Perspectives for achieving Territorial Cohesion in Europe

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RSA WORKSHOP
EU Cohesion Policy: Focus on the Territorial Dimension

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Main points

• Preliminary shared concerns on Territorial Cohesion
• Gap between policy discourse and political practices on TC
• Contribution from economic geographical literature and STeMA experiences
• Perspectives for achieving territorial cohesion in Europe
Some preliminary concerns on Territorial Cohesion

at the moment, EU is speaking of Cohesion Policy and funds: but where is territory in the Cohesion Policy?

In order to discover Territory in Cohesion ... take in mind it needs:

• multilevel and interdisciplinary contributions
• measure of common feeling (sustainability) towards economy, society, environment, culture = territory
• different levels, spatial planning, governance rules
• public bodies’ action and choices = capacity building to supply efficient and qualitative goods and SeGI

how to include TC within economic structural reforms of the EU regions (Stability Pact, stimulus to growth at the basis of Cohesion Policy by using of cohesion funds)?

We are experiencing the time of territorial cohesion and sustainability but we do not know how to really practice these issues!

• power to reduce negative impacts on welfare, quality of life, exclusion attitudes (unemployment, production stagnation, regional spending review, low quality of urban SeGI, efficiency in institutional capability, less R&D, health, culture, climate change, migration, etc.)
Gap between policy discourse and political practices on TC

- Adopting a spatial approach, European, national and regional policy stress the territorial cohesion value in theory as ideological flag

- Innovative TC practice is “a niche room” where sensible policy makers invest because:
  - Do not ignore geographical scientific contribution to the territorial capital exploitation
  - Do not encourage “destructive and harmful” economies based on a unique and centralized monetary and fiscal policy (Quantitative easing and Junker plan) that also use homologated clusters of disparities (good vs bad regional economies in each country)
  - Do not forget human capital, education, poverty, workforce, migration, energy risks, climate change, etc. into planning choices
  - Do not use only macroeconomic indicators in elaborating national and regional operative programs

By TC, the power of numbers is ending as well as the GDP guide!

(Fitoussi, Stiglitz, Sen and Nussbaum in 2012 and 2013)
Gap between policy and real territorial behaviour emerges from the EU vision due to a simplified use of indicators and place evidence.

Competitive Index 2013 (L. Dijkstra, 2014)

National distance from 2020 targets (6° Cohesion report, 2014)

Competitive territorialised Index in Italy (Prezioso, 2011)
What is it true?

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Total expenditure on R&D, 2011

% of regional GDP

15+ 0-4

10+ 1-4

5+ 5

no data

AF 01 - R&D expenditure = R&D = Policies for the Lisbon strategy (structure)
But is it true?
From economic geographical literature and experience we know that TC is:

- **whole of a society’s inherent values, the collective and individual feeling of a distinct region** (J. Brunhes, C. Vallaux, 1921)
- **system** (G. Jaia, 1938)
- **economic regime** (U. Toschi, 1948) identified with political territorial units
- **a real value** (M. Weber, 1945)
- content and category of development (J. Schumpeter, 1954)
- **complex of principles and institutions** (W. Sombart, 1967 and neo-schumpeterians)
- **capability of spreading settled socio-territorial models** (Prezioso, 2006)
- **an incremental value** resulting from European Cohesion policy (Mairate, 2006)
- **Discourse from the analysis of a situation, and is also liable to influence that situation** (Dühr, Colomb and Nadin, 2010; Elissalde, Santamaria, 2013)
... and that TC is linked to territorial efficiency and no to mass


• the closer relationships with GDP is discussed and the capacity building **efficiency** emerges as main issue

• polycentrism (Davoudi, 2004) appears as the better form receipting and increasing TC supported from an horizontal cooperative organisation based on the **mass** (population, resources, funds)

• each “socio-economic system” (urban, rural, urban-rural, peripheral, inner, internal) has the its own real expression and dimension of **Territorial Cohesion**

![Diagram](multisection.png)

**TC is ever located and different**
TC is a public choices question related to territorial aggregates

After the failure of Lisbon/Gothenburg strategy and facing the crisis, TC seems the panacea to make regions competitive in sustainability by endogenous solutions.

But, from 2007 declarations, we are waiting for exceeding meta-models or policy metaphors on the territorial cohesion (Territorial Agenda, 2011 and 2020) and making it in practice.

Common instrument, methodologies and procedures are required from 2011 to build Territorial Agenda in order to translate general directives and challenges in endogenous place-based choices able to generate positive growth.

*geography, territorial analysis, territorial assessment* are the new key words of Cohesion lexicon.

The *Sixth Report on economic, social and territorial cohesion* by EC-DG Urban Regio (*Promoting development and good governance in EU regions and cities: Investment for jobs and growth*, sept. 2014) confirmed this sentence.
**integrated multilevel measure needs** ... toward a new sustainable cohesive measure to include into spatial planning based on paradigm of the territorial diversity

TC is linked to both the balanced (not equal) distribution of resources into different territories, and sustainability and actions towards the conservation of territorial diversity by promoting local initiative (questionnaire ESPON CaDEC 2012 and LAP activities implemented by Urbact II).

Using

- Ex ante regional analysis including distinctive characters (potential territorial capital) with regard to TC
- A large number of indicators of Territorial Cohesion referred to all Europe 2020 pillars and flags
- A mix of indicators of performance referred to instrument (e.g. ITI tool experiences) and funds from Cohesion Policy within ROP and from for short-long term investment

TIA process is able to connect and integrate both the structure level and the performance one into a real territorial dimension

- The distance between initial and final value ($\delta$) of the sustainable TC dimension with regard to the regional investment need to obtain mixed economies of scale, where public and private sectors act as a whole

Within a medium-long term plan/programme
From STeMA experience

- the capability to achieve and to increase territorial cohesion comes from TIA and SEA methods application within planning action

Main References at different scales and for different scopes

*Italian Province of Rome* (Territorial Provincial General Plan, 2003); Territorial dimension of Lisbon/Göthenburg Strategy (all EU regions and sub-regions, in ESPON 2004-2006); *POLY.DEV project* (Italy, Slovenia, Slovakia, Greece, Bulgaria, 2007); Territorial dimension of Territorial Agenda and cohesion in Italy (MIT 2006, 2008); Territorial dimension of competitiveness in sustainability (all Italian regions and sub-regions, 2009 and 2011 by STeMA); Energy policy strategy in Italy (2012); Green economy in Italian regions (2014); Capital City of Rome metropolitan dimension (2015)

Obtaining the measure of two concepts: sensitivity (in order to measuring the TC ex ante) and capability (in order to assess the territorialised policies to adopt simulating scenarios ex post)

- In economics: sensitivity analysis studies the ratio between economic dimensions and business variables identifying the equilibrium match point
- In macro-economics: capability is the ability to the growth
- In planning: capability is the ability to hold up against pressure
- In geography: sensitivity is the ability to the development; it means to study the ratio between a territorial dimension and a policy/program/project supply identifying the equilibrium match point (capacity building) or sustainable limit

STeMA is proposed as the whole of these concepts, a support for an integrated vision of the national, regional and sub-regional dimension of the impact and effect of each policy by indicators/indices measures
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Policy/actions toolbox

- **STEP 1**: DEFINE B
- **STEP 2**: DEFINE POLICY CHOICES
- **STEP 3**: DEFINE B'
- **STEP 4**: DEFINE C
- **STEP 5**: DEFINE D
- **STEP 6**: DEFINE d'pq
- **STEP 7**: DEFINE D'q
- **STEP 8**: DEFINE xi
- **STEP 9**: DEFINE gamma
- **STEP 10**: DEFINE e'
- **STEP 11**: TERRITORIALIZATION
- **STEP 12**: COMPARE

Conceptual definition by Prof. Maria Prezioso University of Roma
Territorial Cohesion determinants

The STeMA methodology detects 28 basic indicators (covered from EUROSTAT, ESPON, OCSE, JRC, BES, etc.), which, by subsequent indexing mechanisms, achieve more and more synthetic and composite indexes capable of providing an actual measure of phenomena strictly linked to territorial cohesion, such as:

- Risk of social exclusion
- Disposal to new welfare and SeGI
- Social cohesion (resources)
- Good Governance
- Level of cohesion’s infrastructure variables
- Level of economic variables
- Level of quality of life
- Environmental quality
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#### Indicators

<table>
<thead>
<tr>
<th>Category</th>
<th>Sector</th>
<th>Typology</th>
<th>Determinant</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP per capita pps (GDP pps)</td>
<td>GDP</td>
<td>Economic variables (EV)</td>
<td></td>
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<tr>
<td>Index of Consumer Prices (HICP)</td>
<td>Prices</td>
<td></td>
<td></td>
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<tr>
<td>Consumption per capita (Cns)</td>
<td>Consumption</td>
<td></td>
<td></td>
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<tr>
<td>Level of employment (Emp)</td>
<td>Employment</td>
<td></td>
<td></td>
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<tr>
<td>Hospital beds (Hsb)</td>
<td>Health</td>
<td>Quality of Life (QL)</td>
<td></td>
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<tr>
<td>Cultural opportunities (COp)</td>
<td></td>
<td>Infrastructure variables of cohesion (IFC)</td>
<td></td>
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<tr>
<td>Floods (Fmd)</td>
<td></td>
<td></td>
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<tr>
<td>Infrastructural accessibility (PAb)</td>
<td>Accessibility</td>
<td></td>
<td></td>
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<tr>
<td>ICT and new technologies (LEP)</td>
<td>Level of telecommunication</td>
<td>Environmental quality (EQ)</td>
<td></td>
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<tr>
<td>Municipal waste generation (M/Waw)</td>
<td>Urban waste</td>
<td>Waste (WS)</td>
<td></td>
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<tr>
<td>Hazardous waste generation (H. Waw)</td>
<td>Hazardous waste</td>
<td>Waste recycling (R/M/Waw)</td>
<td></td>
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<tr>
<td>Degree of vulnerability (NEI)</td>
<td>Vulnerability</td>
<td>Natural and anthropic hazard</td>
<td></td>
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<tr>
<td>Total greenhouse gas emissions (tA)</td>
<td>State of Air</td>
<td>Natural resources status (NRS)</td>
<td></td>
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<tr>
<td>Total gross supply of drinking water (SW)</td>
<td>Water use balanced</td>
<td></td>
<td></td>
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<tr>
<td>CO2 emissions (CC)</td>
<td>Climate change</td>
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#### Level of confidence in the European Parliament (CPE)

- Level of confidence in the EU Council of Ministers (CCE)
- Level of confidence in the European Commission (CEC)

#### Government quality (CQ)

- Good Governance

#### Resources for social cohesion (SCR)

- Economic elements for the social cohesion

#### Social quality and cohesion (Val)

- Social wellness attitude (SWA)

#### Social exclusion (SER)

- Risk of social exclusion

#### Social exclusion (SER)

- Welfare (Welfare)

- Equal opportunities

- Poverty

- Risk of children exclusion

- Risk of social exclusion

- Risk of poverty before social transfers (Pre)

- At-risk-of-poverty rate (Aro)

- Female employment (fEO)

- Fertility Rate (Fr)

- Life expectancy (HLY)
Territorial cohesion’s dimension in EU 2006
In Italy 2011
Territorial cohesion in Italy
Territorial cohesion in Italy
The territorial dimension is crucial
directly relating TC to polycentrism (Prezioso, 2007) at NUTS 2 and 3
It increases or decreases side by side with other located phenomena:
• labour market (there is cohesion when wage-earning labour decreases and self-employment increases, jointly with employment/unemployment variations);
• social aspects within internal or inner areas of great polarizing agglomerations, as well as in rising processes of marginalization and social exclusion;
• explosion and diversification of mobility/accessibility home-work areas, stretching space-time models apart (proximity areas coexist with DUS metropolitan areas and global ones);
• urban and territorial regulation and regeneration, with the overlapping of territories and administrative borders

From this point of view cohesion’s territorial dimension is always represented by an action of local collective interest (bottom-up process)
### EU regional typologies for STeMA (Eduarda Marquez and Nuno Costa 2006)

<table>
<thead>
<tr>
<th>URBAN-RURAL TYPOLOGY aggregation</th>
<th>FUA_TYPO</th>
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<tbody>
<tr>
<td></td>
<td>0. No special function</td>
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<td></td>
<td>2. Regional/Local</td>
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<td></td>
<td>3. Transnational/National</td>
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<td></td>
<td>4. Mega</td>
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<tr>
<td>1,2,3</td>
<td>High urban influence with No special function</td>
</tr>
<tr>
<td></td>
<td>High urban influence with Regional/Local functions</td>
</tr>
<tr>
<td></td>
<td>High urban influence with Transnational or National functions</td>
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<tr>
<td></td>
<td>High urban influence with Mega functions</td>
</tr>
<tr>
<td>4,5,6</td>
<td>Low urban influence with No special function</td>
</tr>
<tr>
<td></td>
<td>Low urban influence with Regional/Local functions</td>
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</tr>
<tr>
<td></td>
<td>Low urban influence with no special functions</td>
</tr>
</tbody>
</table>

- **Class 1**: High urban influence, with Mega functions
- **Class 2**: High urban influence, with Transnational or National functions
- **Class 3**: High urban influence, with Regional/Local functions
- **Class 4**: High urban influence, with no special function
- **Class 5**: Low urban influence with Transnational or National functions
- **Class 6**: Low urban influence with Regional/Local functions
- **Class 7**: Low urban influence with no special functions
Polycentric territorial base at NUTs 2 and 3 (from: ESPON 3.3 project 2006)
By STeMA-TIA we are making now new application on TC at metropolitan and regional level of Italian reforms

Into the framework of national structural reforms:

• the Cohesive values assessment toward the dimension of Rome Capital Metropolitan City as polycentric model on the base of place evidence: 11 Unions of municipalities offering different SeGI, including inner and internal areas

• the regional cohesive relationships
Perspectives for achieving territorial cohesion in Europe

i) territorial diversity as the main character to manage impacts and effects for re-launching territorial competitiveness offering endogenous and sustainable solutions (Cohesion 2013 results towards Europe 2020 Strategy);

ii) European policy capability to catch these goals adopting general directives and common methodologies and procedures based on TC measure;

iii) potential of territorial dimensions to generate a positive reaction in translating general directives in endogenous-local place-based evidence applying common planning methodology

• Especially I suggest to create a new balanced and “family” territorial cohesive growth—smart, sustainable and inclusive,—, using in planning practice new conceptual terms and placed phenomena from applied research, vs to current ones

This means to find the way to implement Territorial and Urban Agenda
TA 2020 planning

Platforms
1. Satellites: GNSS & SAR & Ottici
2. Airplanes: UAV
3. Gray stations
4. Database

Control and management of quick territorial dynamics

Control and management of slow territorial dynamics del territorio e governance urbana

STeMA Territorial Agenda

STeMA GIS/TIA-SEA

Health
Climate, Sea, Water, Natural risks
Sectorial Plans

Safety
Building Transport Accessibility
Sectorial Plans

Safety

Grid & Cloud Computing

Landscape
Nature & Fauna History

Energy
Local solutions

Polycentrism, Urban/Rural Settlement

Impact distribution

Transport Accessibility

Climate, Sea, Water, Natural risks
Sectorial Plans
Finally

TC is changing the Porter’s diamond for competitiveness

- To build the Cohesion Report at different scales as a place evidence of TC and not as an image of funds distribution
- To increase the number of TC measure indicators, suggesting regions to apply them as voluntary act
- To produce a common TIA method for detecting and measuring ex ante and ex post
- To suggest a common planning framework as a cohesive instrument starting by Community-Led Local Plans and the use of ITIs. **New governance needs!**
Thank you for your attention!

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