

## 26. A NEW TERRITORIAL AGENDA FOR ITALY. THE IDENTIFICATION OF THE TERRITORIAL CAPITAL IN SUPPORT OF THE COUNTRY GUIDELINES IN THE 2020 PERSPECTIVE

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Since 2006, the territorial and socio-economic polycentrism has represented a possible solution to the need for equity and efficiency of States and regions.

However, the European territorial diversity requires solutions diversified under a single policy, where the mechanisms for the redistribution of monetary actions can be activated automatically.

All this can only be guaranteed by federalism, to which the European polycentric system can be considered a first step useful to clarify:

- which organization (including a fiscal one) either vertical and horizontal is more appropriate to relaunch the competitive ability in a sustainable manner;
- how and where this “corema” is subsidiary expression of cohesion to achieve balanced forms of socio-economic development in the medium term;

Summarizing: polycentrism could be at this time a good substitute for the political-constitutional and fiscal federalism still hard to imagine, which dictates rigour and not austerity.

The regional economic territorial relativism<sup>2</sup> overlooking the polycentrism is linked to the capacity of regions to produce and direct, in favour of development (even modest) production flows.

In this way there would be no federalism<sup>3</sup> in Europe, but there would be a specific geographical limit that would guide the interpretation of the crisis unequivocally: the difference in type and level in the regional forms through which the state acquires its visible body (the territory and geo-economic landscape) can not maintain the character of supranationalism unchanged (the impossible status quo); characteristic that is implicit in the covenant on which the European Union was founded and which the crisis - with the exception of the austerity measures – has to cope with.

The profound changes and contradictions that have marked the European Union growth, from the opening of the single market to date, have highlighted this aspect that opposes the macro-policies, focused on employment, to the strengthening of the accumulation capacity and real growth.

Offering secure commercial advantages in time, the supra-nationality has replaced the goal of creating a united Europe on territorially cohesive basis, balancing their adverse effects with an action from the centre and minimizing the disadvantages that the periphery bears to be convergent and to access benefits of the euro-area, as demonstrated by the increasing values of the intra EU-27 commerce (the total trade of the Union) - measured by shipments – that were up to 16% in 2010, a lower rate than that recorded for exports outside EU (up to 23%).

Structural indicators such as this are taken by many economists as convincing about the level of integration achieved, forgetting that free trade on the one hand<sup>1</sup> and the enlargement, on the other, have

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<sup>2</sup> This word, traceable in Italian literature at the end of the Eighteenth century, refers to the problem of regional autonomy but also more particularly to the so called “Southern Question”

<sup>3</sup> Federalism is understood by economists as a territorial articulation of powers and levels of government (Prezioso, 1995, 1999).

produced not few initial conflicts on the domestic markets (the price war) and the formation of new trading blocs in areas of geographical proximity (e.g. Germany-Poland).

At the moment these "blocks" do not seem going down in number and scope, and indeed, as a result of the crisis and the austerity policies put into practice in Italy, too, they will rise up to take the form of oligopolistic regions (the "head-to-head" for the conquest of the mutual markets). Countries such as Germany, for example, might well maintain their traditional leadership in engineering, thanks to the limited external competition in the high-tech and electronics, whereas others, such as France, might strengthen their presence in the areas of basic sectors and transport diversifying their production; and still others (Great Britain) might lose a greater share in all areas except in trade for services and agriculture, or as Italy, might finally miss the challenge of high quality specialization in manufacturing (industrial district).

In order to safeguard the individual financial stability within the EU and the Euro zone perhaps it would be right to re-verify the effects of the integration process on the stability under the principle of subsidiarity. The latter being the cardinal principle both of the common objective of financial stability, and of the model of enlarged polycentrism (new regionalization) that is emerging.

The creation of a single market and a single currency does not necessarily reduce the risk of financial instability, as we have seen, and a process of integration based on the agreements established between the only INS countries may increase it if OUT countries were excluded from the procedures that govern the system of debt payments.

The spatial structure of the Union, in fact, corresponds only in part to the characteristics of the "state guide" because of the persistence of not only physical discontinuities (the most significant are those represented by the Irish Sea, the English Channel, the Alps, the Otranto Channel), but also economic discontinuities, such as those that oppose (for density of population, employment in the secondary, energy consumption, GDP), the Rhine Valley to the British Isles, the Iberian peninsula. In addition, in the suburbs an anti-European culture with strong tones of inculturation or distrust of supranational institutions has often been manifested, while central areas still do not express the functional traits able to inter-nationalize the differences.

The spatial structure of the European community, as it stands, is therefore dominated by a deep territorial discontinuity that, given the intensity of the crisis and settlement conditions, has thickened national identities and state ordinances, sanctioning the profound differences .

The economic differentials and the spreads place, at the moment, the major obstacles to approval of a political-territorial rigorous organizational structure, a structure that presents itself as a regulatory and institutional diversity.

How can ESPON help to build capability in the 2020 vision? Many European territorial structures have proven to be fragile given the choice to invest in a sustainable way in the development of capability useful to the European smart growth.

In Europe 2020 horizon capacity goes, first of all, to improve the education according to the regional cultural and educational policies aimed at improving the environmental quality. Their absence has a major impact on the labour market and the welfare of a region or state, reducing the potential production of GDP per capita. And if the goal is to increase in 2020 by 40% the population between 30 and 34 years in possession of a bachelor's degree, currently only one in five regions in the EU shows values between 20% and 60% (Map 16 and 17)

Much of the economic deficit that affects the states and regions in the EU would thus seem to depend on the lack of "geographical "policies aimed at the development of sustainable and high-quality capability.

The European Commission and DG Regio support this view (Monfort, 2011), but what they still do not tell you is that education needs place-based roots, in turn anchored by the Programming/Planning of

the territory that gives rise to the home region with the its potential territorial capital. A regional training planning paying little attention to place-based education encourages the "brain drain."

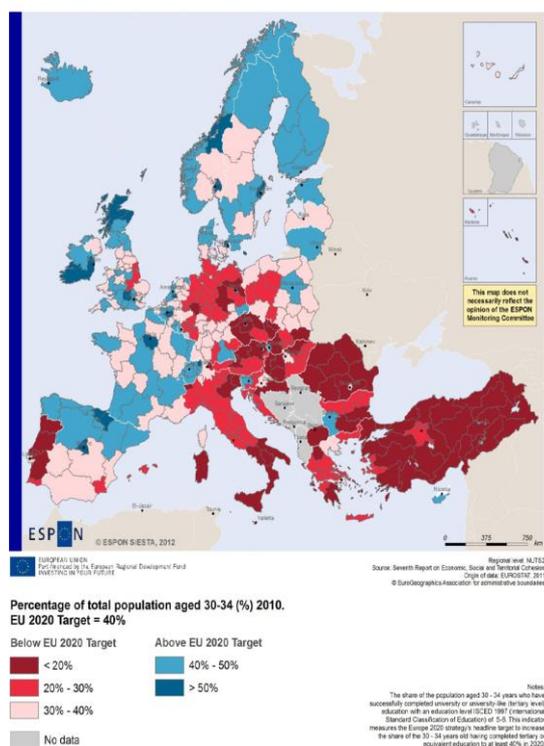
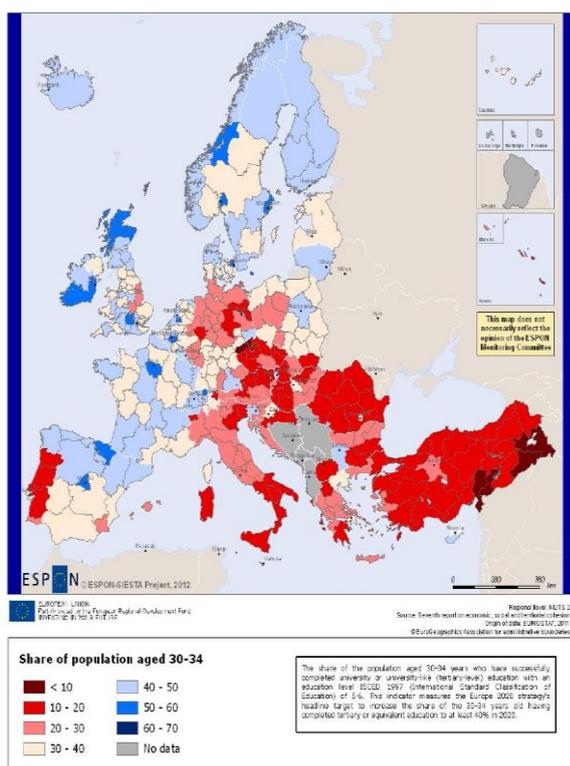
"Green" Lifestyles can help to overcome educational issues in relation to capability and improve access to the labour market (social services, tourism, telecommuting, etc..), but not access to tertiary education. Thus, as emphasized in the 2008 by the Green Paper on Territorial Cohesion, the "issues" in relation to educational and territorial human capability are also "gender sensitive", cross-sectoral and preventive integrated policies need affecting many areas (infrastructure, work, ICT, etc.).

The impact on regional cohesion (education, migration, life styles, etc..) compared to the targets of the Territorial Agenda 2020 is, for example, negative with respect to model adopted by Italy, where: a lack of investment in developing the capability human capital influences the model of productive specialization of enterprises negatively, and a production system with low innovation implies low returns on investment in human capital capability, making it incompatible smart growth and social inclusion.

Compared to the higher education level (tertiary) of the population between 30 and 34 years, Italy ranks fourth to last place in the rankings at of the EU (19% with an increase of 0.8 points compared to 2010) and the last place with regard to the male component (15 % against 23 % of women).

**Map 16: Population aged 30-34 with a tertiary education. Average 2007/10**

**Map 17: Population aged 30-34 with tertiary education. Average 2007/2010 - Distance to National 2020 Target**



Source: ESPON SIESTA Annex D –Education – p. 35

Source: ESPON SIESTA Final report p. 61

The current position is, therefore, far more than 12 percentage points below the European average, which in 2009 reached 32.2% In 2010, the differential between the sexes touched on average 9 percentage points in favour of women (24.2 versus 15.5 %); values above the national average were recorded in the central regions (particularly in Lazio with 26.2 %, Abruzzo with 20.9 %, Marche with 24.4%), the lowest in the South (Campania and Sicily had the worst performance with 12.9% and 14.6 %), the difference in

education gender was markedly in favour of women in all Italian regions (highest in Abruzzo, Molise, Marche, Tuscany and Emilia- Romagna, where the gap stood at over 12 percentage points).

The objective of sustainable development capability is also related to a reduction of early school leaving to less than 10%<sup>4</sup> in the age group 18-24. On this aspect EU policy in 2013 has had adverse effects in Europe (where the abandonment has increased by 4.4%), but positive in Italy. The country shows a slow but gradual improvement (-3% in 2009-12) despite the still high incidence of early school leavers (19.2% in 2009), the dominance of the male and the female employment rate of early school leavers less than 50%.

And this aspect carries a significant weight in the absence of Geography in the little place-based behaviour of regional policies aiming at developing capability.

The fight against poverty and exclusion from potential capabilities is a real possibility of a geographical contribution to planning, when you consider that even OECD now uses the equivalence "modified" scales to calculate the family income and to depart from the only monetary value in the calculation of welfare or poverty<sup>5</sup>, considering it an indicator of "relative" type, that is increasingly linked to the economic- territorial reference .

And it is interesting to wonder what might geographically mean to calculate for Italy and Europe an indicator of absolute type, such as material deprivation, which refers to the inability on the part of individuals (and families) to envisage the access to tangible assets or activities considered 'normal' in today's society, then measuring, in a uniform manner, the differences that separate them from the cultural standards and the perception of happiness. Just like Amartya Sen and Martha C. Nussbaum with the Human Development Capability (HDC) Index suggest doing.

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<sup>4</sup> It means all forms of abandonment of education and training before completing upper secondary education or its equivalent in vocational training

<sup>5</sup> The net family income considered from the sample survey EU-SILC (EU Statistics on Income and Living Conditions) is the sum of compensation of employees and independent contractors, from those of the real and financial capital, pensions and other public and private transfers, net of personal taxes, of 'ICI' (local property tax) and social security contributions payable by wage earners and self-employed. From this amount is subtracted also transfers paid to other households.

Table 6: Example of a matrix for the assessment of the effects expected from the 2020 Strategy in support of policy choices

		Europe 2020 Strategy - Policies for:																																																	
		Innovation					R&D		Human Capital		Age and social inclusion					Economic development and competitiveness					Employment			Transport/network		Natural Resources		Rate and efficiency S		Public Health																					
		Bridging digital divide	Technological/innovative dissemination for the enterprises and institutions	Support to transregional cooperative projects	Use/development of environmental friendly technologies	Quality certification and assessment tools	R&D infrastructures	Support to BAT	Development of recycling technologies of waste	Supply of education	Human capital internationalisation	Reinvolvement of aging people	Support leisure	Social integration	Child protection	Poverty reduction	Policies dissemination for transparency and efficiency of bureaucracy	Cultural integration	Support Local productive identity	Promotion of a global enterprise culture	New business/service instruments	Inflation control	Internationalisation of good and services	Homogenisation of enterprise costs	Support enterprise creation	Support employer mobility	Support equal opportunities	Development of telecommunication networks	Development of energy networks	Increase of physical accessibility	Use of renewable resources	Active Protection of Natural resources	Reduction of Natural Resources consumption	Natural hazard prevention and Land protection	Energy policies	Flexible Mechanisms	Climate Active Protection	Social Programme Financing	Safety	Support Welfare											
Effects	Ci	Bj	Bj																																																
Increase level of productivity	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
Demand increase of goods	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Employment level increasing	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Pricing control	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Public Health improvement	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Improvement leisure opportunities	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Physical Relationships increasing and Land protection	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Virtual and Smart Grid for Relationships increasing	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Waste Reduction	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Cleaner production	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Increasing Recycling Waste	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Natural hazard prevention	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Pollution reduction	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
efficient water use	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
CO2 level decreasing	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Improvement level of transparency and efficiency of bureaucracy	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Bottom up approach implementation for urban development and renewal	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Education level increasing and child protection improvement	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Improvement level of balancing out (perequazione)	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Weak social classes protection	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Poverty level decreasing	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Increase female employment	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Wellbeing improvement	0,00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Source: Autors' elaboration, 2014

