and the evolutionary dynamics of such new modes of local governance.

II. Local partnerships: a new tool for territorial governance

II.1 Towards a working definition

In many European states during the 1990s public-private partnerships were increasingly referred to as good examples of innovative institutional arrangements aimed at territorial and socio-economic development. In numerous urban and regional policies, co-operation between public and private actors has become a new common pattern for local development policies. Nevertheless, it is quite difficult to find in the literature a shared definition of what a public-private or administrative partnership is: in other words, the specific features of such agreements remain somewhat unclear. In general, administrative partnership is a term used to characterize every kind of cooperation involving public and/or private actors operating at the same level of government (horizontal partnership) or at various levels of government (vertical partnership). The partnership goal varies according to both the specific policy domain (environment, local development, etc.) and the policy phase (agenda setting, formulation, implementation, etc.) involved. In order to delimit and clearly specify the object of our research, we will focus on a specific form of partnership – the cooperative agreements among local public and private actors aimed at promoting territorial development – and review some of the main definitions which can be found in the literature.

The first promising definition is provided by a recent work by Borzel and Risse [2005] on public-private partnership in the international policy arena. The two authors conceptualise the public-private relationships on a continuum (see Figure 1) going from total autonomy of private actors (private self-regulation) to total autonomy of public actors (public regulation). Partnership configurations will be located somewhere in the middle and will include a) private self-regulation in the shadow of hierarchy; b) delegation to private actors; c) co-regulation of public and private actors; d) consultation and cooptation of private actors.

**Figure 1. Public-private interaction patterns**

[Diagram showing the continuum from private self-regulation to public regulation]

Source: Boerzel and Risse, 2005.

The above distinction highlights that partnerships should be conceptually separated from other forms of interaction which do not set up a direct and explicit cooperation between pub-
lic and private actors. Nevertheless, although useful, such partnership concept is too ample. Following the cooperation types indicated by Borzel and Risse, a partnership for local development will include very different experiences such as contracting-out relationships for public services management or consultations between public authorities and social partners. Therefore, it is desirable to single out further features in order to better clarify our object of research.

A first attempt can be made looking more specifically at the literature on local development partnerships. A relevant definition was adopted by a EU Regulation at the end of the ‘1980s, when a radical reform of cohesion policy took place: in the 1988 Regulation text, partnership is defined as “a close consultation between the Commission, the Member State and the competent authorities designated by the latter at national, regional, local or other level, with each party as a partner in pursuit of a common goal” (Council Regulation 4253/1988). The main focus of this definition is on vertical partnership among various institutional actors. A second more ample definition is provided implicitly by US and UK policies or explicitly by scholars focusing on the horizontal nature of partnerships among local public and private actors. For example, Harding [1990] defines partnership as “any action which relies on the agreement of actors in the public and private sectors and which also contributes in some way to improving the urban economy and quality of life”. Bailey [1994] assumes that partnership must involve “the mobilisation of a coalition of interests drawn from more than one sector in order to prepare and oversee an agreed strategy for regeneration of a defined area”. The problem of these definitions is that partnerships are described as general forms of cooperation established among public authorities and private organisations, without clearly identifying their specific features. In other words, their semantic contour still appears too vague. A more helpful contribution can be derived from a policy-oriented research work carried out by the UK Audit Commission²: in a report on local cooperative experiences, the Audit Commission defines partnership as a “joint working arrangement” and it provides a “check list” of their main features: partners are (a) independent bodies; (b) that agree to cooperate to achieve a common goal; (c) create a new organisational structure or process to achieve this goal; (d) plan and implement a joint programme; (e) share relevant information, risks and rewards” [Audit Commission, 1998].

The above mentioned features are particularly valuable in order to provide our general definition of a partnership as a formalised cooperation mode among public and private actors which involves co-regulation processes, i.e. the co-management of the policy-making process, and the creation of one or more ad hoc administrative structures. This definition limits the use of the term partnership only to those cases where cooperation goes beyond mere consultation processes which do not give birth to any administrative structure or institution aimed at reaching specific policy goals selected by private and public actors. Furthermore, a partnership differs from more specific delegation forms which establish more traditional principal-agent relationships, where the principal (for example, an administrative body or a public institution) sets autonomously the scope and the implementation mechanisms which have to be used in order to obtain the selected goal and where the agent (for example, a private organisation active in the territorial development policy field) is responsible for the implementation of the decision adopted by the principal. Such a relationship does not provide an opportunity for the agent to cooperate in the policy formulation phase since goals are explicitly set by a contract

² The UK Audit Commission is an independent public body which aims to improve the quality of public services, promoting good practices and ensuring an economically, efficiently and effectively expenditure of the public money. Further information can be found at: http://www.audit-commission.gov.uk
conceived autonomously by the principal. On the contrary, in a partnership the goals and implementation mechanisms are shared and agreed upon by all the actors involved in the decision-making process.

If we start from our working definition it is also possible to focus on three main analytical dimensions which are crucial for an in-depth empirical characterisation of local partnership experiences: the purpose, the actors and the mechanism of their involvement and the articulation in different phases [Mc Quaid 2000].

The purpose is the set of objectives pursued by the local partnership which are usually defined through formal agreements, i.e. a strategic pacts among partners illustrating and making explicit the broad guidelines and the nature of the partnership involvement at the local level and/or ad hoc action plans which further detail the policy procedures and instruments needed for the implementation of the overall partnership strategy. Nevertheless, the explicit goals do not always constitute the ‘real’ goals of the partnership: each partner can hide its specific interests and objectives and therefore its behaviour will be guided by hidden objectives which can be much more important for each partnership member.

With regard to the actors, i.e. the key players in the partnership game, although their number varies according to the degree of inclusiveness of the partnership, we expect typically to find public authorities, local public bodies (Universities, Chambers of Commerce), social partners’ or other public interest groups’ representatives, third sector associations. The mechanisms of their involvement are of great interest in order to better understand the organisational structure and regulation mode which governs the partnership. Partnerships can be organised according to formal rules which define in detail their functioning or they can be governed by more informal agreements reached by a group of actors at the local level. In particular, the presence of ad hoc bodies, to which specific programming or implementation functions are delegated, is of great importance in order to define the specific “organisational identity” of each partnership [Wilson and Charlton 1997].

Finally, like more traditional decision-making processes, partnerships are developed following different phases which can analytically be distinguished. In general terms, partnership experiences are articulated in two main phases: the action plan formulation, and its implementation. In the literature, we find a more refined phase articulation: for example, Murray and Osborne [2002] consider five different phases (pre-contact, preliminary contact, negotiating, implementation and evaluation)³, while Lowndes and Skelcher [1998], divide the “life cycle” of UK urban renewal policies into four stages (pre-partnership collaboration, partnership creation, partnership programme delivery and partnership termination). Whatever the phase identification might be, what is relevant is the change in the pattern of power distribution during the partnership development and the different role that each partner can play.

II.2 Inside partnerships: the state of the art

Studies dedicated to partnership analysis are recent but quite numerous. Not only are they characterised by various definitions of what a partnership could or should be (see § 2.1), but they are also focused on a wide set of policies and/or different levels of government. To begin with, the partnership literature can be divided into three main analytical strands: the “network governance system” approach; the partnership as “experimental context” and the partnership as a “political arena” (see Table 1).

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³ Their study is focus on cooperation patterns between non profit organisations and the public administration of British Columbia in Canada in the local childcare policy field.
In the first one, partnership is seen as a social co-ordination mechanism based on social dialogue, resource sharing and activity concentration [Jessop, 2003]. Under this analytical lens partnership experiences can be considered as an example of a “networked governance” system, i.e. a kind of social regulation where “public and private actors depend on each other and are connected in a non hierarchical mode with the aim of sharing resources and coordinate interests and activities” [Boerzel 1998]. At the heart of this analytical strand there are two main questions: how public and private spheres relate to each other and what democratic accountability can be guaranteed by such governance tools. Firstly, over the past years the diffusion of partnerships has contributed to the redefinition of the relationship between the state or national public authorities and civil society. National public authorities have not only increasingly reduced their powers, “hollowing out” in favour of other actors (private actors, independent agencies or supranational institutions), but also the distinctions between the public and the private sphere have become very slim since the two are increasingly interconnected [Rhodes 1997]. Secondly, the growth in the fragmentation of competences poses a fundamental problem linked to democratic accountability: if many actors intervene in the decision-making process, who will be responsible to whom and for what? Public authorities find themselves, as Kettl phrased it, “on the top of complex public-private relationships whose dimensions they may only vaguely understand” and therefore they risk to be accountable “for a system over which they have little real control” [Kettl 1993, 206].

The second main analytical strand focuses on the innovation potential channelled by partnerships in specific policy areas such as environmental or social policies or, more in general, local development policies. Partnerships are considered “experimental contexts” [Cersosimo and Wolleb 2001], where innovation might be expected with respect to the traditional functioning of decision-making processes. The relevant question becomes: has something changed in the policy-making process due to the inclusion of new actors? If so, how has the process changed and how has it happened? From this perspective, the main research concerns will be understanding if and how partnership practices have changed the policy under analysis and if new partnership practices have increased or reduced institutional performance with respect to the supply of common goods.

The third – and less explored – literature strand focuses on specific features of partnerships and their functioning: how do they originate? How are they organised? Can they be consolidated? If so, what are the consolidation mechanisms? These questions are the most interesting for our research purposes not only because there have been limited studies on the topic, but also because it is a field where political and policy science tools can be particularly fruitful. From this standpoint, partnership experiences are seen as new political arena where power resources are distributed or redistributed [Hasting 1996; Davis 2005]. In other words, new political arenas can challenge traditional power distribution patterns and therefore create opportunities for actors which have been traditionally excluded from the decision-making process. The scarce attention paid to this specific analytical focus can be explained by the fact that most of the studies on local partnerships have looked primarily at the cooperative dimensions of such experiences to the detriment of the analysis of their conflictual components. Therefore, it is important to address our attention to how partnerships work in reality and to the conditions which can promote the emergence and the – even more – the consolidation of cooperation among local actors.
Table 1. The state of the art: literature strands and research topics

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<td>- Democratic accountability</td>
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<td>“Experimental contexts”</td>
<td>- “Transformation potential” of partnership experiences</td>
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<td>- Partnership experiences’ evaluation</td>
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<td>“Political arenas”</td>
<td>- Political determinants of partnership initiation</td>
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III. The consolidation of local partnerships: a framework for analysis

In our attempt to characterise the politics of the partnership experiences, we will pay specific attention to one of the possible alternatives of their development, i.e. their consolidation as a specific tool for territorial governance. As every cooperative experience, a partnership, in the aftermath of its creation, can follow at least three different paths. Firstly, such cooperation can be maintained for a certain period of time just in order to fulfil the agreements initially reached. Secondly, a partnership, after reaching a preliminary general consensus among local actors, can fail to implement the actions agreed upon by its members. Thirdly, a partnership may consolidate over time, strengthening its organisational foundations and widening its scope in different policy areas beyond its original aims.

In the following paragraph we will clarify the reasons which led us to focus on the specific topic of partnership consolidation. Thereafter, we will specify how it is possible to study the consolidation process in empirical terms, suggesting an explanatory model of the mechanisms of partnership consolidation.

III.1 The relevance of partnership consolidation

It is possible to distinguish two main reasons that can support our research focus on partnership consolidation. First of all, in the Italian partnership literature much attention has been devoted so far to the analysis of partnerships’ creation [Stato e mercato 2001; Quaderni di rassegna sindacale 2004], whereas partnership consolidation has been largely neglected. A large amount of researches have mainly focused on the conditions which promoted the emergence of partnership experience and on the preliminary assessment of policy outcomes produced, due to the early age of the local cooperative experiences examined [Cersosimo and Wolleb 2006; Barbera 2001; Pichieri 2001; 2002]. Nevertheless, many Italian partnership experiences have witnessed a significant evolution over the past ten years, changing their organisational nature and broadening their functions. Therefore, nowadays it is possible to focus more specifically on the reasons of their persistence through time (consolidation), as well as on their possible failure as new modes of socio-economic governance at the local level.

Secondly, a consolidation-centred perspective is useful in order to understand the evolution and potential of local partnerships as new governance experiences. As a matter of fact, our aim is to focus on the fundamental reasons which trigger local partnerships and to detect the institutional and political preconditions for their durability. It is clear that partnership consolidation cannot be considered neither a sufficient, nor a necessary condition for the implemen-
tation of “successful” local development policies. On the contrary, it is possible, at least in theory, to envisage also the consolidation of “collusive practices of cooperation” where local stakeholders’ commitment is basically addressed to obtain resources for particularistic goals, without any significant effect in term of increased territorial competitiveness. However, what is important for our research is that the persistence in time of partnership experience may have a strong influence on the relationship among public authorities and local stakeholders. In this sense, the study of partnership evolution will allow us to better understand if, to what extent and how such an innovative tool of governance has been incorporated into the ordinary functioning of local institutions and what is its impact on the policy process through which socio-economic issues are governed.

III.2 Inside consolidation: definition and empirical indicators

In the previous paragraph we have discussed the reasons which led us to the analysis of partnerships consolidation. It is now important to specify how we can detect such phenomenon in empirical terms. Selecting a specific set of indicators in order to measure consolidation partnership is not an easy exercise and the suggested ones may sometimes appear to the knowledgeable reader as exceedingly ‘soft’. Nevertheless, faute de mieux, this is the only profitable research strategy available.

The term “consolidation” may be defined as a multidimensional process through which a partnership acquires stability and becomes a widespread practice in a specific policy area. Such a consolidation process involves two main dimensions, an organisational and an operational one, which are of particular interest in the development of adequate indicators for our analysis.

The first aspect (i.e. the organisational component of partnership consolidation) is related to the reinforcement of the partnership organisational structure. As we have already mentioned, each partnership is defined by the presence of an administrative board with its administrative sub-units. This organisational aspect is of great importance since it constitutes the way through which the partnership will interact with other local institutions and it can also reveal the consistency of the overall strategy adopted by the partnership members [Pichierri 2001]. Moreover, the creation of a specific organisation provides a stronger and clearer identity to the partnership and more credibility vis-à-vis external institutions, thus enhancing its probabilities of further consolidation.

In order to capture this dimension of the consolidation process we will focus on the degree of complexity of a partnership structure. As already mentioned, a partnership, that shows a higher level of organisational complexity has more probabilities to consolidate over time than an poorly structured one. An organisation composed, for example, of a variety of subunits will be more stable than an organisation characterised by a limited number of subunits, since it will be more flexible and likely to adjust itself to the loss of any purposes [Huntington 1975, 18] 4. On the other hand, a simpler form of partnership will be limited in its capacity to resist through time, as it will be more vulnerable to changes which can affect its basic organisational structure. Following Huntington, such a complexity can be measured considering both «multiplication of organisational subunits, hierarchically and functionally, and differen-

4 It can be argued that the loss of some tasks may not necessarily cause the instability of the partnership organisation if such an organisation is composed of a limited number of sub-units which deal with a wide range of functions. Nevertheless, even if these multifunctional sub-units may show a high level of flexibility per se, they contribute less to develop the flexibility of the organisation as a whole, than the presence of a more articulated partnership. For similar arguments, see Huntington [1975].
tiation of separate types of organisational subunits» [Hungtington 1975, 18]: in our case, the number of internal boards (departments and offices), the creation of new satellite-structures\(^5\) linked to the main organisational unit and the size of the administrative staff will represent indicators for partnership consolidation.

The other aspect of the consolidation process, i.e. the “operational component”, deals with the capacity of a partnership to act over time, developing its ongoing strategies for local development. From this perspective, it is important to point out whether the collaborative relationship between public and private actors has been increased or at least maintained. Keeping partnership cooperation alive is not always a simple exercise: its tasks may be reduced over time as a consequence of the inappropriateness of the partnership to deal with new challenges.

The operational component of the consolidation process can be detected using two different variables. Firstly, it is possible to consider the intensity of partnership cooperation, i.e. the capacity to maintain and develop cooperative ties among partners. Such a variable can be measured considering, for example, the frequency over time of formal and informal contacts among local actors due to partnership activities. If this frequency is still high some years after the partnership emergence, this means that the cooperation is robust and the partnership is consolidating.

The second variable which can be used to evaluate the consolidation of a partnership deals with the functional scope of the partnership, i.e. the areas or topics covered by the partnership. The magnitude of this scope can be measured both by the achievement of new agreements and by the presence of a wide range of projects which specify or adapt the original partnership agreements. This variable is strictly related to the consolidation process for at least two reasons. Firstly, a multi-functional partnership, which can rely on different purposes, is most likely to survive even if some of these purposes have been reached or have become obsolete. In other words, the wider the scope of the partnership is, the longer the partnership will last. Secondly, the widening of the scope of the partnership over time gives evidence of the capacity of the partnership to adjust its goals to the emergence of new challenges or to better specify its general aims with respect to evolving local needs.

In conclusion, the consolidation of partnership cooperation can be analysed taking into consideration its organisational and operational components. An in-depth analysis of the selected indicators will show if and to what extent a partnership has consolidated, providing specific information on its development pattern. Figure 2 summarises the main dimensions and variables above mentioned.

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\(^5\) It is important to consider only those satellite-structures which clearly show a good degree of integration with the main partnership organisation. Otherwise, a multiplication of separated and fairly independent structures, will in fact reveal a lack of partnership’s coherence and therefore unveil a weakly consolidated partnership.
III.3 The analytical framework and the research hypothesis

The working definition of the consolidation process allows us to analyse, from an empirical point of view, the evolution of different cooperative experiences. It is likely that some partnerships will show a high level of consolidation regarding both its organisational and operational components, while other cooperative arrangements will reveal a weak organisational structure and a lack in their capacity to operate over time. Therefore, it is important to draw our attention to the dynamics of partnership evolution and to the presence of facilitating conditions which can cause such differences in the degree of consolidation.

Our argument starts from one main assumption: a partnership has to be considered as a mode of collective action aimed at pursuing local actors’ interests and views related to the increase in the competitiveness of their territory. In particular, one of the main aim of a partnership experience should be the production of the so-called local collective competition goods (LCCGs), that are these goods and services which may provide competitive advantages to a local community in terms of adequate infrastructures, business services or specialized know-how (Crouch 2004)\(^6\). The basic assumption is that without the achievement of a certain amount of material and immaterial resources through the participation of different local actors, the production of these LCCGs will be hardly viable.

Nonetheless, the creation and the maintenance of a partnership also implies specific participation costs. Indeed, the actors involved are called to invest in the cooperation several resources such as:

\(^6\) In our research we assume that the main goal of a partnership for local development is the production of LCCGs. However, this does not mean that a partnership is the only or the best way to shape policies addressed to territorial competitiveness. Moreover, it can be noticed that the production of different types of LCCGs in different circumstances (infrastructures rather than vocational training initiatives) may require different decision-making strategies.
1. time and attention to dedicate;
2. financial resources for the co-funding of programmes;
3. a partial cession of some rights due to sharing of responsibilities for the use of the resources involved.

It follows that the active participation in a partnership will be considered convenient only if local stakeholders may profit from it. But what are the main advantages and the underlying rationales which can guarantee the support of such cooperation practices?

In order to move forward in our analysis, we will consider a partnership for local development as a form of a “political exchange” (see Figure 3) in which the actors involved invest some of their resources (material or immaterial) to obtain specific gains. More in detail, we can distinguish two main groups of actors: public authorities and the representatives of socio-economic interests (mainly trade unions and business associations). Their active involvement will be dependent on some specific incentives.

Starting from the role of local authorities in cooperation practices, it seems clear that their central interest in a partnership concerns its capacity to provide new opportunities for the maintenance and increase of political consensus. In other words, the active involvement of public authorities in a partnership experience will be guaranteed if it is considered as a “politically remunerative” investment. In particular, three types of political advantages seem crucial for consensus building, preservation and increase: political visibility, problem-solving capacities and economic resources availability.

The first one concerns the “political visibility” potential of the partnership. Political actors with an electoral mandate must increase their political attractiveness in order to maintain their role. Thus, if the existence and the promotion of a cooperative framework support the perception among local key actors, local media and voters that public authorities are “politically productive and successful”, there will be strong incentives for partnership consolidation. The second possible advantage deals with the contribution to the solution of specific problems of territorial governance which can be provided by the partnership. Local development policies may imply the participation of a wide range of actors who represent different levels of government: if the partnership arrangement is considered as a strategic device to face administrative weaknesses and coordination problems, enhancing the institutional capacity of local administration, there will be a common (i.e. public and private) interest in preserving it. The third main political advantage is linked to the fact that a partnership can serve as a useful instrument for the access to new funding opportunities. From this standpoint, if a partnership proves to be a profitable strategy for such goal, it will be considered as a politically remunerative activity. Since building new and ad hoc cooperative arrangements may involve high transaction costs, local authorities may have an interest in preserving the ongoing cooperation, especially when it is regarded as a suitable starting point for the collection of new resources.

Beyond the “political remunerativeness” for the local authorities, there is a second decisive aspect which characterises the political exchange model connected to partnership aimed at local development. This deals with the capacity of a partnership to provide particular “goods” for the socio-economic actors involved. Assuming that a partnership should be supported by a sufficient amount of resources in order to deliver the expected services and projects, a crucial question is: why do socio-economic actors have an interest in the active participation in such a partnership? One of the most important incentives is probably due to its “selective socio-economic remunerativeness”, i.e. the possibility that such actors have to affect the decisions regarding the distribution of costs and benefits produced by the partnership itself. Choices related to, for example, the construction of a new road, the creation of a specific service for
companies or the supply of a financial support for local industries may be of great importance for the local actors involved in cooperation practices.

To sum up, the idealtypical logic of the “political exchange” underlying partnership cooperation can be considered as a first step towards an analytical framework of the dynamics of the consolidation process. On the one hand, public authorities provide time resources, administrative and financial support, as well as a quota of their decisional power, to the partnership in exchange of “political gains”, i.e. acquisition or increase in political consensus. On the other hand, the socio-economic actors exchange political support with local authorities, and sometimes supply financial or logistical assets, with the purpose to achieve favourable decisions regarding the benefits connected to the implementation of partnership arrangements.

Figure 3. The ‘political exchange’ involved in partnership experiences

Local public authorities  
PARTNERSHIP  
Socio-economic actors

Resources (administrative and financial support) and a quota of their decisional power  
Consensus and financial resources

Political gains (i.e. political consensus acquisition or increase)  
Favourable decisions regarding the distribution of benefits and costs

Nevertheless, if considered per se neither the “politically remunerativeness” nor the “selective socio-economic remunerativeness” connected to a partnership can fully explain the consolidation process. Detecting the specific interests in the emergence and preservation of the partnership experience is not sufficient in order to account for the consolidation process, since such a cooperative experience can be challenged by exogenous or endogenous pressures which may inhibit its reinforcement and hinder its duration. As a matter of fact, several empirical researches have shown that many partnerships find it difficult to offer selective incentives beyond the initial phase (Piselli 2005; Cersosimo e Wolle 2006). This can be understood if we consider that the consolidation of a partnership experience relies upon a continuous process of consensus and coalition building and upon the promotion of internal and external interests in its maintenance. Therefore, it is important to analyse the partnership experience in its dynamic evolution, taking into consideration the presence of specific factors which can influence partnership duration.

Starting from the literature on partnership experiences, we can focus on four main conditions that can positively affect the consolidation process:

A. the availability of economic resources. Since one of the main targets of a partnership is its “budget enlargement function” (Mackintosh 1992), i.e. its capacity to collect funds from several actors (private and public) at different levels of government (regional, national or European levels), the probabilities of the partnership consolidation will be higher if local actors will find new financial resources for their initiatives;
B. the presence of a “policy entrepreneur”. Policy entrepreneurship, as a distinctive type of political action, may constitute a key facilitating factor not only for the promotion of the emergence of partnership cooperation, but also for the durable equilibrium of the interests involved in the cooperative experience. Policy entrepreneurs can foresee and promote constantly, for instance, the advantages of the cooperation, causing expectations of new additional rewards deriving from the persistence of the partnership experience;

C. the presence of a “technical unit”, such as a local development agency, which can support local actors in the management of the partnership cooperation. In particular, what is important is the maintenance of a strict link between the political and the technical aspects of a partnership experience. In other words, a partnership will have more probabilities to consolidate where a certain continuity between the concertation process and the planning and implementation phases is safeguarded (Cersosimo e Wolleb 2001; 2006; Ramella e Trigilia 2005).

D. the “political homogeneity” of the public administrations involved: in literature, we can find two opposite predictions. On the one hand, some authors argue that a mixed “political colour” background can favour the achievement of partnership goals (Magnatti et al. 2005) and, by this way, its consolidation. On the other hand, others empirical studies (Barbera 2001) have shown that “political homogeneity” among local authorities may encourage agreements on policy initiatives and so the promotion of cooperative experience. In our research, we will try to find out if and how such a condition may influence the dynamics of partnership evolution.

In conclusion, partnership consolidation relies both on the achievement of a specific political exchange and on the capacity to maintain it. Therefore, the analysis of partnership consolidation must (a) look closer at the internal dynamics of partnership evolution and (b) pay attention to the particular conditions which can facilitate such partnership consolidation over time.

IV. Case selection: a comparison between Turin and Milan

IV.1 The research design

The empirical part of our project consists in investigating partnership consolidation through the analytical lenses outlined so far, i.e. as political processes involving exchanges between local public authorities and socio-economic actors. We have been carrying out our empirical research with reference to the Italian context through an in-depth reconstruction of four cases in two different Provinces: Turin and Milan. For each Province, we have identified a case of “high” consolidation and a case of failed or “low” consolidation. Building on our analytical framework, our working hypothesis is that high consolidation results from a durable successful political exchange. In other words, after defining the analytical framework, the research design takes two empirical steps: the first stage of the empirical research has consisted in the reconstruction of the eight relevant cases of the Province of Turin and the six cases of the Province of Milan, providing us better knowledge of each partnership’s history and features, with particular reference to their consolidation process. On the basis of the information provided by interviews with key policy actors and observers (experts, researchers and local political actors), and using available pieces of research and analysing official documents and internal reports, we have classified the eight pacts according to their different degree of consolidation. This has allowed us to select two cases for an in-depth comparative analysis: a partnership that shows good signals of consolidation and a partnership that is, on the contrary, characterized by a scarce degree of consolidation.
Turin and Milan have been chosen for three reasons. First, they both are Italian ‘rich’ Provinces, i.e. they are comparable in GDP per capita terms (30.629 euro in Milan, 23.557 euro in Turin\(^7\)) and their economic development pattern has been similar over the past 50 years. Second, they display variance with respect to partnership experiences: in Milan, partnership was mainly a product of bottom-up processes which originated from trade unions, local governments and business associations, whereas in Turin partnerships were triggered by national regulations aimed at local development promotion (the so called *Patti territoriali*, Territorial Pacts). Third, over the past 15 years the two Provinces witnessed different ruling political coalitions: Milan was governed by both centre-right (1999-2004) and centre-left coalitions (1994-1999; 2004- ), whereas Turin has been continuously governed by a centre-left coalition.

Therefore, the selection of two ‘most similar’ cases with respect to socio-economic development, ‘most dissimilar’ cases with respect to partnership patterns and ‘dissimilar’ cases with respect to the Provincial government coalitions seems to be useful in order to take into account intervening variables which may be relevant in explaining different partnership experiences’ evolutions and their capacity to provide effective ‘new governance’ solutions. The next two sections will briefly illustrate the situation of the two Provinces and survey the main partnership experiences for local development that were established during the 1990s in both Provinces. The goal of these surveys is to identify the two cases in each Province that stand out as most promising for further in-depth exploration.

**IV.2 The Province of Turin**

The Province of Turin is the main Province of the *Piemonte* Region and the Italian Province with the highest number of Municipalities (315). It is one of the largest in Italy, with an area of 6,830 square kilometres, and one of the most populous (fourth in Italy after Milan, Rome and Naples), with a total population of 2.236.941 inhabitants. The capital of the Province is the City of Turin, which is one of the Italian largest cities (908,000 inhabitants). The area is characterised by the strong presence of the metropolitan area of Turin (1.7 million inhabitants), where the great majority of companies are concentrated.

The Province is one of the richest areas in Italy, accounting for 4.4% of the national added value and producing about 6% of national exports. It is a major industrial centre, known in particular for the automobile company FIAT, whose presence strongly affected the industrial production of the area mainly based on mechanical industries. The only exception was the area surrounding the Municipality of Ivrea, which thanks to the Olivetti company\(^8\) developed its manufacturing business in electronics and information technology. Starting from the early 1990s, though, these two large corporations faced severe productive problems and as a consequence their influence on the economic development of the Province considerably diminished.

In the past few years, the economic structure of the area, moving away from an almost exclusive focus on its manufacturing core, has been characterised by the emergence of new specialisations – biotechnologies, ICT, design, food industry, aerospace, audiovisuals – together with an increase in the occupational importance of small and medium companies. As showed by Figure 4, although manufacturing activities continue to remain very important (12% of the companies are still active in the manufacturing sector), the most important sector is currently the service sector (29% of the companies), followed by the commercial sector (27%).

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\(^7\) Uniocamere-Istituto Tagliacarne, 2005.

\(^8\) The Olivetti company was the first Italian producer of typewriters and then one of the leader companies in the ICT sector until a few years ago.
The unemployment rate of the Province is 4.8%, higher than that of the Piedmont region (4.66%)\textsuperscript{9}, but lower than the national average (8%)\textsuperscript{10}. The unemployment rate, which during the 1990s increased significantly, due primarily to the industrial crisis, started to decrease by the end of the decade (see Figure 5). Since 1998, the Province witnessed a positive trend, characterised by an increase in male and especially female employment and a decrease in the general unemployment rate, in particular among young people. If during the 2001-2004 period this positive evolution stopped and there was an overall stagnation of the employment situation, the Province registered a new significant decrease in the unemployment rate, especially thanks to a drop in male unemployment, in 2005.

\textsuperscript{9} Istituto Tagliacarne, 2006.

\textsuperscript{10} Istat, 2005.
The industrial crisis and the problems deriving from the process of industrial restructuring are among the key factors which explain the emergence, from early 1990s on, of new modes of local governance based on partnership and collaborative relations between public and private actors. The proliferation of local partnerships has been particularly encouraged by the Province government, which during the 1990s has seen a continuity of centre-left coalitions. Such a continuity has been particularly strong from 1995 to 2004, as during this period the President of the Province remained the same, having been re-elected in 1999 for a second mandate. Partnership experiences have therefore benefited from the strong and ongoing commitment on the part of the Province, which has played a leading role both in terms of political support and financial contributions.

**IV.2.1 Local development partnerships in the Province of Turin**

Many partnerships for local development emerged in the Province during the last two decades\(^\text{11}\), but there has been in particular a proliferation of Territorial Pacts (TPs), which currently represent the prevalent tool through which local development policies are defined and implemented. We will therefore focus our attention on this specific type of partnership.

Territorial pacts (TPs) are defined by the national legislation\(^\text{12}\) as agreements between local public and private actors (local authorities, employers’ associations, trade unions, banks, 

\(^\text{11}\) Turin is for instance the first Italian city to have adopted a Strategic Plan, which has been elaborated and signed in 2000 by a partnership among 57 actors from the social, economic and public sectors.

\(^\text{12}\) The first Territorial Pacts experiments had a voluntaristic, bottom-up connotation and were promoted within the CNEL (National Council for Economic Affairs and Labour), with the specific aim of improving the social and economic conditions of economically troubled areas in Southern Italy. The national legislation inter-
chambers of commerce, private subjects) for the formulation and implementation of an intervention program characterised by specific goals promoting local development on a sub-regional basis. The primary aim of the instrument is to foster the establishment of enduring partnerships among all the relevant actors at the local level. Development policies are thus based on a concertation process among local partners, which define a set of goals for the area concerned, select projects according to these goals and implement the concerted programme of actions.

National legislation allocates to each TP a maximum of 51 million euros for infrastructure projects (30%) and entrepreneurial activities (70%). National funding is complementary and does not replace direct local investment commitments from the partners, which are therefore required to co-finance the initiatives concerning their territory. In order to receive such contributions, partners have to sign a formal agreement (“the pact”), which defines the joint action plan and specific commitments for each partner. Moreover, the partners are required to identify the ‘legally responsible’ subject for the Pact implementation among public actors or have to establish ad hoc agencies.

The Province of Turin is probably the Italian Province with the highest concentration of TPs, since 97.5% of its area is covered by such initiatives\(^\text{13}\) (see Figure 6). The Province has considered the TP as the best instrument to overcome the industrial decline affecting the Turin area and has strongly sustained these partnership experiences, assuming a coordination and leading role in many cases.

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**Figure 6. The eight Territorial pacts in the Province of Turin**

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\(^{13}\) The City of Turin and two other small Municipalities are the only areas to be excluded from TPs.
Starting from the end of 90s, eight TPs have been promoted and funded. Such Pacts differ with respect to the number of Municipalities involved (ranging from 9 Municipalities in the case of Po Territorial Pact to 123 Municipalities in the case of the Canavese Pact), the number of societal actors (ranging from 21 organisations in the case of the Zona Ovest Pact to 66 organisations in the case of Torino Sud Pact), the extent of their territory and the amount of national funding they have received (see Table 2).

Table 2. Actors involved, territorial extension and public funding for local development partnerships

<table>
<thead>
<tr>
<th>Pacts</th>
<th>Public actors</th>
<th>Other partners</th>
<th>Total number of partners</th>
<th>Area in square kms</th>
<th>Inhabitants (2004)</th>
<th>National Contributions (million euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canavese</td>
<td>Province of Turin, 123 Municipalities, 5 mountain communities</td>
<td>58</td>
<td>187</td>
<td>2000</td>
<td>253.514</td>
<td>50,7 (+2,8 Agricultural Pact)</td>
</tr>
<tr>
<td>Zona Ovest</td>
<td>Province of Turin, 11 Municipalities</td>
<td>21</td>
<td>33</td>
<td>180</td>
<td>226.705</td>
<td>44,2 (+5,3 Agricultural Pact)</td>
</tr>
<tr>
<td>Pinerolese</td>
<td>Province of Turin, 51 Municipalities, 3 mountain communities</td>
<td>40</td>
<td>95</td>
<td>1400</td>
<td>147.217</td>
<td>33,2</td>
</tr>
<tr>
<td>Sangone</td>
<td>Province of Turin, 11 Municipalities, 1 mountain communities</td>
<td>28</td>
<td>41</td>
<td>300</td>
<td>111.092</td>
<td>28,4</td>
</tr>
<tr>
<td>Stura</td>
<td>Province of Turin, 42 Municipalities, 2 mountain communities</td>
<td>31</td>
<td>76</td>
<td>1.000</td>
<td>135.801</td>
<td>32,8</td>
</tr>
<tr>
<td>Torino Sud</td>
<td>Province of Turin, 31 Municipalities</td>
<td>66</td>
<td>100</td>
<td>600</td>
<td>277.353</td>
<td>40,2</td>
</tr>
<tr>
<td>Po</td>
<td>Province of Turin, 9 Municipalities</td>
<td>28</td>
<td>38</td>
<td>120</td>
<td>94,549</td>
<td>-</td>
</tr>
<tr>
<td>Valli di Susa</td>
<td>Province of Turin, 36 Municipalities, 2 mountain communities</td>
<td>45</td>
<td>84</td>
<td>1060</td>
<td>81.183</td>
<td>7,9 (Agricultural Pact)</td>
</tr>
</tbody>
</table>

The following section briefly presents the eight partnership experiences emerged in the Provincial territory, highlighting the different degree of consolidation they have reached.

a) Zona Ovest Pact
The Zona Ovest Pact was signed in 1999 by 11 municipalities, local trade unions and employers associations and some other social actors. The concertation process started three years before, when the Municipality of Alpignano, in consequence of the crisis of Philips14, decided to

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14 In 1996, Philips, one of the leading companies in the electronic sector, underwent a severe crisis, dismissing many (hundreds of) employees.
involve other neighbouring municipalities in order to identify a common strategy to face the industrial decline. When the national legislation on TPs was introduced, in 1997, local actors decided to exploit the opportunities represented by such instrument in order to promote the economic development of the area.

Initially, the concertation process was marked by some conflicts as regards the choice of the public leader\(^{15}\): the major municipalities (Rivoli, Collegno and Grugliasco) decided to leave the small Municipality of Alpignano in charge of the leadership of the pact. However, such political choice turned out to be a problematic decision, since Alpignano lacked a sufficient organisational structure. Therefore, after long-lasting negotiations, in 1998 partners decided to give the public leadership of the pact to the Municipality of Collegno. Nevertheless, such conflicts proved to be useful in order to identify a shared leadership and reinforce collaborative relations among public and private actors.

The partnership has shown to be very active both in promoting further local development projects linked to the pact’s goals and in creating a multifaceted administrative structure. In fact, the organisational structure of the pact is highly complex and formalised. It is composed of four main bodies: the Concertation Board, the Steering Committee, the Coordination Board and the Zona Ovest agency. The Concertation Board, formed by all the subscribers of the pact, is the political advisory body, in charge of discussing and delineating the overall strategy of intervention. The Steering Committee, formed by six municipalities and six social partners’ representative, is the executive body of the partnership, with the task of implementing the decisions taken by the Concertation Board. The Coordination Board is formed by the mayors of all the municipalities involved and has the task to coordinate and make local policies homogeneous. Moreover, it nominates the board of directors of the Zona Ovest agency and draws the general guidelines of its management. Such agency, which currently represents the partnership core, was established in 2001, when partners decided, in contrast to all the other pacts of the Province, to create an ad hoc local development agency, charged with the legal responsibility of implementing the pact objectives\(^{16}\). It has its own organisational structure, its own staff (about 10 employees) and an autonomous budget\(^{17}\). Even though it was created for the pact implementation, it has progressively widened its mission, promoting many further projects linked to the pact goals. At the moment, partners are discussing about some modifications of the agency’s regulation charter, in order to enhance the agency’s role (i.e. not only performing coordination tasks but also directly managing projects and initiatives) and to extend its duration, which should have ended in 2008, until 2020.

Concerning the operational dimension, the scope of the partnership has widened over time in many different sectors, such as administrative simplification, local welfare or sustainable development: the partners have subscribed five additional agreements (on vocational training, administrative simplification, environment, welfare and loaning facilities), creating different permanent Technical Boards. The partnership has been very active also in promoting specific projects, such as the signing of an Agricultural Territorial Pact\(^{18}\), approved by the national

\(^{15}\) A “natural public leader” does not exist since the area is characterized by the presence of different large municipalities.

\(^{16}\) In all the other cases, it is the Province of Turin to have the legal responsibility of the implementation of the Pact.

\(^{17}\) Each Municipality of the partnership pays the agency 0.52 euro per inhabitants.

\(^{18}\) The legislation on Territorial pacts distinguishes between “Generic pacts” and “Agricultural Pacts”. The latter receive less national contributions (the highest amount for the Pacts signed in the Northern Italy is about
government, which has provided additional public funding to the local partnership (see Table 3). In particular, the Zona Ovest Pact has promoted some innovative projects, such as financial benefits for laid off workers or the “one euro per inhabitant” project which raises Municipal funds aimed at promoting actions in support of dismissed workers. Moreover, it has been the promoting subject of two relevant initiatives within the European programme Equal then joined by other TPs, specifically the project PERLA targeted on unemployed women and the project SPRING aiming at preventing the exclusion of young people from the job market.

The intensity of partnership cooperation has not decreased over time and partners continue to meet quite frequently. The Coordination Board meets about once or twice a month (in some occasions also once or twice a week), while the Concertation Board and the Steering Committee on average gather 4-5 times per year. Both the public and the private actors agree on saying that also the degree of informal cooperation has strengthened thanks to the partnership experience. The cooperative ties among members have not been negatively affected neither by the political turnover of the partnership’s members, due to new local elections. What emerged from interviews is in fact that all the new majors have recognised the value and the importance of the partnership and to have strongly supported it, continuing to participate actively.

In conclusion, such partnership appears therefore as one of the most interesting and innovative experiences, showing very good signs of consolidation as concerns both the organisational and the operational dimension. The organisational structure is composed by a variety of bodies, which have highly formalised and specified tasks. The decision to create an ad hoc agency, with an autonomous budget and dedicated staff, has strengthened the identity of the partnership and its autonomy. Moreover, partners continue to meet quite frequently, promoting numerous local development projects and initiatives.

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25 million euros). Moreover, while in the first case contributions can concern different sectors of activity, in the second case they are exclusively directed to the agricultural sector.
Table 3. The Zona Ovest Pact

<table>
<thead>
<tr>
<th>Main bodies of the organisational structure</th>
<th>Technical formally established</th>
<th>Boards established</th>
<th>Additional agreements</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Concertation board</td>
<td>- Vocational training</td>
<td>Vocational training</td>
<td>- Agricultural Pact;</td>
<td></td>
</tr>
<tr>
<td>- Steering Committee</td>
<td>- Administrative simplification</td>
<td>Administrative simplification</td>
<td>- the project “Sportello unico” for companies;*</td>
<td></td>
</tr>
<tr>
<td>- Coordination board</td>
<td>- Environment</td>
<td>Sustainable development</td>
<td>- the project “advance on found for laid off workers”;</td>
<td></td>
</tr>
<tr>
<td>- Zona Ovest agency</td>
<td>- Welfare</td>
<td>Welfare</td>
<td>- the project “one euro per inhabitants”;</td>
<td></td>
</tr>
</tbody>
</table>
<pre><code>                                                             | - Finance                     | Finance             | - The projects PERLA and SPRING; |
                                                             |                               | Finance (loaning facilities) | - 3 projects within the Provincial environmental plan; |
                                                             |                               |                     | - the project Agenda 21 |
                                                             |                               |                     | - the creation of a labour territorial partnership, with local vocational training agency and welfare associations, aiming at fighting unemployment and favouring social cohesion; |
                                                             |                               |                     | - an Area integrate project with the Sangone Pact**, involving 13 initiatives. |
</code></pre>

* The “Sportello Unico” guarantees a facilitated access for companies to public documents. It is a sort of “one-stop shop”, where companies can find all the information about the starting up of companies and other company-creation procedures.

** The Area integrated projects are the implementation tools chosen by the Piedmont Region (and by some other Italian regions) to use European structural funds (Ob.2). Such integrated projects are composed by different but interrelated initiatives, which are proposed and implemented by local actors. In the Province of Turin six Area integrated projects have been established. On proposal of the Province, three Area projects have been jointly promoted by two Pacts (and specifically, the Zona Ovest and the Sangone TPs, the Stura and the Po TPs, and the Valli di Susa and Pinerolese TPs). The Canavese Pact has promoted a project with an area external to Provincial territory, while the Torino Sud Pact has realized on the pact area two different Area projects.

b) Canavese Pact

The origin of the Canavese Pact, the first Territorial pact to be signed in the Province of Turin, can be traced back to the serious industrial crisis which has affected the Canavese since the beginning of 1990s. The general crisis of the Italian ICT sector had in fact particularly negative repercussions on the Olivetti group, the leading company of the area, which, between 1990 and 1995, was forced to dismiss 7,000 employees. At the same time, more that 4,000 people lost their job as a consequence of the closure of one of the FIAT plant based in Chivasso (the Lancia plant). The Canavese Pact is rooted in such crisis and in the need to find new models of development for the territory.

The first answer to the economic recession on the part of local actors was the creation in 1993 of the Consortium for the Canavese Technological District, formed by the Province, the City of Ivrea, the Olivetti company and the Canavese Association of Industrialists. The main aim of the Consortium was to attract the available resources of the area, looking for synergies and interactions, and supporting the restructuring of local plants. Two years later, the Municipality...
of Ivrea decided to establish the General Conference of the Mayors and Presidents of the Mountain Communities\(^{19}\) of Canavese, which gathered all local authorities, in order to identify joint initiatives for containing the industrial decline. It is within such Conference that the idea to promote a Territorial pact emerged for the first time. After an intense concertation process among local actors, the Pact was signed in 1998 and approved by the national government in 1999.

The partnership shows good signals of consolidation regarding both the organisational and operational dimension. The organisational structure is quite complex and articulated. It includes a General Assembly, formed by all the subscribers of the Pact (i.e. 123 municipalities, 5 mountain communities and 58 socioeconomic organisations), and a smaller Concertation Board, chaired by the Municipality of Ivrea and formed by local trade unions and employers’ associations, 10 municipalities and 5 mountain communities. The latter is the partnership organisational core, which is in charge of defining the overall strategy and decision-making. Moreover, during the process partners have established 13 Technical Boards, specialised in different sectors of activity (see Table 4), and involving local authorities, social partners, experts, and advisers. Until 2005, the responsibility for the allocation of funds was given by the Province, which is the legally responsible subject for the Pact, to the Consortium for the Canavese Technological District. However, since February 2005, this task has performed directly by the Municipality of Ivrea, which has established a dedicated office.

Although the organisational structure is quite complex, the roles and the functions of each body are in some cases not well defined. Particularly, there is a certain degree of uncertainty regarding the current role of the Consortium and the Concertation Board. This is also in part due to the recent creation by the Province of another smaller Steering committee, formed by 7 major municipalities of the area and the 5 mountain communities, aimed at re-launching cooperative relationships among partners. Nevertheless, according to some interviewed actors, the adoption of another body has not been the most appropriate response, on the one hand because it risks to be a duplication of the Pact Concertation Board, on the other because its composition has been decided by the Province and not by local actors. Moreover it is constituted only by large municipalities, and neither smaller municipalities’ representatives nor social partners or private associations are included.

With respect to the operational dimension, the scope of the partnership is particularly ample, concerning projects promoting sustainable development and administrative simplification or initiatives aiming at increasing women employment and the labour insertion of discriminated people (see Table 3). Besides infrastructure projects and entrepreneurial activities, for which the Pact has received 50.7 million euros by the national government, partners have promoted a great number of projects linked to the Pact goals, such as the signing of an Agricultural Territorial Pact, approved and financed by national government. Moreover, after the signing of the Pact, partners have subscribed five Additional agreements on finance (loaning facilities), equal opportunities, vocational training, sustainable development and broadband\(^{20}\).

Both the Steering Committee and the Technical Boards have met constantly on a regular basis (from 4 to 8 times per year). Some of these Boards do not gather anymore, since the project

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\(^{19}\) Mountain Communities (Comunità montane) are local authorities, constituted by associations of mountain municipalities for the joint execution of public functions. They have a representative body, formed by the representatives of the municipalities involved, and an executive body, formed by the president and a variable number of members.

\(^{20}\) This last agreement was defined by partners at the end of 2005, but it has not yet been signed.
they were in charge of has been achieved\textsuperscript{21}, but others continue to be operative, such as the Board on vocational training or the Board on Integrated projects. The intensity of partnership cooperation still remains quite high and it has not been substantially affected by change in membership due to political turnovers in the municipalities involved\textsuperscript{22}.

In conclusion, the pact seems therefore to present good signals of consolidation, as concerns both the organisational and the operational dimension. On the one hand, the organisational structure is quite multifaceted and complex; on the other, the scope of the partnership is broad and partnership activity did not end right after the national financial contributions were obtained, but continued to exist, promoting a wide range of local development projects. Partners continue to meet with a certain frequency and the leadership role played by the Municipality of Ivrea continues to be supported by a general consensus. Nevertheless, it’s worth pointing out that some recent events, such as the creation by the Province of another Steering Committee or the political turnover in some small municipalities, may hamper the future collaborative relations among partners.

### Table 4. The Canavese Pact

<table>
<thead>
<tr>
<th>Main bodies of the organisational structure</th>
<th>Technical Boards formally established</th>
<th>Additional agreements</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- General Assembly</td>
<td>- Vocational training</td>
<td>- Finance (loaning facilities)</td>
<td>- Agricultural Pact;</td>
</tr>
<tr>
<td>- Concertation Board</td>
<td>- Finance</td>
<td>- Equal opportunities</td>
<td>- two consecutive Area Integrated Projects*,</td>
</tr>
<tr>
<td>- Steering Committee</td>
<td>- Sportello Unico</td>
<td>- Vocational training</td>
<td>involving 9 and 48 initiatives each;</td>
</tr>
<tr>
<td></td>
<td>- Infrastructures</td>
<td>- Sustainable develop-</td>
<td>- a project promoting equal opportunities</td>
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<tr>
<td></td>
<td>- Welfare</td>
<td>ment</td>
<td>through some initiatives aiming at increasing</td>
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<tr>
<td></td>
<td>- Millennium Canavese</td>
<td></td>
<td>women employment;</td>
</tr>
<tr>
<td></td>
<td>- Equal opportunities</td>
<td>- Broadband</td>
<td>- 13 projects within the Provincial environment</td>
</tr>
<tr>
<td></td>
<td>- Structural funds</td>
<td></td>
<td>plan;</td>
</tr>
<tr>
<td></td>
<td>- Environmental policy</td>
<td></td>
<td>- the project “sportello unico” for companies”</td>
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<tr>
<td></td>
<td>- Agenda 21</td>
<td></td>
<td>- the project LAPIS promoted within the European program</td>
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<tr>
<td></td>
<td>- Broad Band</td>
<td></td>
<td>me Equal but financed</td>
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<tr>
<td></td>
<td>- Local development integrated projects</td>
<td></td>
<td>by the Piedmont Region, which includes</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>several joint initiatives for the labour</td>
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<td>insertion of people in situation of discrimi-</td>
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<td></td>
<td>nation;</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>- the project “Millennium Canavese”, which</td>
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<td></td>
<td></td>
<td></td>
<td>aims to create a multipurpose centre,</td>
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<td></td>
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<td></td>
<td>including several commercial and entertain-</td>
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<td></td>
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<td>ment activities;</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>- the project “Broadband” **</td>
</tr>
</tbody>
</table>

\* The Canavese Pact, being the first Pact to be approved, has been the only one in the Province of Turin which could participate to two consecutive Area Integrated projects, the first one concerning the 1995-1999 regional programming period and the second one the 2000-2006 programming period.

\textsuperscript{21} Technical Boards are established for defining and implementing specific projects. Therefore their activity comes to an end when the project they are in charge of is concluded.

\textsuperscript{22} Recently, however, in some small municipalities in the north-west part of the Canavese centre-right governments came into office and they seem to perceive political hostility from major centre-left governments of the area of Ivrea.
**Following the suggestion of the Province, the Canavese, the Pinerolese, the Sangone and the Stura Pact have decided to set aside some national contributions for the diffusion of the broadband technology.**

c) Pinerolese Pact

The origins of the Pinerolese partnership date back to 1997 and specifically to the experience of the “Forum for the relaunching of the Pinerolese”, a local discussion forum created by the Municipality of Pinerolo, the three mountain communities of the area, local trade unions and employers associations, aimed at identifying an integrated strategy for local development. The idea to promote a Territorial pact emerged for the first time within such forum. The leadership role of the concertation process was taken by the mayor of the Municipality of Pinerolo, who – soon after being elected in 1996 – was able to promote a partnership among 51 municipalities, 3 mountain communities and 40 socio-economic organisations. The initial concertation process, which has been dominated by the public sector, was nevertheless marked by some conflicts. In different occasions, local trade unions did not agree on the concerted goals and threatened to stay out of the Concertation Board. However, after some discussion, such divergences were overcome and the Pact was finally signed in September 1999.

Currently, the partnership’s organisational structure shows a moderate degree of complexity. It is formed by two principal bodies: besides the General Assembly, which is composed by all the Pact subscribers, partners have established a smaller executive body, which actually takes the decisions concerning the partnership. It is formed by the Municipality of Pinerolo, three other major municipalities, the three mountains communities, the local trade unions and employers’ associations. Even though partners were initially reluctant, they finally agreed to the Province’s proposal to give to the Province the legal responsibility for the Pact implementation. Following a formal agreement with the Province, since May 2002 the activities connected with the allocation of funds have been managed by a specific office established by the Municipality of Pinerolo. Moreover, during the initial concertation process, four Technical Boards have been created (on vocational training, administrative simplification, finance and infrastructure), and other four boards (on sustainable development, Olympic Games and equal opportunities and broadband) have been established after the signing of the Pact.

The partnership shows uneven signs of consolidation as concerns the operational dimension as well. Partners continue to meet quite frequently: the Concertation Board gathers 4-5 times per year and also some of the Technical Boards meet often, as in the case of the Board on vocational training or the Board on financial matters, whose activity has recently re-intensified in consequence of the serious employment crisis which has affected the area and has urged partners to re-discuss and review the bank credit terms. However, even though the number of formal meetings is quite high, what emerged from interviews is that the degree of informal cooperation among partners has progressively become loose. Particularly, if collaborative re-

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23 The Board for the Olympic games has been jointly established by the Pinerolese and the Valli di Susa TP, which are the two areas of the Province of Turin where Winter Olympic games took place.

24 In most Pacts, the Technical boards on vocational training have been the most active one, thanks to the strong impulse on the part of the Province, which has delegated them the task of selecting which training projects proposed by local actors have to be funded.

25 Six Pacts of the Province have signed Additional agreements on financial matters, aiming at defining better bank credit terms for the enterprises which participate to the Pact. Moreover, since the Province has suggested to adopt standardized conditions for all the Provincial area, such agreements are very similar to each other.
lations among some local authorities seem to have strengthened thanks to the Pact, it is not possible to say the same for the relations between public and private actors. The latter play in fact a mere consultative role within the partnership, with scarce capacity of influence and limited decisional power. In addition, it should be noted that a fundamental role in maintaining partnership’s cohesion has been held by the mayor of the Municipality of Pinerolo, which during two consecutive mandates (from 1996 to 2006) has represented an important point of reference for both public and private partners. However, what emerged from the interviews to local actors is that the recent (May 2006) election of a new mayor may weaken the intensity of partnership cooperation.

With respect to the partnership functional scope, besides the Pact, partners have subscribed three Additional agreements on finance (loan facilities), vocational training and sustainable development and they have implemented some initiatives linked to the Pact goals (see Table 5). Although the scope of the partnership looks at first sight quite ample, its activity has however focused to a great extent on the discussion of projects promoted by the provincial or regional government, rather than on the elaboration of endogenous projects, conceived and proposed by local partners. The coalition does not seem therefore to have developed the necessary capacities to autonomously define and implement local development policies.

In conclusion, the partnership displays ambiguous signs of consolidation and can be considered as an intermediary case. On the one hand, the organisational structure is characterized by a moderate degree of complexity; on the other hand, although partners continue to meet with a certain frequency, the intensity of informal cooperation among public and private actors is low and the partnership has autonomously promoted only a limited number of projects linked to the initial Pact goals.

Table 5. The Pinerolese Pact

<table>
<thead>
<tr>
<th>Main bodies of the organisational structure</th>
<th>Technical Boards formally established</th>
<th>Additional agreements</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Concertation Board</td>
<td>- Vocational training</td>
<td>- Finance (loaning facilities)</td>
<td>- the project “Broadband”;</td>
</tr>
<tr>
<td>- Steering Committee</td>
<td>- Sportello unico</td>
<td>- Vocational training</td>
<td>- the project “Sportello unico” for companies, connecting offices of 22 municipalities;</td>
</tr>
<tr>
<td></td>
<td>- Finance</td>
<td>- Sustainable development and equal opportunities</td>
<td>- 4 projects within the Provincial environmental plan;</td>
</tr>
<tr>
<td></td>
<td>- Infrastructures</td>
<td></td>
<td>- the participation to the projects SPRING and PERLA, promoted by the Zona Ovest Pact;</td>
</tr>
<tr>
<td></td>
<td>- Agenda 21</td>
<td></td>
<td>- an Area integrate project with the Valli di Susa Pact, involving 21 initiatives.</td>
</tr>
<tr>
<td></td>
<td>- Olympic Games</td>
<td></td>
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<tr>
<td></td>
<td>- Equal opportunities</td>
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<td></td>
<td>- Broadband</td>
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</table>

**d) Sangone Pact**

The first cooperative event among local authorities in the Sangone territory dates back to the creation, in 1996, of a permanent Concertation Board among six municipalities of the area26.

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26 These are the Municipalities of Beinasco, Bruino, Orbassano, Piossasco, Rivalta and Volvera.
which issued a first joint agreement on local development (March 1997). Such Concertation Board tried to look into the opportunity to participate to one of the TPs that were ‘in the making’ in the area (Torino Sud, Pinerolese and Zona Ovest) but the partners were not able to come to an agreement. Therefore, in 1998 the six municipalities involved in the Concertation Board established ASSOT, a local development agency, constituted only by public partners (i.e. the six municipalities and the Province of Turin). It is within such agency that a first Pact proposal has been elaborated and then presented to local actors. At the beginning of 1999, ASSOT held a series of bilateral meetings with the neighbouring municipalities and with some actors from the civil society in order to define the territorial boundaries and the strategic goals of the Pact. This was finally signed on November 1999, by 8 municipalities, one mountain community, and 28 socio-economic organisations, and approved by the national government in 2001.

The peculiarity of such Pact lies in the fact that it is the only Pact in the Province of Turin to have been promoted by a local development agency (ASSOT). The partnership organisational core is therefore constituted by the agency, which coordinates Pact activities and provides technical support to partners. In this case as well, the legally responsible subject for the Pact implementation is the Province of Turin, but the activities connected to business financing are delegated to ASSOT which manages the relations with companies. The partnership’s organisational structure is therefore quite simple: in addition to ASSOT, it comprises the Concertation Board, which gathers all the Pact’s subscribers. During the years, only two Technical Boards (on vocational training and sustainable development) have been created, of which the only one to be still operative regards vocational training. The Concertation Board is formally the partnership’s decisional body, even if the decision-making process has been almost totally dominated by ASSOT, and therefore by the public sector: in fact, ASSOT has elaborated the Pact contract, without involving trade unions and employers associations, coordinated the meetings among partners, and defined the agenda of the General Assemblies. What emerged from interviews is that social partners and private actors have only had a consultative role, ratifying decisions previously taken by ASSOT.

As a matter of fact, it would be better to talk, in this case, of a partnership among the municipalities involved in ASSOT rather than a public-private partnership. If collaborative relationships among local authorities continues in fact to be quite significant, the judgment expressed by trade unions and employers’ associations on the quality of concertation is absolutely negative. Also the frequency with which the Concertation Board gathers has progressively decreased (during 2006 it has been for instance convoked only once).

Although the intensity of cooperation among public and private actors is then quite low, the functional scope of the partnership is on the contrary relatively ample, concerning sectors such as environment, local welfare and administrative simplification. After the signature of the Pact, partners have subscribed three Additional agreements, on finance (loaning facilities), security and sustainable development. Moreover, they have promoted some relevant initiatives (see Table 6), and particularly some active labour market policies programmes, addressed to women, young people and disabled.

Clearly, the partnership shows therefore ambiguous signs of consolidation. On the one hand, some relevant initiatives connected to the Pact goals have been implemented but they have

27 All the municipalities which are members of ASSOT were involved in the Pact, with the only exception of the Municipality of Volvera, which had already joined the Pinerolese Pact.

28 During the following years, three other municipalities joined the Pact.
been promoted almost exclusively by the public sector, with no real involvement of private partners. For that reason, the overall degree of partnership cooperation can be considered quite low. On the other hand, the partnership’s organisational structure is mainly limited to ASSOT, which has been the key actor of the decision-making process. If the organisational structure of ASSOT is quite multifaceted, it is not possible to say the same for the overall partnership’s structure, which is on the contrary rather simple, being formed by only two bodies, one of which, the Concertation Board, is not really effective. For these reasons, the partnership can be considered as an intermediary case of consolidation.

Table 6. The Sangone Pact

<table>
<thead>
<tr>
<th>Main bodies of the organisational structure</th>
<th>Technical Boards formally established</th>
<th>Additional agreements</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Concertation board</td>
<td>- Vocational training</td>
<td>- Finance (loaning facilities)</td>
<td>- a project within the Provincial environmental plan;</td>
</tr>
<tr>
<td>- ASSOT Agency</td>
<td>- Sustainable development</td>
<td>- Security</td>
<td>- the project “Sportello unico”;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Sustainable development</td>
<td>- the participation to the projects SPRING and PERLA, promoted by the Zona Ovest Pact, and to the project DUCTILIS, promoted by the Torino Sud Pact;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- 7 active labour market policies programmes;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- the project “Broadband”;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- an Area integrated project, with the Zona Ovest Pact, involving 13 initiatives.</td>
</tr>
</tbody>
</table>

e) Torino Sud Pact

The idea to promote a Pact in the South part of Turin emerged in 1997, when the Municipality of Moncalieri organized some meetings with neighbouring municipalities in order to illustrate the opportunities represented by the Territorial Pact policy. Initially, the definition of the territorial limitation of the Pact was complicated, in particular with respect to the involvement of the Municipality of Chieri and its territory. However, after a long mediating and bargaining action on the part of the Municipality of Moncalieri, the area of Chieri agreed to join the partnership. The concertation process formally ended in December 1999 with the signature of the Pact agreement on the part of 23 municipalities, local trade unions, stakeholders’ associations, banks and a certain number of companies situated in the area.

Regarding both the structural and the operational dimension, the partnership shows a scarce degree of consolidation. The organisational structure of the partnership is in fact quite simple, being composed of two main bodies, the Concertation Board and the Steering Committee. The former, formed by all the subscribers of the Pact, is the deliberative body, which defines

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29 The Municipality of Chieri is one of the major municipalities of the area, with its own identity, distinct from that of the other municipalities of the partnership. In particular, it has strong ties, due to the presence of an industrial district, with areas external to the Pact.

30 During the following years, 8 other municipalities joined the Pact.
the overall strategy and discusses the decisions made by the Steering Committee. The latter is
the smaller executive body, formed by the Municipality of Moncalieri, 8 other municipalities,
3 banks and 9 stakeholders’ associations, and responsible for the implementation of the gen-
eral goals defined by the Concertation Board. Over the past years, only two Technical Boards
(on welfare and on vocational training), have been established. The initial proposal to estab-
lish an ad hoc agency legally responsible for the Pact implementation was soon dropped, due
to the fierce opposition of the Province, and therefore the legal responsibility for the Pact im-
plementation was given to the Province itself.

Regarding the operational dimension, partners have signed five additional agreements on fi-
nance (loaning facilities), vocational training, security, and welfare. Event though some spe-
cific projects specifying the initial partnership’s goals have been promoted (see Table 7), such
as the project DUCTILIS within the European programme Equal, aiming at promoting new
services and new intervention procedures in support of atypical and more than 40-years-old
workers, the functional scope of the partnership can be currently considered quite narrow,
since its activity is limited to the discussion of some initiatives, concerning vocational train-
ing, proposed by the Province.

Also the intensity of partnership cooperation is scarce. The Concertation Board gather less
frequently and only one of the two Technical Boards that have been established continues to
meet. The Board on welfare is in fact no longer effective, while that on vocational training,
whose creation has been strongly supported by the Province, continues to gather only thanks
to the action of the Province. Moreover, what emerges from the interviews is that the election
in 2002 of the new major of the Municipality of Moncalieri has negatively affected partner-
ship’s cohesion and persistence. More in general, we witness to a situation in a certain sense
opposed to that of the Sangone Pact: if cooperative relationships among social partners and
local authorities seem to have partially strengthened thanks to the Pact, cooperative relation-
ships among the major municipalities of the area have on the contrary become progressively
weaker. It is for instance significant that, in contrast to all the other Pacts of the Province, the
Torino Sud Pact is the only one to have applied for further regional funds proposing two sepa-
rate Area integrated projects within the same Pact area \(^{31}\). The partnership seems therefore not
to have been able to overcome the scarce territorial homogeneity of the area, which is com-
prised of at least four distinct zones, with different morphological, socio-demographic and
economic features \(^{32}\).

In conclusion, the partnership shows therefore a scarce degree of consolidation on both the
dimensions considered. On the one hand, the organisational structure is simple and barely
autonomous; on the other hand, the cooperative relationships among local authorities have
become weaker after national funds were obtained and the overall degree of partnership cohe-
sion seem to have decreased over time.

\(^{31}\) While the first Area integrated project has been promoted by the Concertation Board, the second one has
been proposed by a group of hill municipalities.

\(^{32}\) Moreover, two of the three largest municipalities of the partnership (Carmagnola and Chieri) continue to
have strong relationships with other areas of the Piedmont Region, due to the presence of two industrial dis-
tricts which link such municipalities with other municipalities external to the Pact.
### Table 7. The Torino Sud Pact

<table>
<thead>
<tr>
<th>Main bodies of the organisational structure</th>
<th>Technical Boards formally established</th>
<th>Additional agreements</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Concertation Board</td>
<td>- Welfare</td>
<td>- Finance (loaning facilities)</td>
<td>- the project DUCTILIS;</td>
</tr>
<tr>
<td>- Steering Committee</td>
<td>- Vocational training</td>
<td>- Vocational training</td>
<td>- 4 projects within the Provincial environmental plan;</td>
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<tr>
<td></td>
<td></td>
<td>- Security</td>
<td>- 3 projects for environmental requalification;</td>
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<tr>
<td></td>
<td></td>
<td>- Administrative simplification</td>
<td>- two distinct Area integrated projects, involving 28 and 6 initiatives each.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Welfare</td>
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</tbody>
</table>

f) Stura Pact

The Stura Pact was conceived in early 1999 by the Municipality of Ciriè, which tried since the beginning to involved all the municipalities and the two mountain communities of the surrounding area. In few weeks, it organized various meetings also with trade unions, employers’ associations and local stakeholders, with the aim of identifying the needs and necessities expressed by the territory. The initial mobilisation and concertation process was nevertheless very short (lasting less than a year) and this prevented socio-economic partners from playing an effective and active role, limiting the time they had at their disposal to properly understand the logic of the Pact policy. The Pact agreement was in fact signed in November of the same year (by 42 municipalities, two mountain communities and 28 socio-economic organisations) and finally approved by national government in 2001.

The partnership activated by the Territorial Pact shows a scarce degree of consolidation regarding both the dimensions considered. Looking at the organisational dimension, the Stura partnership is the one that presents, among the cases analysed so far, the simplest organisational structure. This is in fact reduced to the Concertation Board, which is formed by all the subscribers of the Pact. A smaller Executive Board or a Steering Committee has not been formally foreseen, while the legal responsibility for the Pact implementation has been given to the Province (which has then delegated the task to allocate the funding opportunities connected to the implementation of the Pact to the Municipality of Ciriè). During the process, six Technical Boards have been created (on infrastructure, loaning facilities, administrative simplification, vocational training, environmental and equal opportunities), but the only board to be still active regards vocational training, thanks, in this case as well, to the strong impulse on the part of the Provincial government.

With respect to the operational dimension, and particularly to the intensity of cooperation, although the Pact was initially characterized by a high level of mobilisation, local actors’ participation has considerably decreased after national funds were obtained. The number of the meetings of the Concertation Board has diminished and also the frequency of informal contacts among partners can be considered low. What emerged from interviews is that not only the degree of involvement of socio-economic actors is by now almost irrelevant, but also that some of the major municipalities of the area (and specifically the Municipalities of Leini, Caselle and Borgaro) have not acknowledged the leading role played by the Municipality of Ciriè. More in general, the partnership has not been able to fully involved the major municipalities of the area, which in different occasions have preferred “to work alone”.

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Besides the entrepreneurial and infrastructure initiatives initially included in the Pact, partners have signed four Additional agreements (on loaning facilities, equal opportunities, vocational training and Agenda 21) and have implemented some specific projects linked to the Pact goals (see Table 8). However, with the exception of three projects aiming at improving equal opportunities, all these initiatives have not been endogenously promoted by partners, but by external actors, such as the Province (in the case of the initiatives concerning sustainable development or the diffusion of the broadband infrastructure) or other Pacts (in the case of the projects SPRING and PERLA promoted by the Zona Ovest Pact).

Therefore, the overall degree of consolidation of such partnership can be considered low and unstable. On the one hand, the organisational structure it is merely formed by the Concertation Board while a smaller Steering Committee has not been formally established. On the other hand, the frequency of partnership meetings has gradually decreased and the relationships among the major municipalities continue to be marked by conflicts rather than cooperation.

### Table 8. The Stura Pact

<table>
<thead>
<tr>
<th>Main bodies of the organisational structure</th>
<th>Technical Boards formally established</th>
<th>Additional agreements</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Concertation board</td>
<td>- Infrastructure</td>
<td>- Finance</td>
<td>- 1 project within the Provincial environmental plan;</td>
</tr>
<tr>
<td></td>
<td>- Finance</td>
<td>- Equal opportunities</td>
<td>- 3 projects promoting equal opportunities;</td>
</tr>
<tr>
<td></td>
<td>- Equal opportunities</td>
<td>- Vocational training</td>
<td>- the participation to the projects SPRING and PERLA, promoted by the Zona Ovest Pact;</td>
</tr>
<tr>
<td></td>
<td>- Sportello Unico</td>
<td>- Sustainable development</td>
<td>- the project “Broadband”;</td>
</tr>
<tr>
<td></td>
<td>- Vocational training</td>
<td></td>
<td>- 1 project within the Provincial water system plan;</td>
</tr>
<tr>
<td></td>
<td>- Agenda 21</td>
<td></td>
<td>- an Area integrated project, with the Po Pact, involving 15 initiatives</td>
</tr>
</tbody>
</table>

**g) Valli di Susa Pact**

The Valli di Susa TP is an Agricultural Pact, promoted by two mountain communities and subscribed by 36 municipalities and more than 40 local socio-economic organisations. The beginning of the concertation process dates back to the first months of 2000, and specifically to the weeks following the publication of the national legislation on agricultural pacts (February 2000). The funding opportunities represented by such legislation urged the two mountain communities of the area to promote the creation of a local partnership. The process of territorial delimitation of the Pact was not particularly difficult, since the partners agreed to let the boundaries of the Pact match the administrative boundaries of the two mountain communities. This has also been facilitated by the high homogeneity of the issues and problems of the territory, with particular reference to the project of the “high-speed” railway system, which has

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33 Two of such projects have been financed by the European Social Fund within the Regional programming period 2000-2006. The third programme has been positively evaluated by the region, but it could not be financed due to lack of funds.
involved the whole territory and has generated a heated debate among local actors on the economic and environmental implications of the project.

Nevertheless, the partnership has not reached a good degree of cohesion and consolidation. The organisational structure is merely constituted by the Concertation Board, formed by all the subscribers of the Pact. Six other Technical Boards have been established (on infrastructure and environmental matters, Olympic Games, productive activities, equal opportunities, vocational training, and local development integrated projects), but, with the exception of the Board on vocational training, they are not active anymore. As in most other cases, the legal responsibility for the Pact implementation has been give to the Province, which has then delegated the activities concerning the funding of companies to the two mountain communities.

As far as the operational dimension is concerned, partners have signed only one additional agreement on sustainable development and equal opportunities. They have also tried to activate a Generic Pact concerning the sectors of intervention that were excluded by the legislation on Agricultural Pact, but it has not yet received national contributions mainly due to legislative uncertainty connected to the ‘regionalisation’ of the TP’s. In addition to agricultural activities, for which the Pact has received 7.9 million euros by the national government, partners have planned very few initiatives linked to the Pact goals (see Table 9). As a matter of fact, some projects have been implemented, but they have been all promoted by the Province, which continues to consider pacts as “territorial basins” for the implementation of some supra-municipal initiatives.

If the level of mobilisation and concertation was initially significant, the intensity of partnership cooperation has sharply decreased after national funding was obtained. The Concertation Board gathers rarely and only when projects promoted by the Province have to be discussed. Interviewed actors claims that also informal cooperative contacts among partners are few and that the concertation among public and private actors has not been neither real nor effective, since the Pact has been considered as a mere opportunity to obtain external funds, rather than an instrument to define and implement a joint development strategy.

In conclusion, this partnership can be considered as one of the less consolidated cases. The organisational structure is in fact very simple and scarcely autonomous, whereas the meetings among partners have become progressively less frequent and the initiatives implemented within the Pact have been promoted by partners only thanks to the strong pressure exerted by the Province.

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34 Since 2003 the general responsibility for the coordination and the implementation of Territorial Pacts have gradually passed from the national government to the regions.

35 This is a very limited amount if compared to the funding obtained by the other Pacts (see Table 2).
h) Po Pact

The Po Pact was conceived at the beginning of 2000 by the Municipality of Settimo Torinese and signed in October 2001 by 8 other municipalities and 28 socio-economic organisations. It is the only Pact of the Province which has not yet been approved by the national government and has not yet received any public contributions due to the legislative uncertainty connected to the ‘regionalisation’ of the TPs. In 2005, the regional administration of Piedmont has allocated 3.3 million euros to the Pact, but partners are still waiting for the administrative decree which finally defines the overall procedure for the financing of TPs. In any case, such funding is very limited if compared to the amount obtained by all the other pacts (see Table 2, p. 26) and it probably will not have any significant impact on local economy.

Partly as a consequence of such legislative uncertainty, the partnership activated by the Po Pact does not show any signs of consolidation. The organisational structure is exclusively constituted by the Concertation Board, which gathers all pact subscribers. During the last year, it has met not very often and during the last general assembly partners decided to meet again only when the financing framework would have been clear. As a matter of fact, from 2000 to 2002, partners have established 5 Technical Boards (on infrastructure, finances, vocational training, Agenda 21 and equal opportunities), but such boards are not active anymore, with the exception of the Board on vocational training which continues to meet, as in many other cases, only thanks to the pressure exerted by the Province.

With respect to the operational dimension, the partnership has not been able to autonomously promote any joint project. As claimed by one of the public actor directly involved: “with the exception of two projects we have been forced to realized, the partnership has not implement any shared initiative” [Int. n. 3]. The only two projects to have been implemented (an Area integrated project with the Stura Pact and 3 initiatives for sustainable development within the Provincial environmental) have in fact been strongly sustained by higher-level authorities (the Region in the former case and the Province in the latter case).

Even though the mobilisation level was initially quite high, according to some interviewed actors, the lack of national funding has prevent cooperative relationships among partners from strengthening and persisting. The concertation process has progressively become weaker, especially after 2004 when in consequence of local elections the local governments of many municipalities changed, and the intensity of cooperation can be at present considered very
low. Therefore, such pact does not seem to show any sign of consolidation and the partnership experience will probably end soon.

Table 10. The Po Pact

<table>
<thead>
<tr>
<th>Main bodies of the organisational structure</th>
<th>Technical Boards formally established</th>
<th>Additional agreements</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concertation Board</td>
<td>Infrastructure</td>
<td>Sustainable development and equal opportunities</td>
<td>3 projects within the Provincial environmental plan;</td>
</tr>
<tr>
<td></td>
<td>Finance</td>
<td>Vocational training</td>
<td>an Area integrated project, with the Stura Pact, involving 8 initiatives</td>
</tr>
<tr>
<td></td>
<td>Vocational training</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Agenda 21</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Equal opportunities</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The brief survey conducted so far highlights different degrees of consolidation of the partnership experiences. It is worth pointing out that if in some cases such differences do not appear very sharp this is due, to a great extend, to the strong standardizing role played by the Province. The Province has in fact had an important function by promoting, coordinating and supporting partnerships. It has taken on the role of the responsible subject in nearly all the cases (with the only exception of the Zona Ovest Pact), it has actively participated to the Concertation Boards and it has promoted the adoption of some homogeneous Additional agreements (such as the one on ‘loaning facilities’). Many initiatives implemented by partners have been encouraged by the Province, such as the Broad band project or some projects concerning sustainable development. Moreover, a Provincial Concertation Board, that is a permanent organisational structure which gathers the representatives of each Pact, was established in 2002, with the aim of fostering communication and the exchange of good practices.

However, the analysis of the available documents and the interviews to key informants have highlighted some relevant peculiarities and differences among the eight partnerships activated by the Pacts. Table 11 shows a classification of such partnership according to their degree of consolidation. In particular, it presents two cases characterised by a high degree of consolidation as regards both the organisational and the operational dimension, the Zona Ovest and the Canavese Pacts; two cases, the Pinerolese and the Sangone Pacts, which show ambiguous signs of consolidation; two cases which show scarce degree of consolidation on both the dimensions we have identified - the Stura and the Torino Sud Pacts -; and finally two cases which present a very low degree of consolidation, the Valli di Susa and the Po Pacts.

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36 In order to assess the different variables we chose four levels for each factor: 1- low, 2- scarce, 3-moderate, and 4 – high. Each value has been given according to the data collected and the interviews done in the first stage of the research.
Table 11. Comparing the consolidation of local development partnerships: the case of Turin

<table>
<thead>
<tr>
<th>TPs</th>
<th>Date of the signature of the Pact</th>
<th>Date of Ministry’s approval</th>
<th>Overall Level of consolidation</th>
<th>Organisational component</th>
<th>Operational component</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Complexity</td>
<td>Scope</td>
</tr>
<tr>
<td>Zona Ovest</td>
<td>Jan. 1999</td>
<td>April 2001</td>
<td>Fully consolidated</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Canavese</td>
<td>Sep. 1998</td>
<td>May 1999</td>
<td>Fully consolidated</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Pinerolesse</td>
<td>Sep. 1999</td>
<td>Dec. 2001</td>
<td>Moderately consolidated</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Sangone</td>
<td>Nov. 1999</td>
<td>Dec. 2001</td>
<td>Moderately consolidated</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Torino Sud</td>
<td>Dec. 1999</td>
<td>Dec. 2001</td>
<td>Slightly consolidated</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Stura</td>
<td>Nov. 1999</td>
<td>Dec. 2001</td>
<td>Slightly consolidated</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Valli di Susa</td>
<td>April 2000</td>
<td>April 2001</td>
<td>Unconsolidated</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Po</td>
<td>Oct. 2001</td>
<td>-</td>
<td>Unconsolidated</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

In order to test our hypothesis, we have selected two cases for an in dept comparative analysis: the Zona Ovest Pact, which is one of the two highly consolidated partnerships, and the Stura Pact, which is on the contrary one of the two scarcely consolidated partnerships. Furthermore, in order to keep under control the time variable, whose importance is clearly relevant in consolidation processes, we have chosen two cases which are characterised by similar temporal dynamics: despite their concertation process did not start in the same year, both Pacts were however signed in 1999 and approved in 2001.

With respect to consolidated partnerships, we excluded the Canavese Pact – which is certainly a “successful” case –, since great part of such success may be due to the fact that it was the first to be created, thus benefiting from a clearer legislative framework and a easier access to public contributions. Moreover, if both the Canavese and the Zona Ovest Pacts present a high level of consolidation, the latter appears as the most interesting and innovative experience, in particular with reference to the organisational dimension. Concerning poorly consolidated partnerships, we excluded the Torino Sud Pact, since its degree of consolidation appears slightly higher than in the case of the Stura partnership. Furthermore, we decided not to take into consideration the Valli di Susa and Po Pacts, since their “failure” is greatly linked to exogenous factors, and particularly to the legislative uncertainty connected to the ‘regionalisation’ process of the Pact policy. In the former case, partners tried to activate a Generic Pact, besides the Agricultural one, but it has not been financed; in the latter case, partners have not even obtained any national contributions, since the Pact has not yet been approved by the national government.
IV.2.1.1 The evolution of the Zona Ovest Pact

The idea to promote a public-private partnership in the west area of Turin (“Zona Ovest”) firstly emerged in 1996 when local authorities decided to coordinate their development policies and identify a common strategy in order to face the industrial crisis of their territory. In the second half of the Nineties, the industrial activities of the area, based principally on the car manufacturing sector, were in fact undergoing a strong restructuring process, similar to that of other territories of the Province of Turin, which caused a high unemployment rate, especially among women and young people. What particularly urged local authorities to intervene was however the crisis of the Philips, one of the leading companies in the electronic sector, and the consequent dismissal of hundreds of employees. The result of these first meetings was the signing of a formal agreement (*Protocollo d’Intesa per lo sviluppo economico della Zona Ovest della Provincia di Torino*), with which local actors committed themselves to elaborate and implement a joint development strategy. Moreover, when the national legislation on TPs was introduced, in 1997, local actors decided to exploit the opportunities represented by such instrument in order to obtain national contributions and give an even more concrete form to the aims defined by the agreement.

Until then, relationships among local actors had been characterized by some cooperative events, but more often by tensions and conflicts, due to the presence of four large municipalities (Rivoli, Collegno, Grugliasco and Venaria) willing to established themselves as the leading actor of the area. The few joint initiatives among public actors had been time-limited reactions to economic crisis, without the identification of a common strategy of development. The Zona Ovest partnership represents therefore a clear discontinuity with the past.

The initial concertation process among the 9 municipalities which constituted the original coalition was nevertheless long and tortuous. The first obstacle was related to the choice of the leading actor, as required by the national legislation on TPs. At the beginning, in order to avoid conflicts among the major municipalities of the area, partners agreed to leave the small Municipality of Alpignano in charge of the guidance of the partnership. However, such political choice, aimed at recognizing an equal importance to all partners, turned out to be a problematic decision, since Alpignano lacked an adequate organizational structure and the necessary competences. Hence, after long lasting negotiations and discussions, and, as claimed by one of the actors involved, “with a relevant political effort” [Int. n. 4], the larger Municipality of Collegno was chosen, in 1998, as the leading actor of the partnership.

From then on, the partnership construction process was characterized by the important attempt on the part of the Municipality of Collegno to make room and give visibility to all the actors involved. Collegno has not acted in a hegemonic way, but rather as a *primus inter pares* with small municipalities, which have realized since the beginning to be able to play an important role in the partnership decision-making process. Moreover, the presence of the Coordination Board, which gathers the mayors of all the partner municipalities, has allowed also smaller municipalities to develop a strong sense of belonging to the partnership.

According to social partners, among the pacts of the Province, the Zona Ovest partnership is then the one which has been characterized by the highest level of involvement of socio-economic actors. The creation of a Steering Committee (which represents the executive body of the coalition), formed by six municipalities and six social partners, has allowed interests’ representations and no-profit organisations to actively participate at the pact planning phase.

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37 The Municipalities of Alpignano, Collegno, Druento, Grugliasco, Pianezza, Rivoli, Rosta, Venaria and Villerbasse.
and to play an effective decisional role within the partnership. Even the Industrial Union’s representative, which, as emerged by interviews, has been traditionally hostile to the pact policy, has played a very active role and has recognized the added value of the cooperative experience.

Nevertheless, during the initial concertation process, the relatively high level of inclusiveness of the coalition caused the surfacing of different conflicts and tensions. Even though discussions have been heated and intense, however the importance of the collective action has not ever put into question and there has always been a large consensus on the overall partnership’s goals. As claimed by the trade union’s representative: “the problem was not that of defining the general strategy, on which there was a good common understanding, but rather that of putting such strategy into practice” [Int. n. 11]. Moreover, such tensions have proved to be functional in order to identify a shared leadership and strengthen consensus around the partnership, because the interests and requests of each partner have always been taken into consideration and each partner could play an effective role in the decision-making process. As claimed by the union representative, “there has been an important attempt to put together not everyone’s interests, but everyone’s reasons through a common discussion and a final shared decision” [Int. n. 11].

Three further aspects of the concertation process characterise the Zona Ovest Pact and distinguish it from the other Pacts signed in the Province of Turin.

First, partners made an important effort to adapt the standard financing model delineated by the national legislation on TPs to the concrete needs of their own territory. In order to allocate national contributions to entrepreneurial activities, they agreed for instance on further “qualitative” benchmarks which rewarded the enterprises disposed to hire people belonging to the “weak” categories of the labour market, to realise professional training courses and to observe specific environmental quality standards.

Secondly, in order to elaborate the Pact agreement and observe the national procedures required for the implementation of TPs, partners decided to create a Technical office\(^3\), formed by external advisers and public servants from the major municipalities. In contrast to other Pacts of the Province, which delegated the technical assistance activities to external organizations, such choice allowed the local authorities involved in the Zona Ovest Pact to internalise expertise and know-how. As claimed by the industrial union’s representative interviewed, “the professional growth of the public servants of the municipalities involved in the Zona Ovest partnership has been extraordinary” [Int. n. 13].

Thirdly, the first stage of partnership creation has been characterized by a competitive relationship with the Provincial government. In contrast to other pacts where the Province has directly intervene in the concertation process, in the case of Zona Ovest it has been relegated to the margins of the process. Local actors have indeed considered the interference attempts on the part of the Provincial government inappropriate and have strongly criticized the Province’s idea to uniform the content of the pact agreement to that of other territories. Moreover, in contrast to all the other Pacts which chose the Province as the legally responsible subject, the Zona Ovest partnership decided to establish an \textit{ad hoc} local development agency, charged with the legal responsibility of the Pact implementation. Despite strong opposition from the Province, local actors have regarded this choice as the best one in order to keep and improve the skills and competences developed during the concertation process and better allocate na-

\(^3\) The national legislation on TPs claims the possibility for local actors to make use of technical assistance provided by external organizations.
tional contributions according to the actual needs of their territory. More in general, the competitive relationship with the Province has allowed partnership to strengthen its identity and to find its own sphere of action within the local governance system.

The concertation process formally ended in 1999 (three years after its beginning) with the signing of the Pact agreement (Protocollo d’Intesa) on the part of 9 municipalities (then followed by two others\(^{39}\), the Province of Turin and 25 socio-economic organizations. Such agreement consisted of an analysis of the socio-economic context and delineated a development strategy based on four different guidelines (concerning business, tourism, agriculture and welfare), as emerged by the concertation process and by a previous territorial research-action. Moreover, the needs expressed by local actors which could not find room in the formal Pact agreement have been included in 5 Additional agreements (on vocational training, administrative simplification, sustainable development, welfare and finance). This is in fact one of the Pacts of the Province with the highest number of Additional agreements\(^{40}\).

During the following years, the Zona Ovest partnership has been able to promote and implement a great number of projects and initiatives for local development, presenting itself as a best practice in the Provincial context. As we have seen, compared to the other TPs of the Province, this is in fact the partnerships that shows the highest level of consolidation. This is not to say that there has not been any decrease in the concertation practices among local actors. As in all the other cases considered, the passage from the initial mobilization phase to the implementation phase has indeed coincided with a physiological loosening of cooperative ties. Nevertheless, the degree of participation and joint effort which characterizes the Zona Ovest partnership is still high and probably destined to persist, as believed by all the actors interviewed.

IV.2.1.2 Explaining the Zona Ovest Pact partnership consolidation

The internal dynamics which have led to the positive result in terms of consolidation reached by the partnership can be reconstructed through the interpretative framework of the “political exchange” previously illustrated.

As concerns public authorities, the interviewed actors attest how since the beginning it was clear that their participation would have entail not only the access to important financial resources, but also the assumption of specific costs: “soon, it has been clear that who was there was there not only to get but also to give” [Int. n. 11]. Particularly, besides the great investment in time, some of the projects implemented have entailed a direct financial support on the part of the partner municipalities, such as the “one euro per inhabitant” project, which has entailed the creation of a public fund in support of dismissed workers. In addition, local authorities offer administrative support and directly finance the Zona Ovest agency (with 52 cents per inhabitants).

Also for social partners the partnership’s functioning has certainly required a considerable investment in time and commitment. As can be grasped by the words of the union representative: “we have worked a lot, we have met very often, even on Saturday, Sunday or during Christmas holidays” [Int. n. 11]. If on the one hand such resources investment can be considered as a sign of the seriousness of partners’ commitments and of the confidence they placed in the partnership, on the other hand it continues to persist over time because partners have a

\(^{39}\) The Municipalities of Buttigliera Alta and San Gillio.

\(^{40}\) Along with the Canavese Pact and the Torino Sud Pact.
clear and shared vision of the benefits provided by the partnership and have realized its importance in defining and implementing important local development projects and initiatives.

In particular, public actors consider the partnership as an useful instrument to solve problems of local governance and implement projects and initiatives which the municipality alone would have not been able to realize. There is the diffused conviction among mayors that “working together pays back” [Int. n. 17] or that “the loss of some competences on the part of the municipality has been widely rewarded by the benefits of the cooperation” [Int. n. 12]. All the interviewed actors believe that the cooperative experience has positively affected the planning capacity of local authorities, which “have had to throw away or modify the ready-made projects they had in their pockets and start again” [Int. n. 11], adopting a “logic of integration” [Int. n. 13]. The presence of the Coordination Board, with the explicit task of “connecting local policies and assuring a single management of public decision-making process”, has then allowed the overcoming of some coordination problems among local authorities. Moreover, mayors consider the partnership as an useful tool to increase their “political visibility” and believe that the “return in image and reputation” due to their involvement in the partnership has been extremely positive, since the pact is considered as a best practice in the provincial territory. At the same time, some of the implemented projects, such as the project providing financial benefits for laid off workers or the “one euro per inhabitant” project, have represented useful instruments to increase the political consensus of local politicians. Finally, the partnership continues to be seen by the public actors involved as a profitable strategy for the access to new funding opportunities. As can be grasped by the words of one of the mayors, there is the conviction that “the Pact’s activity is now more important than before, because it represents the point of reference to compete for and use 2007-2013 European structural funds” [Int. n. 17].

Such positive attitude is shared by the socio-economic actors involved, which give an extremely positive evaluation of the pact. Although it has entailed conspicuous “concertation costs” [Barbera 2001], they believe that this has not been a waste of time, since their needs and requirements have always been taken into consideration: the industrial union representative thinks to have been able to represent enterprises’ interests and to have assure them a high amount of public funds; while the trade union representative claims to “have always obtained something”, as for instance in the case of the decision to define, in order to allocate national founds, “qualitative” benchmarks aiming at rewarding the enterprises which created “quality” employment [Int. n. 11].

What moreover characterizes such “political exchange” is the inclusive nature of the partnership decision-making process. Although there have been some tensions (for instance, on the choice of the coalition leader) and many decisions have been preceded by intense and heated debates, it has always been possible to reach a common understanding and agreement on the general guidelines and the final goals of the partnership. A particular attention has been paid to avoid hegemonic situations and to make also small municipalities feel themselves fully involved in the cooperative experience. All the mayors interviewed have underlined the importance of the fact that no municipality has imposed his own will on the others and that more equal relationships among local authorities have developed thanks to the partnership. As emerged by the words of one of the mayors, “this experience has been very positive, because it made us understand how large municipalities can sustain small municipalities and how it is possible to create more networked relationships among local authorities” [Int. n. 12]. In this sense, an important decision has been that of leaving different municipalities in charge of the management of the five technical boards that have been established, so that “according to the
specific issue or circumstance, each municipality assumes the role of the leading actor of some lines of intervention” [Int. n. 17].

Socio-economic actors as well believe to have been able to play an active role in the decision-making process, underlining as it is the only case, among the pacts of the Province of Turin, where the concertation has been real. As claimed by the union representative, “there has always been a common discussion with the industrial union, the small and medium enterprises association (API), the artisans national confederation (CNA)” [Int. n. 11]. Trade unions and employers’ associations could effectively participate to the decision taken by the partnership, both during the pact formulation phase and the implementation phase. Although the capital of the Zona Ovest Agency is exclusively in the hands of public actors, socio-economic partners are in fact constantly involved in the choices taken by the agency, also when these do not directly concern their traditional functional scope\textsuperscript{41}. Even the representative of the industrial union, which claimed to be generally hostile to the national pact policy, has recognized the importance of the partnership in creating “a new ‘working model’ and a way to talk instead of fighting” [Int. n. 13]. Moreover, among the cases considered, the Zona Ovest is the only one where there has been a real participation of non-profit organizations (testified, for instance, by the fact that the Regional Forum of the Third Sector is a member of the partnership Steering Committee\textsuperscript{42}).

Besides the features of the concertation process, there some specific conditions which seem to have favoured the persistence of the “political exchange” underlying the partnership and its consolidation.

One of the facilitating conditions is linked to local actors’ capacity to develop a shared vision and create a previously not-existent territorial identity. As highlighted by one of the majors involved, “we have built a territory, boundaries begin to be perceived” [Int. n. 4]. Thanks to the partnership, “the territory has started to have a distinctive identity, we now speak of ‘Zona Ovest’ with a concrete definition, referring to a specific area” [Int. n. 12]. Moreover, a specific brand (Terre dell’ Ovest) has been created in order to identify the area and give visibility to all the projects and initiatives realized by the partnership\textsuperscript{43}. This is therefore an important operation which is at the same time of internal cohesion and territorial marketing. Particularly, the creation of a new territorial identity seems to have reinforced the “sense of belonging” to the partnership and facilitated a convergence in local actors’ interests towards a common goal.

In turn, the creation of a common vision has been favoured by the good economic and orographic homogeneity of the area involved and by the political homogeneity of the partner municipalities. According to some interviewed actors, the initial choices concerning partnership’ boundaries have been very important in order to identify an uniform territory. The choice of the partnership’s scale of intervention and the wise delimitation of its boundaries seem therefore to have affected its possibilities of consolidation. But also the high political homogeneity of the coalition has represented a facilitating condition. As claimed by one of the participants: “one of the facilitating factors here is that all major municipalities have centre-left govern-

\textsuperscript{41} The Industrial Union has for instance much appreciated the fact of having been involved in the organization of the cultural project “Mother earth: world meeting among food communities”.

\textsuperscript{42} The Regional Forum of the Third Sector is an umbrella association among different civic organizations, environmental groups and volunteer organizations.

\textsuperscript{43} Among the territorial marketing initiatives implemented, there is the publication of the pact’s magazine, which is free delivered to all the families and enterprises of the territory.
ment” [Int. n. 4]. Specially during the initial partnership’s creation phase, this has facilitated
the convergence in different partners’ goals and the definition of a common strategy.

A second reason which seems to explain the positive result achieved by the Zona Ovest Pact
in terms of consolidation is linked to the presence of the Zona Ovest agency. On the one hand,
the creation of a local development agency has reinforced partnership’s distinct identity vis-à-
vis external organizations (and particularly as regards the Provincial government), on the
other, it has strengthened local actors’ interests in preserving the cooperative experience,
since the agency has proved to be able to implement important projects, to find external fund-
ing opportunities and to offer local authorities expertise and technical support.

Initially, as Responsible subject of the pact, the agency has managed the technical and organ-
izational resources for the implementation of the pact, has allocate national funds to enter-
prises and has monitored the effective realization of the infrastructure and entrepreneurial pro-
jects. Although national legislation does not require Responsible subject to directly deal with
enterprises, the agency has assisted continuously assisted them and offered them consultancy
as regards both technical and planning aspects. Thanks to the agency, local authorities have
therefore acquired a higher degree of knowledge and control on the economic activities of
their territory. Besides the tasks linked to the pact, the agency has then progressively widened
its mission in different sectors of intervention (labour, environmental, culture, tourism), acting
since the beginning as a proper local development agency. The competencies it has developed
during the pact implementation process have in fact been reused for the realization of various
initiatives. It for instance planned the initiatives which formed the Area Integrated Project and
it coordinated and monitored the implementation of the SPRING project, financed by the
European programme Equal and aimed at preventing the exclusion of young people from the
job market. In addition, the agency offers assistance to single municipalities for the imple-
mentation of specific initiatives. The Municipality of Venaria, which participates to the Euro-
pean programme Urban, has for instance asked the agency to take charge of the management
of the funds destined to the requalification of its town centre.

On the whole, both public and private partners give an extremely positive evaluation of the
agency’s action: as claimed by one of the mayor involved, it has been particularly important
especially for small municipalities, “helping them to implement projects that otherwise would
not have been possible” [Int. n. 18]. Even the Industrial Union’s representative, which claims
to be in general hostile to the creation of development agency, recognizes that the decision to
establish the Zona Ovest agency has been a successful strategy, which “represents a virtuous
experience: on the one hand, because it has placed itself to the territory’s disposal and it has
always shared decisions with local administrators; on the other, because it continuously con-
sults private actors” [Int. n. 13]. Moreover, what emerged from the interviews is that partners
intend to delegate further activities to the agency, leaving it in charge of some common public
services, such as the management of the “Sportello Unico” for companies or of the “Office for
Europe” (which would have the task of monitoring European policies and interact with the
Commission).

What seems particularly relevant is that the agency has been able to kept strong contacts and
has constantly interacted with local authorities and with the partnership’s Concertation Board.
First, the agency’s board of directors is designated by the partnership’s Coordination Board,
which also defines the general guidelines of its management. Moreover, the current president
is former-mayor of Collegno, while the agency’s general manager is also the general manager
of one of the partner municipalities (the Municipality of Grugliasco). Therefore, there has
been an important attempt to maintain a strong link between the “political” and “technical”
dimensions of the partnership, with the result that the Zona Ovest Agency is recognized by all as the “operative instrument at the pact’s disposal” [Int. n. 12].

Finally, it is worth pointing out the important role played by the president of the Zona Ovest Agency (Ezio Bertolotto) during both the initial concertation phase and the following implementation phase. Since the beginning of the concertation process, to which he has participated as vice-mayor of the Municipality of Collegno, he has strongly committed himself to promote the pact idea among the town council and among local stakeholders. He has prefigured local actors the advantages and the added value of the collective action, he has coordinated and chaired all the meetings among partners, he has constantly tried to reconcile actors’ different interests and requests. Once the agency was established, Bertolotto has been unanimously reconfirmed as the president for three consecutive mandates. Also during the pact implementation phase, his action has proved fundamental in assuring the observance of the pact goals, in promoting new initiatives, in keeping a high level of cooperation and collaboration among partners.

In particular, what have helped Bertolotto to perform his task has been the fact that he has both technical and political competencies [Cersosimo and Wolleb 2006]. The former have showed very useful in order to observe the rules and procedures required by the national legislation on territorial pacts, to manage relationships with enterprises, and more generally to define an integrated local development strategy. The latter have been functional in order to keep partnership cohesion, mediate among different interests and make them converge towards common goals. As argued by one of the mayors interviewed, “Bertolotto is a person with a good political sensibility and a past as public administrator. The profession of public administration is important, because it help you to develop and use specific competencies, which can be useful also in other fields: the mediation among different actors, the relationship with the territory, the knowledge of the local context… Bertolotto had these competences – as vice-mayor of Collegno- and he put them at partnership’s disposal…another person would not have succeeded in doing what he did” [Int. n. 18]. All the private and public actors interviewed agree in fact on saying that his action has been fundamental in maintaining a high degree of cooperation within the partnership. He can be considered therefore as the “policy entrepreneur” and the “catalyst” of the collective action: on the one hand, he seems to have succeeded in modifying the policy-discourse and actors’ cognitive frameworks, prefiguring the advantages of the cooperation; on the other, he has been able to mediate among different interests and to promote the creation of a new coalition in support of a specific policy project [Giuliani 1998].

IV.2.1.3 The evolution of the Stura Pact

The origins of the Stura partnership can be traced back to the beginning of 1999, when the Municipality of Ciriè, encouraged by the Provincial government, conceived the idea to promote a Territorial Pact in the north-west area of the Province of Turin. During the 1997-1998 period four Pacts have in fact emerged in the area and the Province strongly pushed other territories to give rise to similar experiences in order to promote a bottom-up model of local development. In contrast to the Zona Ovest, the catalyst for the collective action in the Stura area was therefore represented by the pressure exercised by an external actor, able to prefigure local actors the funds opportunities offered by the national pact policy, and not by a specific economic crisis, although the ‘90s represented for this area, as well as for the whole Provincial territory, a period of economic down-turn and recession. More specifically, if in the case

44 These are the Canavese, the Zona Ovest, the Pinerolese and the Torino Sud Pacts.
of Zona Ovest the pact is promoted in order to accelerate the creation of partnership already “in the making”, in the case of Stura the pact is perceived by most actors (even though with some significant exceptions) merely as an instrument to obtain external financial resources.

Since the beginning the Municipality of Ciriè tried to involve all the local authorities and the two the mountain communities of the area in the concertation process concerning the identification of the partnership’s boundaries and the definition of the Pact agreement. Subsequently, numerous meetings with trade unions and employer associations and the principal stakeholders of the area were organised in order to explain the characteristics and the opportunities of Territorial Pacts. On Municipality of Ciriè’s proposal, the target idea of the Pact was identified in the *quality*, and particularly in the promotion of public and private initiatives aimed at sustaining life, production and environmental quality. The Concertation Board was formally established in September, whereas the Pact agreement (*Protocollo d’Intesa*) was signed two months later, by 42 municipalities, 2 mountain communities, the Province of Turin, and 28 socio-economic organizations. During the first meetings among partners, local authorities decided that the Pact construction process, with the identification of the entrepreneurial activities to finance, had to be concluded earlier than the end of the year: the mid-December was therefore chosen as the deadline for submitting investment projects on the part of the enterprises.

The initial mobilisation and concertation phase was thus very short, lasting altogether less than one year. This had twofold implications: on the one hand entrepreneurs were driven to present pre-prepared investment projects for their companies instead of elaborating new investment strategies, more in line with the Pact goals. On the other hand, trade unions and employers’ associations could not play an effective and active role in the decision-making process concerning the identification of the partnership’s targets, given the limited time they had at their disposal to really understand the logic of the Pact policy. Particularly, they focused their efforts on informing and supporting their members with respect to the Pact procedures and legislative fulfilment instead of actively participating to the process of identification of a joint development strategy for their territory [CSAR 2000].

There are two further aspects characterising the partnership creation phase which are worth pointing out. The first one regards the consensual nature of the concertation process, which has not been marked by specific conflicts or tensions. Firstly, in contrast to the Zona Ovest where the concertation process was characterized by the problem of the selection and legitimation of the leading municipality, in the case of Stura, the Municipalities of Ciriè presents itself since the beginning as the “natural leader” of the area, by virtue of its dimension and of the traditional guidance role it had played especially during the ‘60s and ‘70s. Secondly, the fact that the total amount of available funds was sufficient to cover all the projects presented by local actors, without requiring a selection process, made unnecessary any discussions and negotiations about the criteria for the allocation of funds, favouring the reaching of an agreement.

Although the absence of relevant internal conflicts may represent a facilitating factors for the persistence and consolidation of a partnership experience, the case of Zona Ovest seems to show how the presence of (limited) conflicts during the first partnership’s life stages is not necessarily a negative factor. On the contrary, the presence of disputes and disagreements during the concertation phase may favour the learning on the part of local actors of conflict management strategies which will be useful also during following partnership’s life stages.\(^{45}\) This

\(^{45}\) Evidently, such conflicts will have to remain under a certain threshold and will not have to concern the usefulness and importance of the collective action, in order not to endanger partnership’s persistence.
did not happen in the Stura case, not for the reason that there was a convergence of local actors’ goals towards a common goal or for the presence of a diffuse consensus on the importance of the collective action, but rather because socio-economic actors were not really involved in the decision-making process and there was not an effective concertation among the main stakeholders of the area.

The second aspect concerns the role of the technical assistance. In contrast to the choice taken by the Zona Ovest partnership to create a dedicated Technical office, formed by external advisors and civil servants from the local authorities involved, the Stura partnership, as well as four other partnerships of the Province, delegated the technical assistance activities to an external organization, the S&T, which followed the Pact since its beginning. In particular, the S&T assisted partners in organizing the first meetings among local stakeholders, in elaborating the Pact agreement and the Additional agreements, in defining the target-idea of the Pact and in identifying a local development strategy for their territory. Surely, S&T’s contribution has been very useful in order to observer national rules and quickly complete the required procedures for accessing to national funds, but to a certain extent this has prevented partners from “learning by doing” and from internalizing some important technical competencies. Moreover, the model of Pact proposed by S&T has not been really shaped on the needs and specificities of the Stura territory, being been almost the same for all the pacts it has followed. In this connection, the judgment of one of the interviewed actors is categorical: “all the pacts followed by S&T are the same: the only two partnerships which have been characterized by a real concertation are the Zona Ovest […] and the Torino Sud pacts, which has worked better than the other since it has not been followed by S&T” [Int. n. 11].

When the Pact was finally approved by the national government, at the end of 2001, partners agreed on the Provincial’s suggestion of giving the legal responsibility for the Pact implementation to the Province itself, instead of creating an ad-hoc agency. In consequence of a formal agreement with the Province, the task of allocating the funding for enterprises was then left in charge of the Municipality of Ciriè, which dedicated three municipal officers to this activity. At a first time a specific office for the Pact was created but after few months such structure was moved inside the municipality organizational structure of Ciriè, in order to decrease its operating costs.

The strong relationship with the Province, in addition with the standardising role played by the S&T, have not helped the partnership to develop and reinforce its distinctive identity. A part from few exceptions, all the initiatives implemented have not been endogenously promoted by partners, but by external actors, such as the Province or other Pacts. Moreover, although the initial phase of partnership creation was characterized by an intense mobilization process, the level of partners’ commitment and involvement have notably decreased after national funds were obtained and in consequence of the passage from the concertation to the implementation stage: collaborative relations among local authorities have progressively become loose, whereas the involvement of social partners is by now almost irrelevant.

However, the scarce degree of consolidation reached by the partnership cannot be solely explained by the features of the concertation process examined so far, but seems to be linked to some specific factors which have hampered the reproducibility of the “political exchange” underlying the partnership experience.

46 These are the Canavese, the Pinerolese, the Valli di Susa and the Po Pacts.
IV.2.1.4 Explaining the Stura Pact’s failure to consolidate

In the case of Stura, the “partnership exchange” has progressively become weaker. Initially, local actors have invested in the partnership experience some of their resources, and particularly time, in exchange of benefits, principally related to the obtainment of the national funding. During the first stages of the concertation process, local public actors dedicated much time to the cooperative experience, in which they invested some financial and administrative resources in order to guarantee the functioning of the organizational structure, to pay the staff which was in charge of the activities linked to the allocation of funds to enterprises, to pay the organisation in charge of the technical assistance (the S&T). Also the investment on the part of the socio-economic actors involved was relevant. As observed by one of the union representatives, “employers’ associations devoted themselves a lot to make entrepreneurs of the territory aware to submit investment projects” [Int. n. 20]. Trade unions then committed themselves a lot to evaluate the effectiveness of the projects submitted by each company and the validity of the employment forecasts they estimated. Hence, the degree of mobilisation and involvement on the part of local actors has been initially significant.

Nevertheless, when the national funds were over, the resources invested by partners in the cooperative experience sharply decreased and the “political exchange” lost its importance. Despite the undertaken obligations, some municipalities have stopped paying their “participation fee”, even if they still continue to formally join the partnership, whereas many socio-economic actors have stopped to participate to the meetings of the Concertation Board. As maintained by one of the union representatives, “it is normal that when there are no public funds the industrial sector is not present to the tables […] The discussion with the industrial, the business and the agricultural sectors have by now come to an end. In the last two years this is a fact” [Int. n. 16]. Also according the Industrial Union’s representative “in the Stura territory we cannot talk of cooperative practices anymore” [Int. n. 13]. On the contrary, trade unions claim to continue to participate only because their advice is required for the evaluation of some vocational training projects. On the whole, the partnership has been principally considered as an instrument to access to the funds offered by the pact policy and not as a tool for the definition and implementation of a joint development strategy. Once the national funds were obtained, the principal motivation has therefore failed. This attitude can be easily seen reflected in the words of union representatives involved, which have claimed that “each sectional representative participates to the Concertation Board with an intensity which is proportional to the resources to be shared out [Int. n. 15]; “The Concertation Board gathers only to discuss on vocational training projects. Since there are not funds anymore, the situation is that” [Int. n. 16].

As regards public actors, these seem not to perceive the partnership as an useful tool to enhance their political visibility and to solve coordination problems among local authorities. Although the pact has certainly favoured the diffusion of a common lexicon and of a diffuse consensus on the concertation method among local politicians, and it has therefore had an important “cultural impact” [Cersosimo and Wolleb 2006], there are not significant concrete evidences of such change in the nature and intensity of the relationships among local actors. On the other hand, the socio-economic actors interviewed consider the partnership as a closed experience, whereas public actors believe that its future does not depend on them but rather on decisions which will be taken by the Provincial and Regional government.

47 Each municipality paid 0,50 euro per inhabitants.
48 As mention before, the Province has delegated each Pact the task of selecting which training projects presented by local actors have to be funded.
The reasons that explain the low and instable degree of consolidation reached by the Stura partnership seem to be numerous.

First of all, the direct involvement of the main stakeholders seems to be essential both during the initial concertation phase and the following phases, in order that the partnership does not lose vitality and legitimacy. And this has not happened in the case of the Stura Pact, where socio-economic actors could not actively participate to the partnership’s decision-making process. As it clearly emerges by the words of one of the union representatives interviewed, “trade unions have not participated to the definition of the territorial development policies […]. A sectoral discussion has prevailed: a part from some specific decisions concerning labour market issues, in which we could effectively take part, trade unions have substantially played a consultative and review role. We have participated, as all the other sectors, to all the meetings of the Concertation Board, but with a scarce capacity of influence” [Int. n. 15]. According to one of the actors involved, this has been due to the fact that “companies, artisans, farmers and their representative associations have not believed enough in the Pact” [Int. n. 19]. In any case, there is an unanimous acknowledgment of the scarce role played by social partners. Particularly, in contrast to the case of Zona Ovest, where social partners could actively participate to the decisions taken by the partnership, even when these were beyond their traditional field of activities, in the case of Stura socio-economic actors could participate to the collective decision-making only as “controllers” of public funds allocation.

Moreover, not only socio-economic actors have had a scarce decisional power within the partnership, but also some of the major municipalities of the area (and specifically the Municipalities of Leini, Caselle and Borgaro) have not been really involved in the cooperative experience. Even though some interviewed actors believe the Pact has promoted a dialogue and a habit of confrontation among local authorities which did not exist before, in many occasions these have however preferred to “work on their own”. As admitted by the official of the Municipality of Ciriè in charge of the pact “we have met some difficulties in making municipalities and mountain communities understand that the pact was not in competition with them […], we still need to more involve local authorities and especially major municipalities which are not used to jointly plan interventions and share projects […] While small municipalities easily perceive the advantage partnership can offer them, large municipalities work on their own, do not feel this added value” [Int. n. 8].

The Municipality of Ciriè is for instance trying to take a census of the industrialized areas within the pact’s territory, with the aim of creating a data bank of the existent productive settlements. But this task has revealed particularly complex given the scarce collaboration on the part of the major municipalities of the area: “We sent some questionnaires, but Borgaro, just to make an example, never answered us. We found it very difficult with major municipalities, because more structured municipalities prefer to work alone” [Int. n. 8]. Also the event of the Shopville supermarket is significant. The decision to build this huge commercial centre, which is close to the airport and will probably have a strong negative impact on viability and on small commercial activities, has been autonomously taken by the Municipality of Caselle, which has taken direct contacts with the Regional government, without previously discussing the project within the Concertation Board. All the actors interviewed fiercely criticised the action of the municipality of Caselle, since its behaviour has prevented the opportunity to jointly identify – within the partnership – appropriate inter-municipal policies to deal with the problems linked the project. The degree of the effective involvement of the major municipalities seems therefore very low and autoreferential logics of action seem to prevail.
Besides the features of the concertation process, a further obstacle to the consolidation of the partnership experience seems to be represented by the absence of the facilitating conditions which have on the contrary characterized the Zona Ovest Pact.

First of all, it’s worth pointing out that in the Stura case an ad-hoc agency, which could assist and coordinate the implementation of medium-long term development policies, has not been established. As mentioned before, not only the partnership’s creation phase but also its consolidation process has been exogenous-driven by a higher level government, and specifically by the Province of Turin. The Provincial government has in fact really believed in the Pact policy and has played a fundamental role, firstly in stimulating local actors to give rise to territorial partnerships and subsequently in coordinating and supporting partnership experiences. If on the one hand, the Province’s action has been important in promoting significant projects and initiatives which local actors alone would not have been able to implement (such has the Broad band project or some sustainable development projects), on the other this has favoured an isomorphic tendency (Pichierri 2001) among the pacts emerged in the Provincial territory.

We witnessed in fact a trend towards uniformity of goals, initiatives, Additional agreements, and organizational structures. The creation of the Provincial Concertation Board, that is a permanent structure formed by the representatives of each Pact, has for instance fostered communication and exchange of information between higher and lower level of governments, but at the same time it has offered local actors ready-made and “less costly” solutions, instead of encouraging them to endogenously identify the best solutions for the problems of their territory. If some partnerships have nevertheless been able to develop such capacity and to create their own distinctive identity through a process of “separation” from the Provincial government, other, such as the Stura Pact partnership, have not been able to build their own “sphere of action” within the local governance system. The result is that these latter continues to survive only thanks to the Province’s inputs. As claimed by the councillor of the Municipality of Ciriè which has followed the pact: “we have been able to realized the pact especially thanks to the fact that the Province of Turin has sustained us a lot; I do not believe we would have been able, as Municipality of Ciriè, to keep the partnership living, without Province’s assistance” [Int. n. 14].

There are two further reasons which seem to explain the loosening of the cooperative ties among partners and so the scarce results achieved by the partnerships in terms of consolidation.

The first one has to do with the difficulties encountered by partners in developing a shared vision for the future of their territory. Interviewed actors have underlined that one of the major difficulties is linked to the fact that the partnership involves a high number of municipalities and a heterogeneous territory: “our pact has some specific problems connected to the management of the relations with a high number of municipalities and two mountain communities. The big problem is putting together so many heads and ideas” [Int. n. 8]. The Stura is in fact a territory which lacks a clear and defined productive vocation, and which furthermore presents a high orographic and economic heterogeneity between the mountain and the plain areas. Such characteristics have certainly not favoured a convergence in local authorities’ interests and goals and the creation of a territorial identity, which partners could identify. As claimed by the political representative of the Municipality of Ciriè which has followed the Pact since its beginning, “it is difficult to define a local development policy for a territory which does not have yet a specific productive vocation […] we have not been able to do that and we miss the capacity to do that. I think that we would have needed the help of universities or research centres in order to find a new productive vocation on the base of which we could
build a development strategy for our territory. The incapacity to define a wide-ranging strategy has certainly been one of the weaknesses of our Pact” [Int. n. 14].

Also in this case, therefore, the choices concerning partnership’s boundaries and scale of intervention do not seem to be neutral with respect to its probabilities of consolidation. A territory, as the Stura, which presents a high degree of heterogeneity will in fact find more difficulties in recognizing itself as a whole and in developing its own identity, than a territory characterized on the contrary by a good orographic and economic homogeneity. In the case of Stura, the high number and heterogeneity of the actors involved has not favoured the creation of a common vision and the identification of an integrated strategy which indicates some effective and realistic priorities towards which making partners’ effort converge.

Finally, the case of Stura has been characterized by the absence of a clear and legitimate leadership, which could continue to promote and sustain the cooperative experience. The decision-making process has been guided by the Municipality of Ciriè, which has seen in the partnership the opportunity to reaffirm itself as the leading actor of the Stura territory. In contrast to the past, the Municipality of Ciriè has made an important effort to place itself in a more equal and cooperative position with the other local authorities. During the initial concertation and partnership creation phase its role has in fact not been questioned, since each municipality perceived that national funds had been fairly and properly allocated. However, during the Pact implementation phase, once national funds were obtained, conflicts among locals actors emerged and the major municipalities of the area stopped considering Ciriè as the leader actor of the area and acknowledging it as the catalyst actor for a common process of economic development.

IV.3 The Province of Milan

The Province of Milan is the largest metropolitan area in Italy, located in the central-western part of Lombardy, and it is currently composed of 189 Municipalities and 3.87 million inhabitants (about 6.5% of the Italian population) on a relatively small area of 1,982 square kilometres. Most of the population is concentrated in the city of Milan (1,300,977 inhabitants) and in the surrounding area. The city of Milan, along with Turin and Genoa, is part of the well-known “industrial triangle”, the most industrialised area of Italy, characterized by big and medium companies, an important set of infrastructures and a constellation of relevant economic activities. Milan has become one of the most important economic area of Italy, hosting 6% of all Italian businesses (mainly SMEs – Small and Medium Companies). Furthermore, the Milan area produces 10% of the national GDP and 13% of the national exports [Provincia di Milano, 2007a].

The Milanese territory, once characterized by big companies such as the leading auto company Alfa Romeo or other important mechanical industries such as Magneti Marelli and Falck, during the Nineties has changed its productive structure into an economic district based on ITC, fashion/design, textile and services. Therefore, in the Province we find both SMEs and the national headquarters of big companies, banks and insurance companies as well as the main Italian stock exchange. The economic structure is the following: 69% of the companies are active in the services sector, 29% in the industrial sector, and only 2% in agriculture, and the total unemployment rate is around 4.6% (the national average is 8%50). Com-

49 A district is an homogenous territory characterised by a single activity or a single economic process. It is a peculiarity of Italian economy, where in some areas there is an impressive concentration of SMEs.

50 Istat, 2005
merce, transport and financial brokerage services, along with services to companies, show the highest absolute revenue levels in Italy.

Two additional features are important to fully understand the context where local partnerships developed over the past years: first the political environment, second the dualistic economic structure of the Milanese area. Regarding the political ‘colour’ of the area, the Province has showed an alternation between centre-left and centre-right governments. Centre-left coalitions ruled the Province from 1995 to 1999, and won the elections again in 2004. Between 1999 and 2004, the Province was ruled by a centre-right government. This discontinuity in the political landscape is of some importance to understand some of the changes the local partnerships underwent during the last few years.

The second factor deals with the difference between the Northern and Southern parts of the Province. Due to historical reasons, all the industrial activities developed in the Northern area, while the South kept some of its traditional agricultural activities. Moreover, the Province has recently decided to increase the urban and suburban parks up to 50% of its territory. Therefore, most of the South part is protected as natural area [Provincia di Milano, 2007b] and hosts only a limited number of industrial activities. On the other hand, the developed North (along with the City of Milan) is the most highly qualified scientific area in Italy, performing about a quarter of the national scientific and technological research. At the European level, Milan ranks second among all main cities in terms of number of companies promoting research and innovation for industrial use [Provincia di Milano, 2007c]. The potential for innovation in Milan is based on a well-structured university system and a high number of private and public research centres. There are seven universities with a total of 180,000 students, more than 130 research and university institutes in the scientific and engineering sectors, 44 public research centres and 80 private research centres.

**IV.3.1 Local development partnerships in the Province of Milan**

This economic dualism justifies the concentration of partnerships only in the Northern area of the territory, where historically industrial activities were initiated. All these experiences are closely related to the leading role of the Province and its large financial contribution. As a matter of fact, the Province of Milan (Figure 7) has followed local inputs: in the first phase during the creation of these partnerships, Municipalities played a major role, whereas other public authorities only provided a limited contribution.
More recently, since the political change of 2004, the Province has expanded its activities with a higher degree of involvement and greater financial participation. Currently, in this territory there are six public-private partnerships for local development which are better described in the following Table 12.
The peculiar mode of governance developed on this territory is mainly based on development Agencies, since all the partnerships selected such organisational structure. Therefore, we will focus on these institutions, although they do not represent all partners involved (Table 12). Agencies are run in similar manner being private enterprises owned by different shareholders which have access to the General Assembly. Typically, a board of directors governs the company on the behalf of the shareholders. The members elect the directors, and the board has an obligation to look after the interests of the Agency as depicted by the Article of Association. The corporate officers such as the CEO (Chief Executive Officer) and president are usually chosen by the board to manage the affairs of the enterprises. However, the Milanese Agencies differ as regards the number of total partners involved (ranging from 10 in the case of CRAA up to 54 in the case of the Euroimpresa), the role played by the Province, and the number (and type) of societal actors, their organisational structure and the projects promoted. As mentioned above, the Province has played an important role in promoting and leading these partnership experiences. In order to fully understand the development of these practices, written documentation and interviews to key actors carried out between January and May 2007 have been used to analyse every single partnership. A short description of each of the six partnerships considered (ASNM (today Milano Metropoli), Euroimpresa, Sviluppo Brianza, Agintec, CRAA and Comunimprese) is reported below.

a) North Milan-ASNM/MM
The North Milan agreement is the first example of partnership established in the Milanese area. It is rooted in the steel crisis of the late 70s, with the closure of the Falck plant (1975) which created severe employment problems for the area and the need to consider new development options for the territory. Therefore, Falck and four local Municipalities51, followed

51 Bresso, Cinisello Balsamo, Cologno Monzese and Sesto San Giovanni
later by the Province of Milan, decided to tackle cooperatively the re-industrialisation process. Following initial collaboration, the partners established in 1996 ASNM-Azienda Sviluppo Nord Milano (then renamed MM-Milano Metropoli), with a re-definition of its raison d’être, a decreasing role of the private sector and a wider shareholders’ composition. According to local actors this has been a crucial factor to explain the follow-up: “the re-industrialisation has been possible because we (the Municipality, the Province and the Region) have been working together, because we have been benefiting from the determinant impact of ASNM and from the individual expertise of private actors who were deeply involved in the whole process” [Int. Ap. 2].

Now the partnership definitively shows signs of consolidation as concerns both the organizational and the operational dimension. Over the years, the partnership increased its complexity thorough a more structured set of quasi-independent organisations; additionally more and better-defined tasks were placed at the heart of activity of the Agency. Meanwhile, the Agency was economically strengthened over the years and therefore it became more autonomous from its founding members. The leading role of the Sesto S. Giovanni Municipality was accepted by all the other partners because of its important interest at stake (4 million square meters of de-industrialised land), although more recently also the Province started to play a greater role.

The structure has been quite complex over the past 10 years (see Table 13). Overall it has the largest and most structured configuration with 20 employees divided in three functional areas: 4 employees in the secretariat, 4 in the information technology and 12 in charge of the projects. The Agency is run as a standard company, but a General Manager is appointed along with the Chief Executive Officer who is more relevant for public relations and raising public awareness in the territory. Then again the partnership developed a set of quasi-independent institutions in order to promote cooperation and SMEs settlement:

- The North Milan Forum, a political arena where 29 different interests can foster their shared vision for local development;
- La Fucina Business Innovation Centre, a no-profit consortium company created in order to help innovative SME’s start-up;
- the CRIS – Resources Centre For Social Company – created in order to support non profit entrepreneurship;
- two incubators\(^{52}\) along with three renewed districts\(^{53}\) aimed to support SME;
- Proxima, a service and training centre for information technology and communication.

Regarding the operational dimension, the North Milan partnership shows a similar high degree of consolidation. Even though the partnership activity was built primarily around re-industrialisation, the agency quickly moved successfully towards other issues. Firstly it focused on SME’s support through a set of typical instruments (enterprise incubators and burocratic simplification\(^{54}\)), later on it widen its scope promoting business innovation, third sector activity, environment awareness and labour market services. Finally, from 2001, the Agency

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\(^{52}\) An enterprise incubator is a structure which supports technically and logistically new companies. Companies can be hosted by the incubator for a maximum of three years.

\(^{53}\) This is an important kind of partnership developed by ASNM with three cooperatives created by private enterprises in order to buy and create “district” on de-industrialised areas.

\(^{54}\) The ‘sportello unico’ guarantees a facilitated access for enterprises to public documents. It is a sort of “one-stop shop”, where enterprises can find all the information about the starting up of companies and other company-creation and managing procedures.
fosters economic development with a comprehensive approach based on the North Milan Strategic Plan\textsuperscript{55} and the Local Intermunicipal Agenda 21\textsuperscript{56}. The finalisation of the partnership has allowed to carry forward the cooperative attitude emerged earlier. In particular, the partnership have been able to adapt to the changing conditions. While in its first period, the agency was completely absorbed by the re-industrialisation task (exploiting national opportunities) and the promotion of a wider agreement, later on it worked on different issues, mostly on projects carried out in smaller sub-networks with European or private funding. Currently, Milano Metropoli is a well-know reality in its territory, a pivotal institution for the North Milan local development with a deep network of cooperation agreements with local universities, other agencies, and the banking system.

Table 13. North Milan – ASNM

<table>
<thead>
<tr>
<th>Partnership organisational structure</th>
<th>Main initiatives</th>
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<tbody>
<tr>
<td>- North Milan Forum</td>
<td>- Two incubators</td>
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<tr>
<td>- \textit{La Fucina}: Business Innovation Centre</td>
<td>- Four Production Districts</td>
</tr>
<tr>
<td>- CRIS – Resources Centre For Social Enterprise</td>
<td>- An Intermunicipal “Sportello Unico” Project</td>
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<td>- ASNM development agency:</td>
<td>- A21 Project</td>
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<td>- General Assembly</td>
<td>- Urban Projects</td>
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<td>- Executive Board</td>
<td>- Urban re-qualification Initiative</td>
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<tr>
<td>- Chief Executive Officer</td>
<td>- Information technology: Proxima</td>
</tr>
<tr>
<td>- General Manager</td>
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<tr>
<td>- 20 Employee: (Secretariat, ITC staff and Projects staff)</td>
<td>Agreements</td>
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<td></td>
<td>- 3 universities</td>
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<td></td>
<td>- 2 agencies (CAAM and Comunimprese)</td>
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<td></td>
<td>- 1 local bank (Banca del Credito Cooperativo di Sesto San Giovanni)</td>
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</tbody>
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b) Alto Milanese - Euroimpreesa

In the Milan Province two distinct areas are called Alto Milanese, the one surrounding the Municipality of Cesano Maderno (organised around the public development agency CAAM) and the one around the Municipality of Legnano. The latter is at the centre of the second partnership formally organised in this Province. It is rooted in the crisis that struck steel industries in the late seventies, and in this territory a steel producing company, Ansaldo, underwent a strong employee reduction that finally ended with the plant closure. However, this area was more dynamic compared to North Milan one, and therefore it suffered less unemployment problems. Nevertheless, it promoted a number of initiatives aimed at local development promotion.

\textsuperscript{55} Strategic planning involves defining objectives and developing strategies to reach those objectives. It uses "the big picture" to pursue large scale, long term objectives in the an effort to produce more desirable future results by (a) influencing the outside world or (b) adapting current programs and actions so as to have more favourable outcomes in the external environment.

\textsuperscript{56} Agenda 21 is a program of the United Nations (UN) related to sustainable development implemented at the local level.
The partnership is organised around Euroimpreza, a relatively small development Agency which acts as a service centre in tight cooperation with other local partners. The first act was the establishment of the Legnano Re-industrialisation Committee in 1995; one year later, the Committee became Euroimpreza, and the Municipality of Legnano created Euroimmobiliare, a real estate private company owner of the former Ansaldo plant. Soon after its birth the Agency underwent a process of shareholders’ growth (1998), and although the major role was played by the Province and the Municipality of Legnano, also other actors were involved (such as trade unions and business associations).

The partnership’s organisational structure, although not as thick as ASNM, is quite formalised and complex (Table 14) since not every actor is involved in all agreements. The main feature of this partnership is that there is not an inclusive forum (like North Milan forum) or a general agreement among all the parties – the so called shared vision or strategic planning showed by ASNM partners. In the Alto Milanese there is a wide set of projects developed by smaller groups of partners, which participate only when they have a direct interest at stake. The partnership is structured around a set of independent organisations/instruments such as the Euroimpreza development agency, the Alto Milanese Business Innovation Centre and the Eurolavoro company. This complexity can be read as a sign of consolidation as long as the agency plays a pivotal role providing strength to the partnership thanks to its large budget (around 2 millions euro) and a well developed internal structure based on 10 permanent employees. In fact, Euroimpreza is structured in six areas of intervention: public relations and overall strategies (the President), a secretariat, an internationalisation area, a welfare office (social policies research programme), a local development office (fund raising, territorial marketing, and urban renewal projects) and a company restructuring support area. However, what emerged from interviews is that some of these internal structures are well developed while other are temporarily following some pilot experiences without any effective result. Local actors, above all public partners, seem able to cooperate only when there are concrete funding opportunities.

Looking at the operational dimension, Euroimpreza shows the same lights and shadows that we found in the organisational dimension. From the beginning of its activity, the Agency was capable of implementing a wide set of projects connected to its core business (supporting company restructuring and promoting urban renewal projects). More recently, Euroimpreza widened its scope, creating some independent organisations dedicated either to labour market projects (creating Eurolavoro, which is explicitly dedicated to this task) or strategic planning activities (creating the Alto Milanese Strategic Planning and the Alto Milanese Territorial Pact). What emerged from the interviews is that the most recent activities have not been as successful as previous ones. Therefore, although the partnership’s scope have broadened significantly over the past years, it does not seem to be fully consolidated as far as the operational dimension is concerned because of the lack of deepening cooperation.

In conclusion, since the Alto Milanese partnership shows ambiguous signs of consolidation, it can be considered as an intermediary case. This conclusion is related mainly to the operational dimension. First of all, in spite of the wide structure and the large scope, the Alto Milanese partnership has not been able to fully exploit all the opportunities it had, mainly because of the scarce cooperation. Furthermore, the future of the partnership is quite uncertain since the current leader (the Municipality of Legnano) has not been fully accepted by all the part-

57 In the Italian literature, a service centre is an institution developed in order to implement projects and provide services either to public institutions or private actors.
58 This is the only territorial pact conceived in the Milanese area.
ners, and the increasingly relevant role played by the Milanese province may be interpreted as a consequence of an implicit lack of trust in the project.

### Table 14. Alto Milanese – Euroimpresa

<table>
<thead>
<tr>
<th>Partnership organisational structure</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Isimbardi International</td>
<td>- One production district (Tecnocity Alto Milanese)</td>
</tr>
<tr>
<td>- Alto Milanese: Business Innovation Centre,</td>
<td>- Alto Milanese Strategic Plan</td>
</tr>
<tr>
<td>- Eurolavoro: labour policies</td>
<td>- Siscotel</td>
</tr>
<tr>
<td>- Italian Russian Business Desk</td>
<td></td>
</tr>
<tr>
<td>- EUROIMPRESA development agency:</td>
<td></td>
</tr>
<tr>
<td>- General Assembly</td>
<td></td>
</tr>
<tr>
<td>- Executive Board</td>
<td></td>
</tr>
<tr>
<td>- Chief Executive Officer</td>
<td></td>
</tr>
<tr>
<td>- 10 Employees: (Secretariat, Welfare area, Development area and SME’s support)</td>
<td></td>
</tr>
<tr>
<td>- One production district (Tecnocity Alto Milanese)</td>
<td></td>
</tr>
<tr>
<td>- Alto Milanese Strategic Plan</td>
<td></td>
</tr>
<tr>
<td>- Siscotel</td>
<td></td>
</tr>
</tbody>
</table>

**c) Vimercatese - AGINTEC**

The Vimercatese partnership has been launched in 1997, but in 2004 it has undergone profound changes. Therefore, it cannot be considered a fully consolidated experience in a comparative perspective, being a young and complex experience. The economic structure of the area is dependent on a few big companies and such configuration has deeply influenced local governance. On this small territory there are many public-public partnerships dealing with specific issues and a few private-public partnerships aimed at a wider scope. One of these experiences – AGINTEC – is probably more relevant than others. This is a development Agency aimed at the promotion of company innovation and economic development of the area near the Municipality of Vimercate. The Agency was founded in 1999 and its members were largely public institutions, although among the partnership members we also find local trade unions, business associations and some important companies (such as Alcatel and STMicroelectronics). From an organisational perspective, over the past years the detailed articulation of competencies managed to properly formalise AGINTEC’s structure and functioning (Table 15). Initially, AGINTEC’s organisation was composed only of a Board, a CEO and a secretariat; recently (2004), AGINTEC has increased its size widening its internal structure, with a staff of about 10 people. The Board still maintains its steering role, while the CEO is entitled of a broader responsibility over all the Agency’s activities. The new structure, though, seems less autonomous, being economically dependent on the Province of Milan, the major financial supporter. This aspect is even more problematic because this area will soon be independent as part of the emerging Brianza Province. This institution, whose centre is in the city of Monza, is currently promoting the other territorial partnership (connected with Sviluppo Brianza). This leaves the future vimercatese scenario pretty uncertain. This aspect emerges clearly from the words of local actors: “we are part of all the partnerships [Sviluppo Brianza, CRAA and CAAM] developed in this area […] Due to this complex scenario and to the agreement with the Brianza Province, our proposal is to re-organise all the instruments through the merging of already existing development agencies and the promotion of a new one to enhance vocational training and employment” [Int. Pr. Milan 7].
Over the years, AGINTEC has also widened its functional scope and from 2004 it directly covers also labour market issues, proving a significant cooperative attitude over the years. As a matter of fact, the close collaboration with another local institution (Centro Lavoro) ended up with a strategic re-capitalisation, in order to create new shares for this actor. Currently AGINTEC is structured in order to cover four relevant sectors: innovation promotion, vocational training and labour market insertion (together with Centro Lavoro), territorial marketing and strategic planning. Furthermore, the intensity of partnership cooperation has clearly increased over the years, although not as such a complex structure would require. AGINTEC has developed its own identity and now pursues its own goals without suffering from partnership’s members changes, also the internal turnover was overcome without any relevant struggling.

In conclusion, AGINTEC shows interesting signs of consolidation but can be considered only an intermediary case. On the one hand, the organisational structure has constantly increased in complexity in a quite impressive manner for such a recent experience. Also considering the operational dimension, AGINTEC’s experience shows positive signs due to the increasing scope and mission enlargement. On the other hand, however, these changes are completed balanced by the scarce autonomy of this experience: being the future of AGINTEC completely dependent on the decisions which will be soon made by the new Province.

Table 15. Vimercatese – AGINTEC

<table>
<thead>
<tr>
<th>Partnership organisational structure</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Centro Lavoro (labour agency)</td>
<td>- Innovation transferral</td>
</tr>
<tr>
<td>- AGINTEC development agency:</td>
<td>- Education and labour market,</td>
</tr>
<tr>
<td>- General Assembly</td>
<td>- Territorial marketing and infrastructures</td>
</tr>
<tr>
<td>- Executive Board</td>
<td>- ITC – district promotion</td>
</tr>
<tr>
<td>- Chief Executive Officer</td>
<td>- Sportello Unico project</td>
</tr>
<tr>
<td>- 10 Employees: (Secretariat, Urban staff and Labour staff)</td>
<td>Agreements</td>
</tr>
<tr>
<td></td>
<td>- with 2 institution operating in the labour market (Centro Lavoro and Associazione Pinamonte)</td>
</tr>
<tr>
<td></td>
<td>- with CAAM and Sviluppo Brianza</td>
</tr>
</tbody>
</table>

d) Brianza – Sviluppo Brianza

The Brianza partnership, born in 1996, soon created an operative structure, Sviluppo Brianza, established in 1997. The concertation process started when the Municipality of Desio decided to tackle industrial decline cooperatively with neighbouring Municipalities. In the territory of Desio there was an important dismissed car plant and the crisis made its mark in the entire area during the ‘1990s. In order to positively cope with this challenging situation, the Municipality of Desio opted for a shared long-lasting solution and looked for cooperation with other local Municipalities. At first, in the formal agreement of November 1996, the founding partners decided to establish an inter-Municipal company with the specific mission of improving...

59 Currently, a new Province which will include the territories covered by AGINTEC is being created.
local economic development – through promotion, project management and public administration innovation – with a particular focus on local dismissed plants.

The main problems that the Agency had to face along the years, were related to the absence of (1) private partners (which could provide specific expertise), (2) the lack of a clear political leadership and (3) quite a narrow mission. The first two problems soon emerged. In 2001 when the Municipality of Desio left the partnership, it deprived the agency of one of its most important funding partners, leaving room for competitors. Meanwhile the new Province of Brianza was emerging as a feasible project, therefore the Municipality of Monza (its capital) overtook the partnership’s leadership. In the same year, 2001, the agency had to change its Article of Association in order to welcome new members. This change was a mere normative shift towards a more inclusive instrument: from an inter-municipal enterprise to a standard company opened to private as well (only the no-profit one). This lead to an increase in the number of partners, but the overall mission remained unchanged. Even though the private sector entered the partnership it was marginalised because of the stiff status quo. Although willing, private partners with their limited shares could not push for a more comprehensive approach to local development, leaving the mission narrowed on re-industrialisation. In order to fulfil its “provincial” vocation, the partnership had to wait until 2004, when its strategic reorientation took place and its tasks and general goals were re-discussed. More recently, the partnership showed to be very active both in promoting further local development projects, and in creating a more dynamic and participated structure (Table 17). The partnership is now composed of 25 Municipalities, an association of 15 Municipalities, the Milan Province, the Chamber of Commerce and 13 private partners.

From an organisational standpoint, Sviluppo Brianza kept its original small structure based on the General Assembly where all the partners are represented, an Executive Board, a Chief Executive Officer and a new Steering Committee. With the exception of the Assembly, the more relevant actors are the small Board representing both Municipalities and private actors, the CEO who is in charge of the daily management and partnership organisation, and the Steering Committee, which has been recently enlarged also to social partners. However, the currently most important feature that concern the organisation is its scarce institutional articulation made of a limited full-time staff (three people only). While this is a clear limit, there is a second more subtle one: the politicisation of the Board. Because of this, the partnership is considered a centre-left tool promoted in the area to take a hold on the new Province.

With respect to the operational component, the partnership consolidation is even more ambiguous. During the initial phase, the focus was mainly on re-industrialisation and innovation, i.e. production quality, bureaucratic efficiency and collaboration among companies, public actors and academic world. More recently, although unable to fulfil its initial goals, the Agency started new projects dealing mainly with territorial marketing and partnership building. This attitude is closely linked with the strategic re-orientation that took place in 2004 and it can be considered an effect of the new political environment, characterised by the emergence of the new Province, which recognises this partnership as the provincial one. Therefore, together with the more traditional goals presented above, the Agency is currently focusing on research activity on territorial needs, innovation, job qualification, cooperation among companies and universities, social quality improvement, infrastructure re-qualification. Neverthe-
less, this larger scope has limited impact on actual projects. The new tasks have been only partially followed by intensification of relations among the partners, and the nature of the partnership still depends too much on the ten years pivotal role played by the chief executive officer.

In conclusion, the Agency seems to have overcome some structural challenges such as mission changes and institutional adaptation, but it can not be considered fully consolidated if we keep in mind both our organisational and operational dimensions.

Table 16. Brianza - Sviluppo Brianza

<table>
<thead>
<tr>
<th>Partnership organisational structure</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Brianza Forum (since 2005)</td>
<td>- Brianza General States</td>
</tr>
<tr>
<td>- Sviluppo Brianza development agency:</td>
<td>- Brianza Agreement</td>
</tr>
<tr>
<td>- General Assembly</td>
<td>- Brianza Strategic Planning</td>
</tr>
<tr>
<td>- Executive Board</td>
<td>- Agenda 21</td>
</tr>
<tr>
<td>- Chief Executive Officer</td>
<td>- Sportello Unico project</td>
</tr>
<tr>
<td>- Steering Committee</td>
<td>Agreements</td>
</tr>
<tr>
<td>- 3 Employees</td>
<td>- with 3 universities</td>
</tr>
<tr>
<td></td>
<td>- with 2 banks (Banca Popolare di Milano and Banca Intesa)</td>
</tr>
<tr>
<td></td>
<td>- with CAAM and AGINTEC</td>
</tr>
</tbody>
</table>

e) Rhodense - Comunimprese

The Comunimprese partnership is the most recent experience of the Province and it emerged in its North-Western part. The local development agency, Comunimprese, now coordinates this experience although it was born as a private effort to lobby Municipalities towards more active development policies. The first signs of this partnership can be traced in the Impresa 2000 organisation, a private company consortium created in order to help public institutions to manage efficiently EU projects, to promote effective education policies and to foster the national ‘Sportello Unico’ project. After reaching its initial goals, Impresa 2000, together with some interested Municipalities, promoted the creation of an Agency which could have gained from the previous experience, building both on private expertise and public financial strength. Therefore, the enlarged partnership moved towards a more structured institution such as Comunimprese created in 2002: a development Agency lead by the Municipality of Rho and which includes 12 socio-economic organisations (private companies) along with nine other municipalities. In the partnership, we do not find trade unions and business associations which are part of many other cases presented in this paper.

Comunimprese, because of its recent birth, lacks internal resources as well as structural complexity (Table 16). It has only three permanent employees and a very limited budget which curbs its investment capacity. Nevertheless, it has been able to enlarge beyond the agency.

63 The ‘sportello unico’ guarantees a facilitated access for enterprises to public documents. As stated above, it is a sort of “one-stop shop”, where enterprises can find all the information about the starting up of companies and other company-creation and managing procedures.
shareholders, reaching other relevant actors such as BancaIntesa (an important Italian bank), ASNM - Milano Metropoli, the Chamber of Commerce and Assolombarda (the largest Italian entrepreneurial association), Fondazione Fiera\(^{64}\) and the Province of Milan. Although these actors are not fully partners of the experience, they recently started a solid collaboration that could be a long-lasting one if they will be able to create a permanent forum with these actors.

Also the operational dimension shows some signs of consolidation, although they are too recent to be considered irreversible. After developing good expertise in bureaucratic simplification, project management and EU policy procedures, more recently Comunimprese has developed strategic territorial planning skills. More in detail, integrated actions aimed at promoting active labour market policies have been implemented, and the most striking example of the cooperative capacity of Comunimprese can be found in the territorial marketing activities, in the networking abilities and finally in the strategic planning area where they developed specific projects with other partners. Most of these actions or projects are probably due to the recent network Comunimprese has created with private companies, financial actors (such as banks) and ASNM-MM. This good performance, however, is not fully autonomous: during the 2003-2004 period, Comunimprese shared the same CEO with ASNM-MM, therefore it had a strong external support that cannot be considered completely durable.

In conclusion, although some progress has been made over the past years, in comparative terms Comunimprese seems to be among the less consolidated partnership experiences analysed in the Province of Milan since on both the relevant analytical dimensions (organisational and operational) still much has to be done.

### Table 17. Rhodense – Comunimprese

<table>
<thead>
<tr>
<th>Partnership organisational structure</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Comunimprese development agency:</td>
<td>- Sportello Unico project</td>
</tr>
<tr>
<td>- General Assembly</td>
<td>- Bando per il Rhodense</td>
</tr>
<tr>
<td>- Executive Board</td>
<td>- Rhodense Strategic Agenda</td>
</tr>
<tr>
<td>- Chief Executive Officer</td>
<td>- Territorial Marketing (La città di città)</td>
</tr>
<tr>
<td>- 3 Employees: (project managment)</td>
<td>Agreements</td>
</tr>
<tr>
<td></td>
<td>- with ASNM-MM (economic development)</td>
</tr>
<tr>
<td></td>
<td>- with Banca Intesa (loan facilities)</td>
</tr>
</tbody>
</table>

f) Arese Area - CRAA

The Arese area partnership was the second one to develop in the Province. This area was historically the headquarters of the Alfa Romeo Company, one of the most important Italian publicly owned auto companies, and it experienced a severe industrial crisis from the beginning of the 1980s. From 1986 on, when the company was sold to FIAT\(^{65}\), Alfa Romeo – which employed some 10,000 people – tried unsuccessfully to overcome its industrial problems. In the early 1990s, FIAT announced that the plant was going to close. After a intense conflict

\(^{64}\) Fondazione Fiera is the manager of the biggest European trade fair, which is located in the Rhodense Area.

\(^{65}\) FIAT is the most important private Italian auto company.
between employers and trade unions, in January 1994 the first agreement focused on the re-industrialisation problem and decided to set up CRAA - Consortium for Reindustrialisation of the Arese Area. The peculiar Agency was conceived as a partnership among FIAT, the Province of Milan, the local Chamber of Commerce, 4 Municipalities and the Region of Lombardy. CRAA started to operate in 1997, when a second agreement regarding a smaller productive area was reached. This area, occupied by dismissed plants, was to be the object of a whole programme of reindustrialisation, administrated by CRAA. This actor had the specific mission of managing an articulated programme aimed at: a) bureaucratic simplification, a) site renovation c) land sale and d) labour insertion of dismissed workers. Even though the Agency achieved its goals; to a certain extent it was not able to consolidate because of the absence of a long-lasting raison d’être.

Since the joint Agreement was very clear in the identification of its tasks (land re-qualification and sale), it is possible to describe the partnership around three main steps: preparation, land sale and conclusion. Between 1996 and 1997, CRAA had to coordinate the four Municipalities involved in order to create the legislative preconditions for the sale of the area, and from 1997 to 2000 CRAA sold some 15% of the land. In the year 2000, FIAT completed the sale, since the remaining 85% went to Belfiore/Aig-Lincoln (a logistic company). It was then decided to extend CRAA’s life in order to supervise the sale. Finally, in 2004 the experience was formally ended because of the achievement of the fixed goals.

Looking at the consolidation dimensions, from an organisational perspective CRAA was far the smaller experience developed in the Milanese area. Even thought it was an autonomous body with a high degree of economic independence, thanks to its large share capital outstanding, it had a real limited structure (the secretariat and the board of director). Furthermore the agency was completely dependent from the private sector, having FIAT the possibility of appointing the CEO (Table 18).

From an operational point of view, the well-defined mission had two direct consequences: the impossibility to differentiate its activities and a limitation to the partnership intensity. Since the beginning, the narrow focus on land sale, supported by private partners, prevented the exploitation of other opportunities and CRAA did not get involved in any other activity. Therefore the cooperation was not able to grow because different interests were at stake, no shared vision was fostered by the Agency that was strongly dependent on FIAT, the landowner. What is striking is that the local Municipalities (together with the Province and the Region) were not able to redesign the Agency over the years, although still today local development promotion is badly needed in the area.

<table>
<thead>
<tr>
<th>Partnership organisational structure</th>
<th>Main initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRAA development agency:</td>
<td>Programme agreement</td>
</tr>
<tr>
<td>- Chief Executive Officer</td>
<td>- Bureaucratic simplification,</td>
</tr>
<tr>
<td></td>
<td>- Land sales</td>
</tr>
<tr>
<td></td>
<td>- 30/94 law management</td>
</tr>
</tbody>
</table>

The brief survey conducted so far highlights four different kinds of partnership: fully consolidated, moderately consolidated, slightly consolidated and unconsolidated. For the reasons
mentioned above, one partnership can be considered belonging to the first category (ASNM), two to the second (Euroimpresa and AGINTEC), one to the third (Sviluppo Brianza), two to the fourth one (Comunimprese and CRAA). In order to test our hypothesis, two cases have been selected for an in-depth comparative analysis: the North Milan case, which is the only successful case, and the Arese Area partnership which is on the contrary one of the less consolidated. In order to keep under control the time variable, whose importance is clearly relevant in consolidation processes, the two cases have been chosen because they are characterized by similar temporal dynamics. Comunimprese has not been taken into consideration because its scarce degree of consolidation may be linked to its recent birth, and we excluded the Sviluppo Brianza partnership, which is relatively young compared to ASNM and more controversial than the CRAA, for similar reasons. Table 19 provides a classification of partnership experiences according to their degree of consolidation.

Table 19. Comparing the consolidation of local development partnerships: the case of Milan

<table>
<thead>
<tr>
<th>Partnership</th>
<th>Agency foundation</th>
<th>Overall level of consolidation</th>
<th>Organisational component</th>
<th>Operational component</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Milan</td>
<td>1993 – PSTA/ASNM</td>
<td>Fully consolidated</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Alto Milanese</td>
<td>1996 - Euroimpresa</td>
<td>Moderately consolidated</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Vimercatese</td>
<td>1999 – AGINTEC</td>
<td>Moderately consolidated</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Brianza</td>
<td>1997 – Sviluppo Brianza</td>
<td>Slightly consolidated</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Rhodense</td>
<td>1997 – Impresa 2000/Comunimprese</td>
<td>Slightly consolidated</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Arese Area</td>
<td>1996 – CRAA</td>
<td>Unconsolidated</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

IV.3.1.1 The evolution of the ASNM/MM partnership

The so-called north Milan is a ‘moving object’ since it has changed shape, following the partnership variations during the years. Therefore nowadays it reaches its widest boundaries, involving seven municipalities [see Figure 8 below].

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66 In order to assess the different variables we choose four possible level for each factor: 1 – low, 2 – scarce, 3 – moderate and 4 – high. Each value has been given according to the data collected and the interviews done in the first stage of the present research.

67 In order to assess this variable, we took into consideration the number of relevant fields of intervention out of the typical nine (industrialisation, SME’s support, Innovation, third sector, sustainability and environment, infrastructure and strategic actions, territorial marketing, labour policy and finally co-operation projects).
The North Milan partnership is one of the oldest partnerships of this area. As many other Milanese pacting experiences, its genesis is closely linked to the economic downturn of the nineties: especially concerning still crisis (Alto Milanese) and the relative common plant closures (Craa and Sviluppo Brianza). More precisely, its birth has to be understood as the product of the union agreement signed in 1996 by Falk industries, the unions, the Region, the Province and the Municipality of Sesto San Giovanni. Before entering this specific topic it is quite important to understand the economic situation of this area: in the so called “North Milan”, in 1981 more then 54% of the total workforce was occupied by the four local key industries (Falck, Vulcano, Breda and Marelli). Currently, 86% is employed in by SMEs with less than 10 employees. In the early nineties, Falck was the last big enterprise left in that territory. Therefore its closure can be clearly considered as the end of an era and the beginning of a new one. Such a description however is misleading because local actors were not completely ready to accept this a turning point. They considered the plant closure with fear and concern.

Falck industries were by far the most important group in Sesto San Giovanni (hereafter Sesto). They owned four plants along with two power stations and some residential blocks. Even though they already had faced a plant closure in the early seventies (Vulcano plant in 1970), a more severe crisis started in the last decade of 20th century. In 1993 and in 1994 the increasing loss of the steel related core business convinced the management to move towards others more profitable activities. Alberto Falck, at that time President of the company, showed a great amount of optimism signing repeatedly bipartite agreements and promising to the unions that the total workforce would have been guaranteed, although an industrial conversion had to take place. In order to implement this strategy the private actor, along with the Sesto Municipality and the Province, created (in 1996) a private enterprise called PSTA – Environmental Technologies Scientific Hub – which was supposed to foster the reindustrialisation of the Vulcano area (dismissed in 1970). Meanwhile the Group was promoting and negotiating another union agreement (1993) to preserve the workforce. However, the strategy was inco-
The incoherence between the 1993 steel-agreement and the 1994 dismissal resolution reinforced the decision taken by trade unions and the municipality to go all the way to the Ministry in order to stop the examination of the Falck application. This strategy, initially quite conflictual, was the ‘only game in town’ since from the beginning it was clear to all the actors that the industrial site was going to close – with or without public financial aids: “we shall not have any illusion, the Falck dismissal is clear: it is a long time since the last investment in the steel-production [...] the management often talks about alternative activities, but they do not enter into details. Although it may not receive public funding, Falck industries are going to close this plant” [Trade union representative – Corriera della Sera, 04/02/95]. The grim attitude towards Falck industries was produced, not only by this last dispute but by a general lack of trust in this relevant local actor.

Although local actors were fostering partisan interests, they were also starting to share a common idea or vision on the new development path that the municipality of Sesto should have developed. Two main problems were at the centre of the political discussion: the future of one thousand workers and the use of the large dismissed area (1.2 square kilometres). These two problems have to be observed in a larger picture of high unemployment and lack of investment in that area. Indeed it was very vivid the memory of the Vulcano plant closure and the following social and environmental problems the city had to face, which, after twenty years, were still on the table. Considering all this external conditions, the Sesto municipality, ran at the time by the actual provincial president (Mr. Penati), was strongly opposing any partial solution. As a reaction to this stiff behaviour, Alberto Falck threatened public actors and unions promising the plant closure before the end of 1995. The Ministry, however, managed to support the public side without openly intervening, maintaining Falck’s application on hold for some time. Finally, in January 1996, a general agreement was found on the need of endogenous development in order to absorb Falck’s workforce and change the industrial (steel) vocation of the area. In this case, the ‘political exchange’ underlying the first ‘seed’ of partnership seems to have reached a good equilibrium. After a first phase where each actor’s main interest was exactly private and egoistic, both public and private actors have recognised the importance of the partnership for the promotion of local development policies. Therefore, while Falck industries decided to conciliate with unions the maintenance of the total workforce (1000 units) in order to close the steel production and move to other activities, the Sesto Municipality become pact guardian thanks to the decision to directly manage SME’s entrance in the de-industrialised site.

Also, it has to be underlined how the Sesto municipality played a pivotal role during the process; it has been able to constrain the private actor to previously decided land destination provision while supporting it with unions. As a matter of fact, Falck’s request for land destination change was not listened to, since the Sesto municipality did not allow any speculation (i.e. easy ‘use destination’ conversion) on the former steel production area. In 1996 local actors signed a second agreement in the form of Programme Agreement. This second pact, however, has its roots in the January one, where a positive example of interest negotiation took place: trade unions were satisfied with a wage-subsidies solution and training projects, Falck industries could close their steel plant and sell the Vulcano area (which was converted into residential and commercial), and finally Sesto Municipality could foster local development with a project of 136 million euro. The municipality was able to reach the whole agreement thanks to a long term vision and an equilibrate exchange with the Falck industries.
In order to implement the ambitious project the partnership had to widen its composition and establish a set of specific activities, therefore they decide to recapitalise the PSTA into ASNM – North Milan Development Agency where additional shares were bought by three neighbouring municipalities\textsuperscript{68}, the Milan Chamber of Commerce, two financial companies owned by the Lombardy Region and some other private enterprises (BCC, ABB, Brollo-Marcegaglia and Edilmarelli-Pasini).

This decision had some important consequences: it enlarged the scope of the first agreement to a larger territory [see Figure 8] and established a new role for the technical unit which goes under the name of Development Agency (which was part of the Programme Agreement itself). Furthermore, the new partnership area was much wider than the original one, and although the territories were not homogenous from a socio-economical perspective, they shared the same local government’s ‘political colour’ – an element that will become crucial in understanding the consolidation of the partnership.

Thereafter the partnership was characterised by two features: its concreteness and the iterated cooperative effort. These two issues can be constantly found in the North Milan activities. At the real beginning, for example, the partnership created two different instruments in order to face the territorial complexity: ASNM and the Forum. While the former was devoted to the start-up and management of local development projects, the latter can be considered the partnership negotiation advisory board. Therefore while ASNM started its operations in August 1996 under the presidency of Mr. Terragni (former councilor of Sesto) with the symbolic opening of La Fucina - Business Innovation Centre\textsuperscript{69}, the Forum meeting started in 1997 with a really wide variety of interests being represented (26 actors involved, such as ASNM shareholders, trade unions, entrepreneurial associations and cooperatives). This dualism was very important because it helped to promote and manage activities (with positive outcome and actual results) while it opened up the ‘bargaining room’ where political exchange could take place.

On the one side the Forum was very important to create a shared identity: nowadays, all the municipalities involved identify themselves with the partnership. In the words of a local councilor “we are North Milan by definition, based on the seven municipalities\textsuperscript{70}, therefore our steering committee [ASNM] tries to govern all this process”[Int. Ap. 4]. On the other side, ASNM become the crucial actor for implementing the 1996 Programme Agreement decision while fostering new experiences. In the words of a local political representative “I think that the agency is self-sufficient and effective because it is a volcano of ideas, therefore it was able to do fundraising (at a national and European level), to mediate among different interests, etc.” [Int. Ap. 4]. But it is also a service centre since “municipalities wanting to pursue specific projects know […] as shareholders that they can have technical assistance” [Int. Ap. 4]. This operational dimension took many different forms and can be traced in different projects developed during the last decade. While it is impossible to give a complete account of all the actions developed, it can be useful to provide some examples in order to assess the importance of this factor.

\textsuperscript{68} Bresso, Cinisello Balsamo and Cologno Monzese

\textsuperscript{69} A BIC is a service centre for entrepreneurial development and innovation. Its services are directed to ‘would be’ entrepreneurs with innovative business ideas and to existing SMEs in need of strategic support to develop their business.

\textsuperscript{70} After the first four municipalities, the North Milan has been enlarged to Paderno Dugnano, Cusano Milanino and Cormano.
Being the SMEs promotion the crucial factor of the 1996 agreement, ASNM worked primarily towards this goal with four different projects:

1. it fostered the creation of four production districts. These were planned settlements of some thousand square meters (ranging from 5,200 to 77,600) where many SMEs found a location cutting running costs while sharing and lowering socio-environmental externalities. As a matter of fact the first two districts, started in 1998, were already completed in 2002 when 26 and 21 SMEs respectively started their production in the Sesto municipality. A second wave soon followed, two other districts were completed a few years later: the first (2005) in Bresso (14 SMEs) and the second (2006) in Cologno Monzese (12 SMEs);

2. it established two incubators for SMEs. The first, opened in 2000 (part of the first Concordia re-industrialisation), can host 20 enterprises during their start-up, while the second (Breda re-industrialisation) opened in 2003 with a capacity of 40 enterprises. The latter is dedicated to ITC related enterprises;

3. it funded PROXIMA, which is the oldest project since it started in 1997. It is a public space offering all telecommunication and information technology support to enterprises, public institutions and individuals as well.

4. the last important project is CRIS, a consortium founded in 1998 in the Cinisello Balsamo municipality dedicated to the third sector. Its goal is to promote, support and foster new and old “social enterprises” (non profit business with socially useful goals).

All these experiences publicly demonstrate the practical results derived from this partnership; therefore, the economic community was positively impressed and more willing to cooperate. The reason of the wide participation of the private economic sector “was the will to participate in changing the territory. The possibility of working together with public institution on certain issue related also to entrepreneurship and life quality” [Int. Ap. 3]. This strong commitment from the socio-economic actors also signs the high mobilisation connected to ‘political exchange’: the North Milan partnership is undoubtedly considered a best practice because the 1996 agreement spent 18 million public funding to foster 244 million of private investment.

For what concerns the second dimension, the North Milan partnership has been able continuously to renovate its cooperative efforts. As a matter of fact, after the 1996 Programme Agreement and the 1997 permanent Forum, in 1999 they started a strategic planning of the future initiatives. From February to October of the same year the early partners worked together in order to create a “Policy Atlas” and a “Strategic Agenda”. Thereafter, there have been a few moths of public discussion opened to every stakeholder aimed at a better assessment of societal needs. Then, from March to December (2000) five roundtables were dedicated on each sensitive issue previously chosen (environment, strategic territorial development, infrastructures, innovation, labour and education). This entire project ended up in what has been called the North Milan Strategic Plan composed of some 35 actions covering all issues and involving all the relevant stakeholders. This project clearly exemplifies the partnership capacity to grow increasingly independent, and as a result the partnership grew even bigger: three more municipalities were permanently involved and numerous bi-lateral agreements on specific projects were signed.

During the following years, the North Milan partnership has been able to promote and implement a great number of projects and initiatives for local development conceived in the North Milan Strategic Planning, emerging as the leading experience in the Provincial context. As we have seen, compared to the other Milanese partnership, this is the most consolidated one: not
to say that there has not been any decrease in the concertation practices among local actors. As in all the other cases considered, the passage from the initial mobilisation in response to the crisis to the implementation phase has indeed coincided with a physiological loosening of cooperative ties. Nevertheless, the degree of participation and joint effort which characterises the area is still high and probably destined to persist, as testified by local actors. More precisely not only the initial municipalities involved have increased from the initial four up to seven, but the whole partnership has moved to a new provincial vocation.

As a matter of fact, in 2005 the partnership decided to adopt a strategic ‘revolution’, becoming something different from what it was: ASNM was transformed into MILANO METROPOLI. The agency was re-capitalised and aimed at a larger scope, although remaining in the hands of the North Milan municipalities. The nature of this radical change can be illustrated by the words of a prominent mayor of the area: “We have evaluated positively the greater participation of the Province’s involvement, not only for political reason, being the new Province President – Mr. Penati – former Mayor of Sesto San Giovanni and therefore in line with the overall functioning of the project, but also because we were unsatisfied with the total absence of the [previous] Province, […] it was not opposing to us, it was just absent. Nowadays the Province is much more an active player, therefore it is able to ask and coordinate intermunicipal effort on common critical issues. Today, I do think that this is a major advantage with respect to the past” [Int. Ap. 2].

IV.3.1.2 Explaining ASNM/MM partnership consolidation

As it clearly appears from the partnership history, the first main consolidation factor is the well functioning ‘political exchange’ dynamics from the beginning of the experience. Although initially narrowly focused on relatively small-scale crisis (municipal), the first agreement gave birth to the more ambitious ones which followed. The interests at stake were clearly defined and well balanced: the private actor could fulfil its interest finding a new ally in the negotiation with trade unions in a quite critical moment (factory closure). Nevertheless, it was not just a matter of local power negotiation and endogenous variables: two more factors had a strong influence on the outcome. First, there was a relevant external actor, the national government, which was present in a balanced way providing further incentives for consolidation (i.e. funds for the local industrial conversion); second, the status quo was not an impediment to negotiate, i.e. the trade unions were not fighting to keep the steel production in place since they interpreted the plant closure as a concrete opportunity to foster more updated production activities which would have provided even more job security. In the word of a unionist: “I think that the Falck agreement, in January 1996, has been a very innovative one. The innovation can be traced along two lines. First, it has been, from a unionist point of view, a courageous agreement: with almost 1100 workers, it succeeded in the placement strategy. Second, there was a territorial dimension: unions reframed their [traditional] enterprise-centred strategy […] to reach a new territorial identity without steel production, with a broader agreement with Falck industries on new fields of investment and activities” [ASNM, 2004: 19-20].

One more thing needs to be underlined about the partnership genesis: the leadership role taken by the mayor of Sesto, Mr. Penati. Having a huge interest at stake, the Sesto municipality, after 20 years of problems concerning the dismissed areas, decided in 1996 to look at the private sector with a more proactive attitude. The overall behaviour used towards Falck industries and the Ministry made possible a general acknowledgment of the Sesto’s leadership by all key actors. However, it was not a leadership exercised in a hierarchical manner; it was a coordinated process helped by the similar ‘political colour’ background. “There was a strong
solidarity feeling, a strong shared vision among the mayors involved and the ASNM management” [Int. Ap. 5]. The key role “is difficult to assess, the main point was the cultural and personal co-operation: there was a well working group: Terragni [ASNM President and CEO], Penati [Sesto former mayor and actual provincial president], Manni [Cologno former and actual mayor], Gasparini [Cinisello former mayor and current Provincial representative]. The personal side [of the story] is mostly important, there is nothing else to say” [Int. Ap. 5]. Nevertheless, some others key informants recognise in the ASNM President Terragni the pivotal person: “he has a strong personality, a top level manager” [Int. Ap. 4], “covering a crucial role” [Int. Ap. 1]. Therefore the leadership, firstly based on Sesto political personnel, later moved to the four mayors along with the ASNM bureaucratic staff. Indeed what clearly emerges from the interviews is the important connection between mayors and the Agency structure: “we [politicians] never do a meeting with ASNM, there has never been such a thing… but ASNM takes part in important meetings on a specific project as we do” [Int. Ap. 5] in order to take care of specific issues.

This working method, along with the inter-municipal solidarity, produced a concrete shared vision. The latter has been built into two different steps: the first one was the 1996 funding related agreement, the second was the strategic approach developed in year 2000. For the first one, the Programme Agreement was ambitious, well balanced and both politically and economically attractive. From a political point of view “there has been a strong stimulus: all the European funding, the Urban project management … would have been difficult to obtained” otherwise [Int. Ap. 4]. Therefore the municipalities were able to see clearly the positive effects of the partnership, and the private sector was fully aware of the partnership positive externalities. Entrepreneurs had “followed all agency initiatives, above all the two productive districts (Falck and Breda) […], these concrete experiences supported the local SMEs network” [Int. Ap. 3]. Consequently, “the association [of North Milan Entrepreneurs] was born with the mission of being the main collective private actor for municipalities” [Int. Ap. 3].

Concerning the second step, in 2000 a more inclusive vision was developed, not only based on a Sesto-centred project, but on a wider and more comprehensive plan. After the first experience, local actors discovered the North Milan identity and the common need of cooperation. “There was a shared understanding: together, it was possible to overcome the crisis” [Int. Ap. 1], “to some extent we [municipalities] are bounded [to cooperate] in order to implement inter-urban park policy […]. Each municipality can not handle it on its own” [Int. Ap. 6]. This need and the subsequent actions, which are part of the 2000 North Milan Strategic Plan, clearly constitute another consolidation allowing flexible cooperation.

Nowadays, the North Milan partnership is still working in a very effective way, in strong cooperation with all actors it created (Cris, Bic, Proxima) and also with the new Agency format (Milano Metropoli) which has become a constant point of reference for all the local private and public actors in the North Milan area.

IV.3.1.3 The evolution of the CRAA partnership

The Arese partnership can be considered as a cooperative answer to a specific problem concerning the dismissal of an industrial settlement own by a national level enterprise such as FIAT. Therefore, the partnership’s birth and growth is highly characterised by some environmental features and exogenous conditions. Thus it is important to understand the partnership genesis in order to analyse its failure to consolidate. However for a better understanding of the partnership origin, some background information is necessary.
The Alfa-Romeo auto plant was the main industrial site of the entire Milanese Province with its 2 million square meters and it was also the main factory of the well-known Alfa-Romeo industries. In 1959 Alfa Romeo, a public autonomous enterprise, decided to create a modern production plant in the Milan outermost suburban belt. The final choice was a huge settlement of some 200 hectares divided among four municipalities (Arese 42.5 %, Lainate 35 %, Garbagnate 14.5 % and Rho 8%). This decision determined the future of the area for two reasons: firstly, although the district was already of a certain economic importance because of its location (the proximity of an important high-way, a dense network of rail-connections, some important infrastructural projects) the presence of the Alfa car plant increased its relevance up to a national level; secondly, Alfa industries absorbed the local workforce and induced an important immigration process, providing employment for 18,000 people in 1982. The four directly involved municipalities’ political activities were highly influenced by this situation: apart the social spill-off, all economic structure was based on the Alfa presence, being most of the local SMEs outsourced suppliers of the auto production.

There is another important cultural aspect to be taken into consideration. Alfa Romeo, in Italy, was more a social symbol than an industrial good. In the domestic car market, without any relevant foreign traders, Alfa cars represented a different attitude towards development: on the one hand they were admired because of the high quality and sportive nature, on the other hand they were built with a strong human input compared to the average Italian car represented by FIAT with its fordist system. Moreover, Alfa was also considered a “public jewel” being one of the most interesting public enterprise owned by the government through IRI since 1933. Therefore, when in 1987 the government decided to move towards privatisation, it was a big shock not only for all car owners and lovers but particularly for employees, trade unions and other local public actors. As a buyer, the national government preferred the FIAT car industry to Ford (which also had made an offer), because the first was interested in all Alfa plants (Arese and Pomigliano, near Naples – in the Southern part of Italy), while the American producer was strongly interested in the Arese plant but had no interest at all for the Pomigliano one. This difference covered a more complex situation, where Ford openly planned an employee reduction, while FIAT was more ambiguous and promised more investments in the car plants. At the end, it become clear that FIAT was more concerned about its monopolistic position in the domestic market than in increasing the Arese productivity as clarified by Mr. Agnelli (FIAT President) when he said that: “FIAT car industry was stronger without Alfa, but it would have been weaker if Alfa had been bought by a competitor such as Ford” (Repubblica 7/11/86). Therefore, FIAT constantly followed a strategic workforce reduction above all in the Arese factory which was characterised by low productivity. This behaviour was at the heart of the conflicts between trade unions and the plant owners [Democrazia di Sinistra, 2006].
The situation became even more complicated in the early 90s. In fact, the CRAA partnership has its roots in the crisis that struck the automotive sector in those years. There was a shared concern about the need of re-industrialising the whole area because it was clear that FIAT was not able to maintain the number of workers. The Arese car plant was undergoing a strong reduction from its almost 18,000 employees (1987) to the 10,000 still employed in 1994. Although the future scenario was not clear, local actors asked for a collective action in order to promote the area development. Consequently, the partnership started with an important weakness since the different actors were unable to translate their partisan interests into a shared vision. In particular, trade unions were fiercely opposing any solution that did not contemplate car-production, FIAT wanted a return on its land investment and the municipalities were interested in a fast and visible answer to the plant crisis, in order to preserve their political consensus. However, it was not just a matter of different interest at stake that made it hard to negotiate; it was a more harsh contrast on how to change the status quo: local actors did not have the same attitude towards the future of the car production [Vesan 2006]. On the one side the unions were ready to fight in order to preserve the car-vocation of the Arese area, on the other the owner was firmly convinced about the need to close the plant. To make any agreement, however, local actors had to face other interests: mainly national. As a matter of fact, this game was not locally played, it took part at national level where FIAT was able to negotiate its interest and receive huge funds for any submitted project. For example in 1994, there was an agreement between FIAT and the National Government in order to help the whole group, the crisis could not be faced by the private sector on its own, there was the need of a public intervention. As a matter of fact this agreement was completely un-balanced: FIAT received funds to develop some environmental-friendly cars while having its workforce cut by one-quarter, the Government, on the other hand, saved the vast majority of the workforce (7500 units) and received only promises for the future. This agreement in its simplicity highlights the strength that this economic actor had in the ‘cooperative chess game’: “It is more
than just an impression that FIAT, thanks to its occupational power, could ‘check’ the government in a position where it could bargain any agreement: funds against projects you could hardly carry out” [Democratici di Sinistra, 2006: 9]. Public institutions (nationally and locally), at the end, were almost stalemated, if not checkmated.

Although moving from different visions and interests, with different opportunities and room to bargain, all the actors shared the need for a cooperative answer or, at least, for a visible negotiation. The partnership initiation can be considered exogenous, since the initial mobilisation was strongly supported by the regional public administration, Regione Lombardia. In 1994, Lombardy decided to tackle industrial decline through the promotion of partnerships: in order to foster this kind of experiences it laid down the 30/1994 law which give huge amount of funds to partners able to make a Programme Agreement. This is an ad hoc normative instrument where subscribers decided a common goals, its intermediary steps, the respective duties and the relative time-table. Thanks to this law and the relevant pressure exercised by the Region within inclusive Forum started in 1995, local actors were ‘forced’ to sign the 1996 Programme Agreement. Even though this is the formal beginning of the partnership, the most interesting aspect of this experience has to be traced in the forum fostered by the Region. As a matter of fact, the partners decided the future scenario of the Arese area and they give birth to an ad hoc development agency (CRAA – Arese Area Re-industrialisation Consortium) at the ‘Table’ opened by the President of the Lombardy Region. In this arena all key actors were involved: the different municipalities, the Province, the owners, the trade unions, etc. While very inclusive, the forum was not able to carry out any sound decision on its own and to implement its conclusions. Therefore it gave birth to the general Programme Agreement, a few bilateral agreements (above all, between public actors and the private one) and the CRAA. As we will see, all these instruments were not quite enough to promote local development, but they underline the incoherence between the partnership’s promoter (the Region) and its key actor (FIAT industries). As a matter fact both the Programme Agreement and the Agency were deeply controlled by FIAT either by its interest at stake or by its wide share. Moreover, the unclear leadership was connected to an unclear membership, being many actors involved only in certain policy instruments (mainly the forum, the Programme Agreement and the CRAA).

The partnership history can be divided in two main stages according to the private actors involved: between 1994 and the year 2000 FIAT was the most important actor, which later sold the plant to a joint venture between AIG-LINCOLN (the second American insurance company) and ESTATE SEI (an Italian real estate agency). In the first phase, between 1994 and 2000, more than nine different national, regional and local agreements or laws tried to find a solution for the Arese problematic situation of high unemployment, but none of them have been able to be fully implemented. The most interesting project, with a comprehensive approach, was the 1996 agreement with its ‘castling’ plan. The accord was based on a bargaining between public (municipalities and regional government) and private sector (landowner and trade unions). The agreement was clearly benefiting FIAT which received public funds for its innovation activities promising to keep the sportive-car sector in a small part of the Arese settlement (45%). Moreover FIAT gained the possibility to sale part of its land (55%) with subsidised price and an employment provision. Meanwhile trade unions lower their

71 The four municipalities of the industrial settlement (Arese, Rho, Lainate and Garbagnate Milanese) as well as Bollate: an other municipality with a great amount of workforce occupied by Fiat industries.

72 In the first agreement, for every 1000 square meters bought the external firm had to hire 5 workers, later on only 2 workers.
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Project 18b: Distributive Politics, Learning, and Reform – Administrative Partnership

claims thanks to large national subsidies (mostly characterised by an ad hoc pension scheme) and the employment provision. The public sector in these bargain was cornered by private interests and the desperate need of social peace [Int. Cp. 3]. Eventually local actors recognised, later on, that the employment provision was a negative aspect of this agreement73 because complicated a simple land-sale [Int. Cp2 and Cp. 3]. In this project a central role was played by the Agency (CRAA), which would have been the managing body of this agreement: it was supposed to do marketing activities, to oversee the whole sale, to manage the Regional funds, etc. At the end, CRAA was peculiar under two main aspects: on the one hand, it was a very focused institution which interpreted its mission quite narrowly; on the other hand, after six years, it had only coordinated some inter-municipal building rules, made a wide-spread sale promotion and found only five SMEs that finally entered in the Arese area. Although quite autonomous from public sectors, the Agency was strongly dependent on FIAT for two main reasons: the CEO was a FIAT’s appointee and CRAA was lacking any internal structure, being entirely reliant on FIAT also for the secretariat work.

This approach soon appeared inconsistent, exacerbating and radicalising unions’ negative attitude either because no worker was hired74 or because FIAT itself continued to dismiss Alfa workers. Furthermore, the situation became even more complicated when FIAT in 2000 decided to stop the auto production that was still employing some 4.000 workers. This unilateral decision had a double outcome: more unemployment (1.500 dismissals) and new owners both for the area. According to some observers [Int. Cp. 1], the landowner pushed for a new Programme Agreement in order to have a different “land destination use”. After the failure of the first attempt, a second one was conceived by local actors. The main problem was the increasing lack of trust among partners, as a matter of fact, the 2002 agreement considered logistic activity suitable with the previous industrial destination, making the area potentially more attractive. This change in the land destination use provides evidence of a deep change in the partnership nature: on the one side, it shows how the status quo was not viable solution for the owners and the regional public administration; on the other hand, it exemplifies the local actors’ attitude towards that area. For the first aspect it is quite clear that the “logistic hub” sponsored by the private sector along with the mobility one promoted by the Region was aimed at changing completely the productive vocation of the area; concerning the second aspect, it shows that local actors were not able to promote any shared project. This attitude can be easily read in the words of one of the mayors involved: “[…] it is easy to say that we had a few problems with landowners, who did not have clear ideas on what to do with the area. We are not the only decision maker, we cannot decide what can be authorised and why, who has the power is the landowner” [Int. Cp. 2].

The new owners (AIG LINCOLN and ESTATE SEI), followed a different strategy compared to FIAT’s one, i.e. more focused on the future of the Arese area creating the first comprehensive project with different sub-projects (production area, research area, logistic support, etc.). This future scenario was presented and accepted by local municipalities in the year 2004 but at the end of 2006 also this project can be considered a complete failure: “Alfa Business Park [the AIG-Estate Sei joint venture] certified in a letter that it is unable to fulfil its promises […] due to the limited market answer to the project” [Int. Cp.1]. After twelve years of trial and errors, the Arese partnership has not been able to make any sound projects on its territory,

73 After 10 years only a few new firms settled in the Arese Area and all of them are in different industrial sectors. Therefore some trade unions decided to boycott the hiring because they considered the jobs as disqualifying. [Democratici di Sinistra, 2006]

74 To be sure, some workers have been hired but soon dismissed by the new Arese SMEs.
most astonishing the local actors’ Coordination forum is actually discussing about a new master plan developed by the Region further reforming the land destination use into residential, commercial and green. This further change shows once again the lack of any long-lasting shared vision and the problematic role played by the private actor involved, i.e. the owner of the land.

IV.3.1.4 Explaining CRAA’s failure to consolidate

The Arese partnership is a significant example of a failed attempt of a public-private cooperative answer to a severe industrial crisis: all actors constantly tried to face and solve the critical situation without any visible success. The most important feature of this experience is the incapacity of the directly involved actors to assess its outcome. To be sure, there is a positive evaluation of the partnership in some of its instruments: the Coordination Table and the Programme Agreement. “I do believe this mode of governance [the partnership as a whole] worked out well because we were forced by a pressing need, when FIAT presented its new strategy the plant closure was already a reality. […] This has been a powerful incentive to collaborate in searching a solution and alternative projects” [Int. Cp 1]. Moreover the same Development Agency representative considered extremely positive the fact that the four municipalities with different colours have been able to work together and he considered that “the Region has been the crucial factor to force everyone at the same table” [Int. Cp 1]. But such success was only limited to a very preliminary discussion phase which had no significant follow-up. In fact, there is an ample agreement about the incapacity of the local agency to implement sound policies. Although the former CEO considered CRAA closed because it fulfilled its mission of “fighting unemployment through ALFA renewal and sale” [Int. Cp. 1], politicians considered that “CRAA has been a long and complex experience, that did not produce neither the expected outcome, nor did it reach its initial goals – being CRAA mission to foster the Arese re-industrialisation” [Int. Cp. 1]. “CRAA is closed […] [it] did not work out, it may be for the occupational constraint connected to the acquisition, it may be because entrepreneurs did not like it any more […], there may be a political reason” [Int. Cp. 2]. On the whole, there has been a fairly good partnership ‘launch’ that though was not been able to grow and consolidate.

In sum, what emerges from our analysis is that the Arese partnership was not able to consolidate due to the failure of a virtuous political exchange between public actors and private one. There have been many factors that did not help: some external conditions, as well has some genetic deficits, such has the public-private balance of powers or the lack of an explicit and common vision. At the very beginning, FIAT was the key-actor because it was the basic ingredient of the development recipe fostered both by unions and regional public administration. As a matter of fact, the rigid position taken by unions about the importance of keeping the car vocation of the Arese factory implicitly gave a even more important role to FIAT. Moreover, the national relevance of FIAT made it possible for governmental interferences regarding “unfeasible” projects about green-car production to ‘disturb’ local bottom-up discussion and action. FIAT’s power and independence can be assessed considering the role it played in the CRAA experience and in FIAT’s capacity to obtain its goals regarding the sale of the Arese area without actually paying any costs nor in consensus terms, nor in funding terms. On the contrary, the public actors at the local level always had a reactive approach: first, because of the ‘strong’ power connected to FIAT industries; second, because non common or shared vision was available nor built. While FIAT was not forced to keep up to its employment promises, local municipalities were not willing to take a central role in the development policies. This behaviour can be fully understood in relation to the solution promoted by the Rho Municipality, i.e. to use another Agency – Comunimprese – to foster local
development in the area. This possibility has been immediately withdrawn because “this public-private enterprise cannot deal with a private land, it is different to take care of public interest when you can enter to do and undo things; another thing is when you are dealing with private properties and there are many hierarchically superior institutions such as the Region and the National Government” [Int. Cp. 2]. At the end, the municipalities involved in the area were not capable of elaborating specific solutions because they could not control (or find fruitful compromises with) the land owners.

V. Conclusion

Our research has shed light on two main aspects that can explain the different consolidation processes of the partnership examined:

a. the characteristics of the decision-making process concerning the concertation of initiatives;

b. the presence of specific facilitating conditions that can promote the maintenance or the development of local cooperative experiences.

Starting with the first group of factors, it can be noticed that the strategic choices which mark the internal dynamics of a partnership since its initial stage may have a strong imprinting on its evolution. More in detail, we can single out three main features that seem to have a positive impact upon the consolidation process:

a. the inclusive nature of the decision-making process, explicitly addressed to give space and visibility also to the “minor” partners;

b. a pro-active attitude on the part of the main actors involved, who believe in partnership and consider it as their own creation;

c. the adoption of specific conflict-resolution strategies, for example through the distribution of offices and posts among the main actors involved.

The empirical analysis has shown how the presence of these aspects has paved the way for the maintenance and the consolidation of partnership experiences in Zona Ovest and North Milan areas. In particular, these characteristics of the decision-making process play two important functions for partnership consolidation. On one hand, they avoid making partnership enemies since the beginning of the cooperative experience. In the course of partnership cooperation conflicts among partners might arise: the distribution of benefits and costs creates both winners (e.g. private actors empowered by new resources or competence allocated by the partnership) and losers (e.g. private actors not empowered by new resources or competences allocated). If the level of internal conflicts becomes too high, it may inhibit the cooperation practices among local actors, hampering the successful reproduction of the partnership experience. On the other hand, such characteristics of the decision-making process can give partners strong motivations for maintaining the commitment to the partnership, enabling them to easily perceive the advantages due to their active involvement.

The second group of factors deals with some specific conditions which have favoured the consolidation process. In this section we will sum up the preliminary results of our research, with reference to the four main factors previously discussed in the presentation of our analytical framework (§ 3).

The availability of economic resources certainly constitutes an important condition for the consolidation of partnership experiences. The trust in cooperative relationships between local actors has to be maintained not only by the general belief that the partnership represents an
appropriate mode of governance for local development policies, but also for the reason that the partnership is a useful tool for the implementation of development projects in a certain territory. Hence, it is clear that the lack of financial resources or the possibility of activating different financing channels without recurring to a partnership may inhibit the reinforcement of a cooperative experience and hinder its duration.

Nevertheless, taking account of such “resource availability” it is not sufficient to explain the different degrees of partnership consolidation. In each of the four cases previously analysed (Zona Ovest and Stura for Turin Area; North Milan and Arese for the Milan area), the accessibility of resources to support local development programmes has not constituted the crucial problem for local actors. On the contrary, the main differences between partnerships with a high level of consolidation and those characterized by a low level of consolidation can be explained with reference to the combination of three other specific factors.

Firstly, the presence of a policy entrepreneur appears to be a common feature of Zona Ovest and North Milan cases – the most consolidated partnerships. Conversely, in Stura and Arese areas no actor has been recognised as an indisputable leader of the partnership. Therefore, the hypothesis that the role of some specific actors able to activate the interests of partnership members not only during the emergence of a partnership experience, but also in the following phases, seems to be confirmed by our empirical analysis. Nevertheless, the entrepreneurial activity appears different in the emergence and consolidation phases. In fact, at the beginning of a partnership experience the crucial role of a policy entrepreneur consists in the mobilisation of all relevant actors in order to multiply the consensus over a common agreed programme. When a partnership has been constituted, the entrepreneurial activity tends to be re-oriented towards a new purpose, that is the continuous revitalisation of a certain level of consensus among the most involved stakeholders. In other words, during the ‘activation’ phase of a partnership the entrepreneurial activity is mainly addressed to a “catch-all” coalition-building strategy in a delimited area. Instead, in the consolidation phase the policy entrepreneurship seems to be more focused on the capacity to explore new ways of deepening and extending the ongoing local development strategy through flexible and ‘creative’ alliances with different actors, even those not included in the original partnership.

Second, in order to achieve this goal, the policy entrepreneur needs the support of an ad-hoc organisational structure provided with specific resources. The Zona Ovest and North Milan cases clearly show the crucial role played by local development agencies in the consolidation process. Such agencies are characterized by some specific features. Firstly, they are not merely pure technical instruments, but they act as a catalyst for a “winning combination” between the political and technical dimensions of a partnership experience. Secondly, such a local development agency needs to develop “puzzling” capabilities, i.e. the capacity to promote the understanding and sharing by local actors of the points of strength and weakness of a specific area, and to assist the translation of such analysis into effective development projects.

This specific role played by the local development agencies is strictly related to a third – and last – facilitating condition of the process. Our empirical analysis has illustrated the importance of building a shared vision of local development strategy among actors. That appears to have been favoured by the homogeneity of political as well as orographic characteristics of the Municipalities involved, which has made easier to joint collective agreements. In the Zona Ovest and North Milan areas such a capacity of shared vision has also led to the creation of a

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75 This is particularly true when national or regional authorities do not fully recognize, in the allocation of new resources, the role of existing partnership experiences. In Italy this has often been the case with the passage from the Territorial Pacts initiatives to the Integrated Territorial Plans (De Vivo 2004)
new territorial identity, absent or weakly developed before the partnership experience. On the contrary, the less consolidated partnerships have shown the presence of specific conflicts among local actors (Arese) or a weak cooperation attitude (Stura) that have prevented the definition of an agreed medium-term partnership approach to local development issues.

In conclusion, the combination of these three different conditions seems to have constituted a fertile terrain for the maintenance and the promotion of partnership. It is certain that any of these facilitating conditions cannot explain, taken alone, the good level of partnership consolidation in a deterministic way. Nonetheless, our empirical research has shown that their joined presence has certainly favoured the reproduction of the cooperation beyond its initial goals.

A second aspect that has emerged from the analysis of most consolidated partnership is a certain transformation of the partnership itself over the years. A local partnership implies a combined process of “institutional concertation” among different public authorities and a process of “socio-economic concertation” with the involvement of trade unions, employers associations and, in some case, third sector organisations. At the beginning, the legitimacy of a partnership seems to depend on the balance between two main channels of local interest representation: the “political circuit” of interest representation, mediated by public authorities, and the “functional circuit” of interest representation assured by organized interests (namely social partners). What it can be noticed is that, during the consolidation process, the maintaining of this double circuit of interest representation is usually hampered by a phenomenon of “partnership fatigue” suffered by partners. As a matter of fact, cooperative arrangements require a continuous effort that cannot be sustained for a long time, especially without receiving adequate and prompt compensations. A partnership is a costly practice, in particular in terms of time, and politicians as well as organized interests always tend to economised on such resources.

More in detail, we have observed that the active involvement of socio-economic actors is likely to decrease over time, even if they have been strongly involved in the initial phases of local initiatives concertation. At the same time, it can be noticed that during the consolidation process, a third vector of partnership legitimacy emerges: the expertise of local development agencies involved. Therefore, one of the results of the partnership consolidation is its (partial) metamorphosis. In this transformation, local development agencies play a pivotal role. Such a crucial role is not limited to provide “technocratic inputs”, i.e. the capacity for offering services and promoting fund-raising activities. On the contrary, the main task of local agency is to support a permanent network among public authorities, companies and local organisations. In this sense, local development agencies become the “nerve-centre” of the consolidating partnership, based no more on wide concertation boards, but on a flexible network system of local public-private actors. This does not mean that these agencies end up substituting political and functional channels of interest representation. Rather they should act as catalyser of interest intermediations and promote partnership “at variable geometry”, that is cooperative networks composed by different actors involved in different initiatives.

It is clear that this new partnership configuration is far from the image of a wide concertation forum charged with the systematic planning of local development polices. By contrast, it seems more akin to a “network of networks” composed by private and public actors.

In such circumstances, local development agencies should have three main objectives.

Firstly, they should coordinate the different networks of actors, informing and encouraging local stakeholders on possible initiatives related to their territories. Secondly, they should act as an interface between the local area and competences and experiences developed abroad at
the national or international level. The aim is to avoid a parochial closure in the management of local initiatives, promoting a strong connectivity with other areas and regions. Finally, agencies should use their expertise to assist local authorities in the promotion of medium and long term local development strategies. In particular, this “illuminating function” should be addressed to support consensus-building processes on initiatives that do not offer immediate incentives to local actors. Therefore, the main aim is to provide arguments and options which can favour positive solution of conflicts and bypass vetoes.

In conclusion, partnership as a new mode of governance of socio-economic issues at the local level may represent an important strategy for the production of local collective competition goods. Nevertheless, it cannot be considered as the only or the best “game in town”. On the one hand, a partnership is not always the most effective way to produce collective goods and services. Moreover, it can also serve collusive redistribution of resources among stakeholders, without enhancing the competitiveness of the local area. On the other hand, it can constitute a sub-optimal solution even in term of consensus building, since it may represent a too costly activity which induces fatigue and disenchantment in the actors involved, eroding their mutual trust and commitment to cooperation.

However, our research has shown that some partnerships, under certain circumstances, can consolidate, producing good results in terms of initiatives implemented. In this case, one of the main consequences of the consolidation process is the emergence of a new actor in the system of local governance: the local development agency. Since the latter plays a crucial role, enhancing the institutional capacity of local authorities to deal with the planning of inter-municipalities initiatives, it may be put at the centre of future research agendas on partnership. In particular, we can point out four main interrogatives:

a. In what circumstances a partnership, and subsequently its consolidation, may represent a suitable strategy for the development of local collective competition goods?

b. Can a local development agency gain sufficient credit and institutional recognition for its action, without replacing the political legitimacy of concertation board in the governance of socio-economic issues?

c. Can the activities of local development agencies positively combine with the presence of partnership arrangements and hierarchical decision-making processes in the local regulation of socio-economic issues?

d. How effective are local development agencies with respect to qualified job creation?

These and other questions may suggest some avenue for future research, deserving scholars’ attention in both theoretical development and empirical examination of local development policies’ governance.
VI. References

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VI.2 Interviews

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4. July 2006, Zona Ovest Pact, President
5. July 2006, Zona Ovest Pact, Managing Director
7. July 2006, Canavese Pact, former President of the Province of Turin and former Mayor of the Municipality of Bollengo
10. July 2006, Valli di Susa Pact, General Secretary, Mountain Community of the Bassa Val di Susa and Val Cenischia
11. November 2006, Zona Ovest Pact, Union Representative (CGIL on behalf of CISL and UIL)
12. November 2006, Zona Ovest Pact, Provincial Councillor and former Mayor of the Municipality of Collegno
13. November 2006, Zona Ovest and Stura Pacts, Industrial Union representative
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16. December 2006, Stura Pact, Union Representative (CISL)
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18. December 2006, Zona Ovest Pact, Mayor, Municipality of Venaria

The Province of Milan

1. July 2006, CRAA, Former Chief Executive Officer
2. July 2006, Sviluppo Brianza, Chief Executive Officer
3. July 2006, ASNM-MM, Project Officer
4. July 2006, Comunimprese, Quality Supervisor
5. July 2006, Euroimpresa, Project and Area Officer
6. July 2006, AGINTEC, Chief Executive Officer
7. November 2006, CGIL, Union representative (North Milan and Brianza Area)
8. November 2006, Mayor of the Municipality of Monza
9. November 2006, Mayor of the Municipality of Desio
10. December 2006, UCTSPPM – Entrepreneurial Association, President
11. March 2007, Economic Councillor of the Municipality of Legnano
12. March 2007, Former Mayor of the Municipality of Castellanza
13. March 2007, President of a SME incubated (Alto Milanese partnership)
14. March 2007, Euroimmobiliare, Commercial Supervisor

**CRAA partnership**

Cp. 1. December 2006, Councillor for the development of the Municipality of Rho
Cp. 2. December 2006, Mayor of the Municipality of Arese
Cp. 3. May 2007, Mayor of the Municipality of Lainate

**ASNM partnership**

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Ap. 5. December 2006, PR of the Municipality of Cinisello Balsamo