

Interview Report

Basic information

Name of the interviewer	Caterina Salvo
Name of the expert	anonymized
Affiliation of the expert	University of Bolzano
Position/Job description	Full Professor
Gender	male
Years of experience	16
Area of expertise	Political economy and applied economics
Rural and/or urban focus	urban

Part A: Introduction and General Questions

Rural Areas

1	Would you say that population decline and economic stagnation are, in fact, producing challenges for local governments in rural areas?
	Yes.
1.1	What kinds of challenges are particularly significant?
	The main challenge entails the fact that these territories became unattractive. As for the same reasoning concerning urban areas (see below), peripheral areas should be able to attract the elder segments of the population (<50 years old). That is because this people already have maximised their skills and therefore living outside the city does not entails a downgrading.
2	In general, how effectively are local governments in rural areas coping with the challenges you have just discussed?
Rated	5
Other remarks	There is a problem of political alignment and population composition. The logic of politics is the short term. Politicians has to take care of their electorate and I am not sure that voters value the population increment. So that politicians have no incentives in promoting such policies, unless the population is made by innovators. So, we came to the point of population composition. It varies from place to place, but as an overall reflection, the point is that the municipalities which offer less opportunities, also have less innovation potentials. They are sort of trap in a situation in which not having political consent do not allow them to implement new policies and to change the situation for the better.
3	Do the higher-level government(s) that are responsible for local government matters recognize the unique challenges faced by rural local governments in Italy, and support them in responding?
3.1	If so, how? If not, why not?

Urban Areas

4	What are some of the main growth-related challenges that urban local governments in Italy face?
	The growth of cities does not necessarily entail problems, it produces also advantages. There is a vast literature claiming that the cities a still too small in terms of density: the networks inside the city, the urban infrastructures that allow to connect the different parts of the city faster, a better use of the public space, all that would contribute to an increase in productivity. Moreover, the literature state that, especially for the younger sections of the population (under 50 years old), living in the city contributes to an increment in the skills gained. The learning process slowdowns around a certain age (50), the skills gained do not downgrade, and therefore at that point in life living in the city or outside is less relevant. That means that, if cities want to continue growing, they should invest in the younger segments of the population, investing in policies and infrastructure that are of their interests (education, parental support, healthcare etc.).
4.1	To what extent are the dynamics of rural decline and urban growth related in Italy, in your view?
5	In general, how effectively are urban local governments coping with the growth-related challenges you have mentioned?
Rated	4

Other remarks	For the above-mentioned reflection, big cities have already attracted more people thanks to endogenous causes and therefore are more inclined towards innovation.
6	Do the higher-level government(s) that are responsible for local government matters recognize the unique challenges faced by large urban local governments in Italy, and support them in responding?
	Concerning mainly infrastructures, the Eu level is the one that gives support. That is because the Eu institutions and its bureaucracy are outside the politics logic mention above: the Eu can think about the long run and therefore implement policies that responds to the foundational rights of the Union itself, for instance the right of free mobility.
6.1	If so, how? If not, why not?

Part B: Questions on Specific Practices

	Specify practice		
	Investment spending of local entities		
7	In your view, what specific problem or challenge does this practice attempt to respond to?		
7.1	What are the objectives?		
	The system ensures a great flexibility which is extremely important.		
8	Have these objectives been achieved?		
Choose	Entirely	Partly	Not at all
Other remarks			
8.1	Why or why not?		
	It is always hard to have the data collected and analysed ex-post. However, having them is vital because sometimes in political economy what makes the difference are details: the mechanism can work on paper but then maybe it entails bureaucratic obstacles to be implemented.		
9	Can you think of other significant practices that have been developed in Italy to help local governments cope with distinct rural and urban challenges?		
	Other examples can be in Tuscany and Emilia-Romagna region, but also there the ex-post qualitative and quantitative data analysis is lacking.		

	Specify practice		
	The Revision of the Inter-Municipal Equalization Mechanism in Trentino		
7	In your view, what specific problem or challenge does this practice attempt to respond to?		
	A financial support for small entities which ensure them great flexibility is highly important. The literature in fact shows how the provision of services in unions or association of municipalities is worst. There is a problem of accountability since no one knows who is responsible among the various municipalities involved for the provision of a particular service. The benefits gained in term of reduced cost of services is countered by the mismatch in the administration responsibility.		
7.1	What are the objectives?		
8	Have these objectives been achieved?		
Choose	Entirely	Partly	Not at all

Other remarks	A monitoring of the ex-post effect is lacking.
8.1	Why or why not?
	Without an ex-post monitoring the equalisation mechanisms are useless. Flexibility is a great resource, but it entails also the possibility of political manipulation. We need independent bodies doing the evaluation.
9	Can you think of other significant practices that have been developed in Italy to help local governments cope with distinct rural and urban challenges?

Part C: Additional Country-Specific Questions

10	What do you wish for the future of Italian municipalities?
	<p>I hope that municipalities could benefit from independent research centres that analyse their data. Municipalities should share their data in a transparent way to ensure an ex-post policy evaluation. I wish municipalities will change and adjust their policies accordingly to the recommendation made based on the data.</p> <p>I also wish that sort of incubator would be developed to test policies at small scale: cluster of municipalities at local level should do a sort of pilot test of certain policies.</p>



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