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THE MACRO-REGION OF SOUTHERN ITALY: INTELLECTUAL SUGGESTION OR FEASIBLE WAY?

Introduction – Is the idea of a macro-region of the South only an intellectual suggestion or could it represent a viable option for curing with greater incisiveness the many wounds that plague this part of the country? And yet, if we imagine a macro-region of Southern Italy, would it be more useful to think of it as a functional aggregation, aimed at achieving joint projects, or even as an institutional entity, an expression of a manifest political legitimacy?

To try to answer these challenging questions, the most recent annual reports on the South, published by such an important and prestigious institution as SVIMEZ, as well as the stimulating and thought provoking work of Giorgio Ruffolo (2010) “*Un paese troppo lungo*” represent a major point of departure. Texts, data and analysis are useful to reflect on the South, its unity, its still under-exploited resources and thus on the unprecedented processes of construction of norms of macro-territorial government.

If, as Giuseppe Mazzini wrote “Italy will be what the South will be”, the analyses of the above give us a disturbing picture of the state of health of the South and, consequently, the entire peninsula.

Beyond the historical gap in income and products per capita, as well as the renewed duality in the paths of economic growth between the southern –insular part of the Country and the central- northern part, what causes most concern is the state and the quality of public services (local health, education, transport, environment and landscape, safety, local services, etc.), together with two connected and specular phenomena: the widespread increase in material poverty and the irreversible crisis of the first class industrial sectors that had marked, for better or for worse, the industrial development of the South since the Post World War II period.

The need, therefore, seems to be to reopen a debate on the unity of the Southern question given that the South today is still the biggest and most populated Euro area which presents serious situations of under-exploitation of local resources. Faced with this situation, it would seem appropriate to wager on

the need for large scale strategic planning for the South as the problems which are encountered are mainly uniform, despite local differences. In the same way it is important to strengthen the South from the inside, increasing the degree of interconnection between the southern territories on a socio-economic level and networks so that the paths of development can move beyond the one-way North-South direction, also on unprecedented prospects of trade and collaboration between the South-South.

The South and the Crisis - The argument according to which the South, despite its diversity, has common features and similar problems is also confirmed and demonstrated by how this part of the country has responded to the structural crisis that has gripped Europe since 2008, showing growth rates and employment rates which are worse than the rest of the Country.

The 2014 SVIMEZ Report seems to confirm the abovementioned view outlining an even more divided, unequal country which seems to distort the economic and social profile of the South. An overview of the South, therefore, represented by a change in the production structure, with a decreasing weight of the industrial sector; a strong reduction in investments and a drop in domestic consumption; a sharp drop in consumption due to the drastic overall reduction of income from work as a consequence of the crisis in employment; the most basic rights of its citizens increasingly threatened; a significant demographic implosion (estimates state that the South will lose a fifth of its population in the next fifty years) with the relative drain of young people and professionals leaving the area.

The development gap between North and South in terms of per capita GDP started to increase in spite of a reduction of the population in the South, returning in 2013 to the levels of 2003, aided by the southern manufacturing sector which, between 2007 and 2013 reduced its production by more than a quarter and halved its investments.

In the same period the drop in employment was 9%, four times higher than that of the Centre-North (-2.4%). For the first time in 2013 employment in the South fell below the threshold of 6 million units: in fact stood at around 5.8 million, a level which had never been reached in the sets of historically reconstructed statistical data (not the case in fact, since 1977, the year in which the ISTAT started to collect statistical data).

The fall in employment affected all sectors of the economy, taking on important dimensions in industry excluding construction, which actually fell by 53.4%, more than double that of the Central-North, although important (-24.6%).

Basically a process of industrial desertification of the southern territories is taking place, because the weight of industry on the added value of the total economy Southern fell from 13.7% in 2007 to 11.8% in 2013, a far lower value than the 20.7% in the Central-North and that in some regions, such as Sicily and Calabria, which was respectively 8.2% and 7.6%.

A new geography of employment is being redesigned in our country, which is likely to structurally exclude the South and especially its young people and women. Between 2001 and 2013, in fact, almost a million, six-hundred thousand people migrated from the South to the Central-North, compared with a return of 851,000 units, with a net migration rate of 708,000 units. Among these immigrants a share of 70% (494,000) are young people, of whom 188,000 are graduates.

Critical Factors and a Possible Perspective of Revival - The document entitled "*Methods and objectives for effective use of EU funds 2014-2020*" presented by the Ministry for Territorial Cohesion 27 December 2012 provides an interesting interpretation of today's situation in the South of the country and the effects of the crisis.

The South, according to this study, presents widespread *deficits* although with differentiated intensity throughout the area, which is ascribable to two types:

- *citizenship deficit*, from personal safety, legality, justice, education, the quality of the air and water, public transport, to the care of children and elderly, and the digital network; -

- *Private industrial productive activity deficit*, primarily manufacturing, but also agricultural, commercial and welfare services, where the adjective industrial defines the method of highly innovative organised production, which can provide answers to the need for increase in employment.

Some critical factors of a structural nature should be added to these deficits, which mark a negative direction in the trajectory of the South:

– the difficult and uncertain path of economic development;

– high unemployment rates and low employment rates (particularly critical for young people and women);

- the steady, structural decline in the population (which the worrying factor of the continual emigration of young, qualified people should be added to);
- the insufficient rate of general infrastructure;
- the state of decay of both central and peripheral parts of the large metropolitan areas;
- demographic collapse and social economic impoverishment of many small or very small municipalities in the inland areas;
- the steady decline of public investment for growth and capital spending.

From this brief analysis, according to the above cited ministerial document, four working plans have been drawn up to address and resolve the identified problems:

- A national strategy for the South that in addition to the ordinary public resources, used according to the principles of territoriality, contains a strategy for the use of EU funds, especially with regards to school, safety, health, justice, and railway service;
- A clear distinction of the actions for social inclusion, aimed at increasing the number of people who access the essential levels of service in the main dimensions of their life, from the actions for growth, innovation and productivity;
- A concentration of resources in support of the very strong and widespread protection of the rights of citizens in the territory (national strategic networks, justice, education, child care and the elderly);
- The improvement and development of the industrial base - manufacturing, agri-food business and the tertiary sector- concentrating the actions in the territories where returns can be maximized.

These guidelines should be inspired by an intervention strategy in an integrated manner which identifies some drivers of development, both in urban and metropolitan areas as well as in inland areas made up of large areas of under-exploited resources and demographically weak, which represent a large

part of the southern territories. It is sufficient to remember that a share of 52% of the 13.5 million residents living in the Italian inland areas live in the South.

A perspective of re-launching the South, then, has to be seen with a renewed common vision of the Southern question and a strengthening of the autonomy of political and administrative action of the entire area.

A general, uniform policy that can assert greater competency for coordination between the Regions capable of overcoming the limits shown by the individual institutions, also on a local level. Public administration policies have as their aim the strong mix of skills, policies and instruments and aim to activate mechanisms of development thanks to an increase in state investments.

The Functional Macro-Region - The theme of strengthening the political autonomy of the South as a driving force of the nation-state, a concept developed by distinguished southerners like Guido Dorso and Gaetano Salvemini, also leads us to reflect on the opportunity to think about new, more suitable methods of territorial *governance* in order to achieve this important goal in today's world. The macro-regional hypothesis, in its various meanings and gradations, can represent an attempt to do so, with the declared aim of overturning the image of a South of the country too often seen as a periphery of waste or even worse as a mafia colony.

These reflections also find some confirmation, especially concerning the issue of the inadequacy of the administrative subdivisions of local and regional government, in various analyses conducted by careful research into the historical aspect of the territorial phenomena. One researcher Lucio Gambi has more than once developed important reflections on the inadequacy and inertia of the Italian administrative network and, particularly in reference to the regional breakdown, spoken of "allocations received as a legacy from pre-unification schemes" (Gambi, 1999), essentially based on statistical compartments created in 1863. Gambi highlights how the boundaries of local authorities in Italy reflect the economic and social situations from several centuries ago, condemning the anachronism of outdated and therefore "fossilised" functionality criteria. Gambi has always claimed that "the regions are not crystals and must move and remerge according to the mobility of history" (Gambi, 1990) since the territorial reorganization requires elasticity, periodic reviews and updates.

As Castelnovi wrote, finally "it will always be necessary to remember that the provincial and regional

boundaries should always be considered as something likely to change: a change that can be inflicted or can be managed, if regulated by special shared rules " (Castelnuovi , 2013). Not always, however, as Castelnuovi reminds us, the most relevant studies on the subject of territorial reorganization of the State (to name just two, the Quadroter project and the Agnelli Foundation project in 1992) have had happy outcomes or results. Therefore, these issues need a lot of caution and attention to the dynamics of consensus, although the reform of Title V of the 2001 Constitution considered the possibility of establishing forms of strengthened cooperation between regions.

The strength and relevance of the debate on macro-regional models for the South, as well as for the entire country, however, is confirmed by the increasing number of policy proposals in the field that also strive to outline the establishment of macro-regions or new larger regions than the current ones as real institutional and administrative entities.

The most recent examples of proposals that go in this direction include the bill presented to the Chamber of Deputies in December 2014 by the Deputies Morassut and Ranucci deputies which envisages the reduction of the regions 20 to 12 as well as the political debate sponsored by two Regional Presidents such as Nicola Zingaretti, president of the Lazio Region, and Stefano Caldoro, President of the Campania Region, who adamantly re-proposed the issue of amalgamation between regions and, in the case of Caldoro, specifically the macro-region of southern Italy.

But when we talk about macro-region of the South we can also talk about things which are very different things from each other and the possible routes on the beaten track can be very varied. Two very interesting interpretations advocate, on the one hand, a radical hypothesis of establishing a completed institutional and administrative body that brings together the territories of today's southern and island regions while on the other hand, a functionalist approach looks at the macro-region as to a permanent control room of binding strategic planning and commitment on projects and shared objectives. The functionalist approach seems to be the easier one to pursue for a number of reasons. Not least for the feasibility and the consensus needed to launch a revolutionary experiment of this magnitude. This approach adopts the model used by the European institutions that understands the macro-regional strategy to be a practical mode of action in the field of territorial co-operation, of which the Baltic macro-region as well as the newly formed Adriatic-Ionian macro-region represent the first two field trials.

The European Commission, in fact, defines the macro-regions as functional areas, as they in turn are

re-defined in terms of the common trans-territorial and transnational challenges and opportunities. "A region does not 'exist', but is socially and politically constructed: the idea of a region must be summoned up" (Healey, 2007). This model, as is evident, originates from the identification of some principle guidelines, which can be summarized as follows:

- the existence of an area made up of a number of *administrative regions* with sufficient issues in common to justify the adoption of a "macro-regional" strategy;
- the construction of the macro-regional strategy not around administrative or financial criteria but on the functionality criterion, namely the existence of common problems in several territories, to be tackled with an integrated approach in order to better coordinate programs (including existing ones) and to use the available resources (Berionni, 2012) more strategically;
- to follow, on the basis of the suggestions of the Council of Europe, the rule of the three "yeses": yes to the complementarity of funding, yes to the coordination of institutional instruments, and yes to the definition of new projects.

The functional macro-region, therefore, as a tool capable of ensuring strengthened coordination between parties already operating in the context of existing rules and available funding instruments, whose added value is in the integrated approach of the parties, policies and financial instruments, directed at specific objectives around which the actual macro-region is built (Berionni, 2012). From the point of view of *governance*, the Community model reinstates a macro-region that does not become an intermediate additional institutional level but rather an instrument of cooperation between regions, the central state and the European Union.

In order to promote a unified planning process in the government of the southern and island territory, the first step would therefore be the promotion of a self-determined cooperation among the regions themselves in the South. The models of *governance* used inside this scenario and useful for starting off a functional macro-region of the South, can be essentially attributed to two main types:

- The establishment of an Agency for the development of the South by all Southern regions with the *mission* of managing strategic projects in some specific areas, identified as *drivers* of regional economic development;

- The establishment of a permanent Forum of the Regions of the South, which makes use of a technical support structure, which has the task of drafting the proposal for a joint program of action for the development of the territories.

The Agency for the Development of the South, the solution proposed by recent studies of the SVIMEZ, can be placed, under the control of a Steering Committee formed both by representatives of the central government and by representatives of the governments of the southern and island regions, as well as in the experience of the US development agencies that were successful between the Thirties and the Sixties of the last century. The Steering Committee, a group advisory body characterized by the power of the majority to the representatives of the regions, should take control of planning and control, or be seen as a unitary centre of the overall management of strategic intervention, with the aim of a constant balancing of powers between the centre and periphery.

Also the Permanent Forum of Southern Regions, supported by the relevant technical structure, should be used as a single area of planning, management, implementation of the strategic development intervention and therefore, able to implement a functional perspective of the macro-region.

In both cases, such structures could be entrusted with the management of an equalization fund for a recovery and development plan of the major urban areas as well as the management of a fund for the revitalization of the inland areas. In this way, the functional perspective of macro-region would take the shape as a more effective and more structured ways to network common policies in the territories of the South (an operating mode which was already envisaged by the 2001 Constitution reform of Title V). In order to really be a viable horizon the functional macro-region of the South needs to define three basic aspects. The first is the vision, namely to determine a common development project focused on some key factors: networks (water, energy, infrastructure); industry, research and innovation; logistics and Mediterranean ports; inland areas; tourism and agri-food; cultural heritage; urban regeneration; soil conservation and hydro-geological upheaval; waste management. The second aspect is the *governance* and in this respect the summary of the proposals identified above could be a desirable solution: the Forum of Regions and Local Self-Government of the South as a political-strategic assembly supported by a technical-operational structure (the development Agency) of management of assistance. The third aspect is the field of action. On an experimental basis this field can be represented by Structural Funds and the European Investment 2014-2020 programmes. The management of these funds could be implemented through the integration of action of individual Operational Programmes of the regions of

the South, with the aim of optimizing and defining spending and realizing infrastructures and useful services for the overall development of the South, then transforming operational strategic cooperation for the investment of ordinary funds the same way.

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