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GRAN SASSO SCIENCE INSTITUTE
SCHOOL OF ADVANCED STUDIES
Scuola Universitaria Superiore

# The geography of peripherality: a state of place or a state of mind?

The voice of territories

A Thesis Submitted to the
Gran Sasso Science Institute
Department of Social Sciences
by

Alessandra de Renzis

In partial fulfilment of the requirements for the Degree of
Doctor of Philosophy

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# Declaration

I certify that this thesis is an original work carried out by me under the joint guidance of my supervisors, other than where I have clearly indicated that it is the work of others, as specified in the statement of conjoint work.



# Statement of conjoint work

I confirm that Chapter 1 is jointly co-authored with Alessandra Faggian (Full Professor at Gran Sasso Science Institute, Italy) and Giulia Urso (Associate Professor at the Gran Sasso Science Institute, Italy), published in Tijdschrift voor Economische en Sociale Geografie in 2022.

I also confirm that Chapter 2 is jointly co-authored with Giulia Urso (Associate Professor at the Gran Sasso Science Institute, Italy).

*Alessandra de Renzis*

27/06/2025

# *Abstract*

In a moment when social cohesion and development opportunities are more than ever put at stake and challenged, it becomes of paramount importance to understand the determinants of development and implications of citizens' reaction to a perceived increase of inequalities and socio-economic polarisation between – and within – territories to prevent a geography of inequalities from degenerating to a "geography of discontent".

Besides, reducing territorial inequalities is not only a question of political and moral duty, but also bears economic implications. Academic research and international observers, such as the OECD in its annual Regional Outlooks, report that income inequalities and slow growth may jeopardise opportunities and hinder the general stability and the long-term development of a territory within and outside its boundaries. The relationship between efficiency and equity assumes thus a central role for policies intending to reduce social unbalances and foster economic and political convergence processes of territorial cohesion.

The aim of this research is to propose a theoretical model re-interpreting the concept of peripherality through a multi-dimensional window and exploring its different components. To this end, the line of reasoning builds on the assumption that approaching the investigation on territorial development simply from a socio-economic point of view does not suffice. This is particularly relevant in the case of non-core territories where literature has shown the failure of ordinary approaches that have fallen short of expectations and with a relatively low durable impact due to the missing link with territorial needs and capabilities.

Using Italy as an empirical case, the thesis hence aims to draw a comprehensive appreciation of the many factors involved in peripherality and the way in which it forms, examining medium to long-term tendencies and the effects of sudden shocks, while adopting different territorial lenses to providing some food for thoughts on how to counterbalance peripherality and contrast peripheralisation.

In this respect, in order to shed some light on the "black box" of territorial development whereby some regions do grow above or below average in certain time

periods, the hypothesis to be tested is whether peripherality is a state, *de facto*, or rather a process of "peripheralisation" accounting for the (either real or perceived) distance from policy-making centres and the feeling of an uneven strength of democratic voice experienced by local communities about their own future.

With the intention of contributing to an advance in knowledge on the causes and effects of geographical and political remoteness, the concept of peripherality will be used to examine social fractures and territorial cleavages from an economic geography perspective. In the three parts that make up the thesis, relations among places will be addressed not simply in terms of geographical (Euclidean) distance from "centres" but also of "social" and "perceptual" one, moving from two basic assumptions:

1) peripherality is not only a state but also a process relying on two components: physical and perceived social and economic distance;
2) the capability of a peripheral territory to fulfil its potential depends on its ability to propose solutions to remedy the shortage of infrastructure, economic investment, or political representation necessary that hinders its development.

To this end, the results of each step will also be interpreted to highlight which strategies territories and communities have put in place to step up their voices along vertical (towards the top) or horizontal (among similar) trajectories to reaffirm their uniqueness, role and importance in the context of a harmonious and cohesive territorial development.

Against this backdrop, Chapter I moves from the assumption that marginal territories are not doomed to slow-burning/lock-in processes but rather, against all odds, some of them are able to step out of the spiral and embark on a development path. To prove it, the paper explores the possible determinants of the vibrancy (i.e., experiencing a stable demographic growth pattern) of Italian inner areas municipalities within the theoretical framework of adaptive capacity. Within this framework adaptability entails the capacity of a system to react to unexpected disturbances and learn from it to improve its conditions relying on its resources and assets. Despite having adopted a holistic approach and investigated a wide range of possible socio-economic dimensions free of any pre-assigned weighting and confirmed the positive effects of demographic and labour-skills related factors on

population dynamics, the outcomes of the work have also shown that a large part remains unexplained.

Chapter II addresses the role of factors and endowments to account for the real and subjective perception of peripherality building on the idea that the relationship among territories is also a consequence of the perception of being at the margin of political and economic attention, as the rewards of economic development appear to have reached some places more than others. Extending Hirschman's classic exit-voice model, the paper frames the effects of economic disturbances occurred in the past 40 years on voters' reactions. In particular the paper investigates the characteristics of territories voicing a request for 'more participation' to political choices regarding one's future, or for 'more protection' of identity values and economic self-determination vis-à-vis those who, drastically on the other side of the spectrum, exhibited their resentment by exiting the political arena and abandoning any type of participation. Interestingly, despite the common narrative describing places having experienced a long-term socio-economic decline as a potential breeding ground for protest voting against the incumbent governments, some places have not shifted to a resentful claim of their grievance in the ballot boxes calling for further investigations on what the possible determinants of those "contented" places might be.

In the final search of what are the enabling factors countering peripheralisation, Chapter III questions whether this "unexplained" might be accounted for institutional factors and for the capacity of a territory to establish a constructive relationship with decision-making centres to express its voice and needs. Therefore, against an objective spatial peripherality what may matter more is an "exclusion from networks": being on the (spatial) edge of a territory does not necessarily lead to marginalisation as far as the local actors manage to build, through territorial governance arrangements, an institutionally-thick mesh able to empower them with the right knowledge and instruments in the quest of resources to develop a solution to a collective problem of development.

*Qu'est-ce que signifie « apprivoiser » ?*
*C'est une chose trop oubliée, dit le renard.*
*Ça signifie « Créer des liens… »*

***To my Dad***

# *Acknowledgments*

When I embarked on my PhD journey six years ago, little did I know the profound experiences that lay ahead. Fulfilling my long-held dream of pursuing a PhD, time seemed to pass swiftly as I immersed myself in the world of academia. Transitioning from several years in professional practice back to the university environment was both daunting and fascinating.

First of all, I would like to express my sincere gratitude to Giulia, Alessandra and André, not only my PhD advisors but also guides and friends, they have been very important to me with their profoundly inspiring and helpful words. Same has to be said for Cristina and Eugenio who believed in me professionally, and at the same time encouraged me to continue chasing my dream.

My deepest thank goes to my Guardian angels, Sabrina and Albino, who pushed me to embark on this journey and were always there every time I thought to throw in the towel and to Professor Fabio Sforzi, who stood by me and advised me at each step of the way. They are among the best persons one can ever meet and the best virtuous example that a 'young' researcher / one may have.

I can only thank everyone who has made these past years special, old and new friends, those lost and those found. Starting from the department members to all the people I have met at GSSI and throughout the academic world. I have loved each and every dive while plunging myself into a sea of new ideas and knowledge.

Special thanks go to my husband, my parents and my siblings, as well as to all my big family and to my friends who have been there for me, each one in her/his own way: naming all of them would be impossible, I just hope they know how much I care about them.

As I bring my six-year-long PhD journey to a close, I can genuinely say that I am immensely proud of my accomplishments. This transformative journey has not only shaped me as a researcher but also as an individual, imparting the invaluable lesson that perseverance yields fruitful rewards in the long run.

# Contents

# Introduction

"Economy spontaneously organizes itself into a core-periphery geography" (Krugman, 1999). This has been for quite a long time a discursive construction that has permeated economics and political economics studies and research shaping the perceptions of peripheral territories and actors (Görmar & Lang, 2019). One of the main biases of such interpretation of geography lies in the static vision of territories whereby places follow a pre-order growth path according to their state in terms of infrastructural, economic or political endowments disregarding their capacity, especially in the case of peripheries, to influence or self-design development opportunities.

Thereof in recent times, the effectiveness of redistributive outcomes of spatial policies based on neoclassical or of economic growth and development diffusion theories (eg Myrdal 1957; Hirschman 1958; Perroux 1955) ― postulating the existence of automatic mechanisms leading to a convergence between stronger (core) and weaker (peripheral) territories ― have started to be questioned.

What is more during the COVID-19 pandemic, two of the main attributes behind the success of agglomeration economies (density and global connectedness) have become disadvantages, undesirable characteristics of a place for residents and have shown the fragility of relying on international flows of goods, services and people (Fitjar, R. D., 2020). Moreover, despite the dream of natural and harmonious global convergence, asymmetric growth and territorial inequalities have continued rising (European Commission, 2024; OECD, 2024), hindering both development as well as social and political stability, not only along the global north vs global south line but also among and in-between developed countries.

As inequalities are no longer be considered a "fact of life", their persistence has fuelled the widening of a "geography of discontent" (Los *et al.*, 2017), shaping places ― even within cities and among different neighbourhoods ― where grievance and resentment towards those held responsible for lacking opportunities and hindered future prospects have been mounting, giving a new perspective to the clash and the cleavage (Lipset and Rokkan, 1967) between core and periphery.

Yet, how are peripheralities defined? Which are their main characteristics and how do they evolve both in time and in space? How do we invert or impede reaching the demographic and economic critical threshold or spiralling down?

Positioning itself in the wake of important seminal contributions (Nilsen *et al*., 2023; Pike *et al*., 2024; Pugh & Dubois, 2021; Rodríguez-Pose *et al*., 2024; Torre, 2025) and from the perspective of the economic geography field, the present thesis intends to show the importance of approaching geography *"as 'context' and not primarily 'distance'"* and the relevance of investigating non-economic factors that may provide territories the ability to "*exploit their unique resources and competencies* as *economic development is a territorial embedded process*" (Asheim, 2006, p.177).

And thus, whether it is true that the seeds from a thriving future are planted in the 'here and now' in every place, the departing point is that periphery is neither a fate nor a straightforward concept. Moving beyond the simple understanding of periphery in terms of geographical distance (travel cost / time), the thesis embraces the challenge of demonstrating that it is first and foremost a question of aspatial characteristics (Copus, 2011) — both factors and processes — that actually matters. As such peripherality is addressed and investigated as a multi-faceted and evolving status, encompassing different geographical scales in order to understand its implications (and propose possible solutions) on economic and social performances of territories.

For this reason, those same enabling aforementioned non-economic factors, and the ways in which policies and power are implemented and defined, become explanatory variables for disentangling the complexity of peripheries and their creation (Herrschel, 2009) as a consequence of "c*omplex processes of change in the economy, demography, political decision-making, and sociocultural norms and values*" (Naumann, Fischer-Tahir, 2013, p. 9). In this way the analytical focus shifts towards the strategies put in place by local actors to cope with and oppose to peripheralisation processes (Görmar & Lang, 2019).

Italy seemed an intriguing case in which to examine the relationship between socio-economic and political features and territory for mainly two reasons. First, a delayed

industrialisation leading to a concentration in 50 years of typical phases of urban transitional dynamics and, second, an uneven socio-economic development (Bonifazi & Heins 2003), causes and effects of out-migration dynamics across the country, emptying higher and southern territories, generally framed in a general North-South divide. Nevertheless, Italy exhibits a "polycentric structure" resulting from a series of historical and morphological factors (Dematteis, 1992; Governa and Salone, 2005) adding a unique richness in the variety among similar typologies of areas (somehow at the basis of the recent attention devoted to specific parts of the territory, named Inner areas, by a National Strategy aiming at inverting depopulation trends, Barca *et* al., 2018) and shaping location specific features where economy, society and territory mix (e.g. industrial districts, Becattini, 1979) that (till the beginning of XXI century) shaped a very distinctive political geography (Third Italy, Bagnasco, 1977).

# Background

In turbulent times such the ones we are living, where sudden shocks top up slow-burning processes (Pendall *et al.*, 2010) aggravating pre-existing socioeconomic challenges and undermining social cohesion and development opportunities, understanding the key elements and the triggering factors to promote growth and development is becoming a tricky exercise, as "*the residuals in growth regressions have been growing, implying that economic development and growth analyses have been missing something from the growth equation*" (Rodríguez-Pose, 2020).

The search for causal mechanisms of growth and territorial development have historically been at the centre of academic research and political attention though a mix of critique and debate, evolution of previous understanding and new empirical experience, still shaping not only the identification of the nodes of development, but also its very foundations (Pike et al, 2017).
While much of previous literature emphasised the role of exogenous forces through the lenses of agglomeration economies and power asymmetries as an indirect measure of different degrees of development achievement (Pugh and Dubois, 2021), a growing stream of literature is rather promoting an indigenous approach based on territorial assets and resources (Rodríguez-Pose *et al.*, 2024; Torre 2023; 2025). In Torre (2018, p.714) wording "*Territorial development is based on its two main drivers: production and governance. It is from their origin and constant renewal that development processes are born, deconstructing and recreating ever-changing territories []. In this way, territorial development can stand on both legs, integrating both the increase of wealth and the improvement of the socio-economic characteristics of populations*"[1]

In this framework territory is understood as an evolutionary and not fixed concept, defined by the way in which its constituent actors relate to each other and the results of strategies that affect, influence and control people, phenomena, and relationships (Sack, 1986, p. 19) forged through interaction and struggle, and thoroughly permeated with social relations (Elden, 2010) linked through common

[1] Author's own translation

projects (Torre, 2023): a "place alive and of life", the place of the mobilisation of actors outside institutions, outside borders or traditional fields of competences (Greffe, 2002).
As thus, territory should, though, be intended as a political and social construct (Chembessi et al., 2024), more similar to a complex dynamic system, a natural framework for collective life, a resource for satisfying vital needs, a place for relationships and exchanges, and a reference point for identity. As such it relies, and is defined, by the activation of multiple relationships and networks where various forms of proximity – both geographical and organisational (Torre & Rallet, 2005) – can come into play (Leloup et al., 2005).

In this respect, the emphasis has shifted to the unique aspects of a locality and the ability to create and strengthen a comparative advantage which are at the heart of economic development and success (Barca *et al*., 2012): the investigation of hidden resources (Hirschman, 1986, Seravalli, 2006), indigenous potential (Tödtling, 2010) and asset identification (Pecqueur, 2013) whilst considering the history of a territory bearing "place-dependent" (Boschma and Martin, 2007) and also 'context-sensitive (Pike, Rodríguez-Pose and Tomaney, 2016) specificities.
As thus, the development potential of a territory is determined by the existence of specific social and economic preconditions and the way in which they are used and exploited, hence defining the nature of a territory: either being "central/core" or "marginal/peripheral" (Danson and de Souza, 2012). Along this line of though, peripheries are then denoted in terms of *alterity*, *lack of* comparison to the core/urban where innovation and power (networks and agency capacity) lie fostering accumulation of jobs, knowledge and capital, and – indeed – *distance*. As a consequence, territories and their actors end up being stigmatised through negative connotations of backwardness, underdevelopment and environments hostile to innovation becoming – etymologically – geographically, politically and socially *outer* and *marginal* (Görmar & Lang, 2019).

Fortunately, over time, the debate linking geography and development to investigate territorial economic inequalities and the spatial dynamics of development has been enriched by introducing novel elements with respect to a simple temporally static spatial, pre-given and unchangeable situation.

As the style and pace of life accelerates, barriers and distances between places continue to fall thanks to transport and telecommunications developments while political and technological evolution shape new relationships among territories and actors. Improvements in transport and communications infrastructure, and structural changes in economic production (increase of tertiary sector with respect to heavy manufacturing and primary production) have strongly reframed the importance of distance/travel time costs rendering location (relative to the 'core') irrelevant (Copus, 2011). In this respect, an appraisal of remoteness measured in kilometres, travel-time, or travel-cost from centres (of services, social and economic opportunities, and decision-making power) as a key to explain uneven development does not seem to hold its explanatory value anymore.

To address this, researchers have started focussing on the idea of a multi-dimensional, process-centred perspective, where the focus are the spatial implications of 'social relations', interaction expressed in political, social, economic or communicative processes (Kühn, 2015) leading to a sense of peripheralisation and marginalisation that many territories — even within main core cities — seem to be experiencing. It has to be noted that, although still very much debated, within this work the two terms assume a very specific and distinctive meaning embracing their reading in Kühn (2015) and Copus, Mantino and Noguera (2017). While the former stresses the role of interaction, social relations and their spatial implications, the latter embraces a wider appraisal of "*a multidimensional process, which covers aspects of inadequate integration, lower development and economic, social, political and cultural disadvantages*" (Kühn, 2015, p.369) "*for whatever reason*" (Copus, Mantino and Noguera, 2017, p.25).
Within this understanding, in terms of endowments, territories suffer more from functional rather than geographical constraints (Nilsen *et al.*, 2023), where a real or perceived distance from economic and political centres entails "*fewer opportunities for local external interaction because they are small (i.e., lack of critical mass), sparse (i.e., lack of physical proximity between actors), and/or lacking in diversity*" (Meili and Shearmur, 2019, p.2).

Accordingly, different development levels may be expressed as resulting from an a-spatial peripherality where local actors experience a communication and network distance, despite a (sometimes) physical proximity to core areas (Copus, 2001), and a network exclusion from those 'corridors of connectivity' creating "*new*

*marginalities on the basis of access to power structures, policymaking processes and agenda-setting possibilities*" (Herrschel, 2009, p.248).

Periphery thus becomes a time-evolving concept operating within socially constructed space and networks (Copus *et al*., 2017) as a function of "*a lack of socioeconomic and political connections ('connectivity') and, hence, of relational 'remoteness' that is not necessarily bounded to geographical location*" (Bock, 2016, p.5).

The schematic distinction (Table 1) made by Kühn (2015) between 'periphery' as a state and 'peripheralisation' as a process, may be found helpful to summarise the main differences between the two.

**Table 1**: Periphery and peripheralization in comparison (Kühn, 2015, p. 369)

| **Periphery** | **Peripheralization** |
|---|---|
| *Pre-given spaces—with social implications*<br>Fringes, edges, outskirts, borders<br><br>*Status: static*<br>• Distance to centres<br>• Remote location<br>• Sparse population<br><br>*Fields of application: non-urban*<br>• Rural regions<br>• Border regions<br>• Suburban fringes<br><br>*Conditions for actors: fixed*<br>• Determined by structural deficits<br>• Periphery as "destiny" | *Social relations—with spatial implications*<br>"Production" of peripheries<br><br>*Processes: dynamic*<br>• Political Economic<br>• Social<br>• Communicative<br><br>*Fields of application: open*<br>• Developing countries<br>• Urban regions and cities<br>• Rural (non-metropolitan) regions<br>• Urban neighbourhoods<br><br>*Conditions for actors: changeable*<br>• Role of periphery in a system changes<br>• Actor networks matter |

From this viewpoint, what seem to be worth focussing on is rather the process and "*dynamics through which peripheries are formed* [that have] *become more of a concern than rigid definitions of "remote location"*" (Kühn, 2015).

This thesis aims to contribute to fill this gap by assuming that peripherality is not simply a state of place but also a state of mind, and that whether given an opportunity space all territories may thrive irrespectively of their peripheral condition.

To this end each chapter refines the identification of enabling factors and furthers the analysis investigating a wide array of socio-economic and political-community relationships to demonstrate that the sense of peripherality may be closed and the process of peripheralisation – and yet marginalisation – may be stopped or reversed triggering the proper mechanisms.

## *Research rationale and design*

Against this background, this thesis challenges the widely-held perception that peripherality is a destiny, an irreversible *de facto* state, believing that not all such territories are doomed to an inevitable fate of constant decline (Nilsen *et al.*, 2023), being demographic or economic, and home of resentment and grievance due to the perception of being 'left behind' as the rewards of economic development appear to have reached some more than others (Rodríguez-Pose, 2018).

Whether it is true that peripherality is above all a question of geographical distance, the objective is to prove that what matters more is the sense of exclusion (whether real or perceived): from services, opportunities but above all from decision-making centres, preventing these territories to exploit their full potential and shape their own future.

For this reason, the research approaches peripherality from both a spatial as well as a network perspective, focussing on those factors/endowments identified by literature acting as mobile/fixed drivers or inhibitors of these two shades of peripherality: tangible and intangible assets, geographical or relational distance (see first box in Fig. 1 that follows).

Relations among places are addressed not simply in terms of geographical (Euclidean) distance but including the 'social' and 'perceptual' space (Anselin, 1999) from centres, moving from two basic hypothesis:

1) peripherality is not only a state but above all a process, relying on two components: physical and perceived social and economic distance;
2) the capacity of territory to fulfil its potential depends on its ability to propose solutions to remedy the shortage of infrastructure, economic investment, or political representation that hinders its development.

Regarding the phenomena to be addressed, the work moves from the main observable effect of peripherality, that of decline in resident population and its socio-economic and political objective and subjective consequences: population and economic decline, individual characteristics and voting preferences (see second box in Fig. 1 that follows).

As a matter of fact, after WWII, an unstoppable urbanisation phenomenon of both individuals and economy (Storper, 2016) has generally begun, mainly pushed by globalisation, migrations and agglomeration policies promoting concentration of resources and fostering economic and industrial growth in urban areas, leaving surrounding areas doomed to a chronic population decline and stagnation (Iammarino *et al.*, 2018). For many territories this has, in turn, ignited a downwards spiral of service deterioration and decrease in occupation opportunities linked to the loss of attractiveness for both people and firms due to the un-economic viability service provision, as considered not provided with a minimum amount of activities and people. The consequent concentration of state intervention favouring urban centres in the name of agglomeration economy has induced those who had remained to feel 'let down' and 'left behind' by political attention and intervention.

The idea is then to verify from a dynamic and multi-dimensional viewpoint the characteristics of those 'bucking-the-trend' territories not fitting the general understanding and connotation of peripherality, and categorise the outcomes in terms of opportunities' profile with respect to a time-frame perspective based on the idea that the process of peripheralisation may be reversed (or even newly ignited) by a series of new emerging factors and circumstances shaping spatial and temporal inequalities (Kühn, 2015).

The last box in Fig. 1 that follows proposes a classification into quadrants of the relationship between demographic/economic variations and factors/endowments affecting peripheries and possibly driving peripheralisation that could provide the basis of narrative scenarios for future policy interventions.

**Fig. 1**: Methodological framework

| | | Drivers | Inhibitors |
|---|---|---|---|
| **Endowments/ Factors** | **Fixed** | Tangible Capital<br>Location specific assets | Geographical distance |
| | **Mobile** | Intangible Capital<br>Relational assets | Relational (Institutional) distance |

| | Objective | Subjective |
|---|---|---|
| **Variables** | Population decline | Individual characteristics and perceptions |
| | Economic decline | Voting patterns |

| | | Peripheralisation antidotes | |
|---|---|---|---|
| | | **Below the mean** | **Above the mean** |
| **(Re)Location** | **Growing** | New peripheries | New centralities |
| | **Declining** | Deprived Areas | Sanctuaries |

## *Methodological approach*

As anticipated in the previous paragraph and to verify the hypotheses, the research design focusses on observing peripheries to infer how they are formed, how they evolve and how a feeling of exclusion develops.

In this framework, it can be argued that demographic and economic decline are key elements of peripherality insofar as their tendency may ignite peripheralisation or represent an effect of a process already underway. Consequently, whether growth is experienced, despite an objective physical distance from a core area or an apparent distance to socio-economic and political functional networks, there lies a scientific interest in investigating the capacity of a territory to counterbalance such aspects.

For this purpose, the different chapters of the thesis analyse and intertwin the two types of determinants (or barriers) to growth and development identified in literature:

- specific socio-economic characteristics (in terms of demography, economy and life conditions), and
- the role of institutions

against a given condition of peripherality.

One of the main bewildering issues in the methodological design of the thesis was how to (objectively) intercept the history and voice of territories.

Regarding the latter, it was decided to adopt, in the second and third paper, the Hirschman 'exit-voice-loyalty' model (Hirschman, 1970). Although theorised in a corporative field, it has often resulted very significant in generally framing responses to dissatisfaction even beyond traditional economic analysis. Already in his initial works, Hirschman argued the importance of satisfaction and, mainly, dissatisfaction as a key mechanism that explains the choice of individuals and collectivities to consider and manifest the choice to voice or exit the economic, social or political system, and wished for an extensive application of his theory in social sciences, and in particular political sciences and development economics.

Regarding the former, that of history and legacies, it became clear that in order to analyse both the research dimensions (specific characteristics and institutional)

above mentioned, each step of the work had to assume the more appropriate time-frame (to provide insights from an historical perspective of long-term evolution), geographical unit of analysis (to better frame the phenomenon under investigation), dependent variable to consider in order to capture the kaleidoscopic features of peripheries and their internal and external relationships with other territories and communities.

## *Overview of the papers*

The thesis consists of three chapters written in the form of academic papers (see table 1.1.). Each one of them contributes to answers the research questions from different points of entry, and each in turn investigates different aspects of those endowments and factors that may trigger and support a re-definition of the relationship between peripherality and opportunities for development (see table 1.2).

**Table 2**: Overview of articles

| | |
|---|---|
| Article 1 | de Renzis, A., Faggian, A. and Urso, G. (2022). Distant but vibrant places. Local determinants of adaptability to peripherality. *Tijdschrift voor economische en sociale geografie*, *113*(5), 483-501 |
| Article 2 | de Renzis, A. and Urso, G. An exit-voice exploration of the Italian left-behind and electoral geographies in the face of economic challenges |
| Article 3 | de Renzis, A. Territorial governance at test: its relations with development opportunities |

The first article questions the idea of irreversible faith of peripheral areas to remain locked into a declining spiral. To this end, this first exploratory study analyses from a longitudinal perspective the determinants that are considered essential to the adaptive capacity (Martin and Sunley, 2015) of peripheral territories to resist long-standing stresses and stressors (Urso *et al*., 2019) – such as the general tendency to depopulation –that may be foster the acquisition of the capacities needed to cope with persistent negative downturns (Manca *et al*., 2017) which might prove to be corrosive of regional or local adaptability, and support the underlying mechanisms to successful coping strategies (Boschma, 2015; Gong and Hassink 2017; Hu and Hassink, 2017).

However, as noticed in the empirical findings of paper one, the strong significance of the residuals calls for a deeper understanding of this "unexplained" and whether it might be accounted for institutional factors and for the agency capacity of a territory to establish a constructive relationship with decision-making centres to express its voice and needs (Bristow and Healy, 2014; Grillitsch and Sotarauta, 2019;

Rodríguez-Pose, 2020). Hence, as suggested by Muringani *et al*. (2024), explore whether political trust and good governance are linearly related to economic growth and social development.

To do so, to frame the subjective elements of peripherality, the second and third papers apply the Hirschman 'exit-voice-loyalty' model (Hirschman, 1970) to development processes (as also suggested by Torre, 2023) investigating how and to what extent against a given condition of peripherality and economic decline, some territories have managed to resist driving forces towards discontent, but rather have developed a self-help, active resistance to counterbalance state withdrawal, public budget cuts favouring urban centres through novel forms of community governance and service delivery (Bock, 2019).

While the second paper addresses the first two parts of the model *voice* and *exit* within an understanding of the geography of discontent framework (De Ruyter *et al*., 2021; Dijkstra *et al*., 2020; Rodríguez-Pose, 2018) rooting in a political-economic conjuncture (Pike *et al*., 2024), the third exploits *loyalty* in terms of dynamics of cooperation (Torre, 2023) within the framework of territorial governance arrangements.

**Table 3**: Summary of the findings by articles

| | ***Bucking the trend characteristics*** | ***Research questions*** | ***Findings*** |
|---|---|---|---|
| ***Article 1****: Distant but vibrant places. Local determinants of adaptability to peripherality* | Against a general context of population stagnation, a complex combination of natural and migration dynamics has enabled some peripheral areas to successfully increase their population (to be vibrant). | What are the possible factors explaining why some territories have successfully managed to cope (adaptability capacity) with a given condition of peripherality?<br><br>What determines their positive long-run adaptability against the backdrop of a generalised tendency to depopulation, modification of lifestyles and contraction of the demographic structure? | Positive role played in the "vibrancy" of territories by:<br>- 'usual suspects' (e.g. presence of children, basic literacy levels, good living conditions or female employment) retaining their explanatory value over times while others vary (as is the case for population density, tertiary school education or local occupation opportunities);<br><br>- some confirmation of previous works (morphological features and natural and cultural amenities do not act as pulling factors towards non-core areas or as triggers of local development)<br><br>- some unexpected results (eg insignificance of the level of young human capital and professional skills). |

| | ***Bucking the trend characteristics*** | ***Research questions*** | ***Findings*** |
|---|---|---|---|
| ***Article 2****: An exit-voice exploration of the Italian left-behind and electoral geographies in the face of economic challenges* | In spite of a general decline in confidence in incumbent government, seeding in the economic decline experienced by all the industrially advanced Western democracies in the late 1980s and early 1990s, some places have not shifted to protest voting. | How do the outcomes of long-term socioeconomic decline shape electoral preferences and their unexpressed intentions?<br><br>Is – and to what extent and to what end – the growing consensus towards non-traditional parties a way to express discontent or resentment associated to the feeling of having been left behind by globalisation or other systemic distresses, and the mourning of long-gone good old days? | Lack of attention (whether actual or perceived) by governments to address economic decline downturns (or compassionately compensate for it) making territories to feel 'left behind', has led to a decline in confidence in incumbent political establishment.<br><br>This feeling of distance should take into account specificities linked to individual characteristics (age, gender, job opportunities and their combinations) and conventional factors for left-behindness are crucial drivers of protest voting behaviours.<br><br>Economic deprivation plays a key role in both protest voting (voice for protection and voice for participation) and abstentionism (exit). |

| | ***Bucking the trend characteristics*** | ***Research questions*** | ***Findings*** |
|---|---|---|---|
| ***Article 3****: Territorial governance at test: its relations with development opportunities* | Although more fragile in the capacity to respond to shocks and in general to grasp and benefit from state support, some peripheral territories have learnt to rely on co-operation and 'self-help' to support their development project. | What are the main features of territorial governance a territory should retain in order to successfully grasp funding opportunities to support its development path?<br><br>And how territories challenged by an endured geographical distance from services and decision-centres, can successfully leverage on their territorial governance arrangements in the quest of resources to develop a solution for collective development? | Favoring a thick set of territorial governance arrangements appears to be crucial, specific arrangements or actors may oppose the emergence of new needs feeling threatened by the possibility of losing their predominance.<br><br>The key to overcome divergent and competing interests is the length of time in which the process of construction of an institutional legacy has taken place: the longer the actors have been working together and participating in common projects, the higher will be the probability of them having developed a mutual and consensual approach to design strategies for local development in a spirit of learning by interacting. |

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Chapter 1

# Summary of articles

## *1.1 Distant but vibrant places. Local determinants of adaptability capacity to peripherality*

**Article published** (2022) in *Tijdschrift voor Economische en Sociale Geografie*, *113*(5), 483-501

**Purpose**: Understanding the determinants of the ability of a territory to resist long-standing stresses and stressors, acquiring those capacities to cope with persistent negative downturns (Manca *et al*., 2017) and enduring long-term processes of natural, physical, human, resources depletion known in literature as slow-burning processes.

**Positioning in the literature**: One of the most intriguing questions in economic geography is why some regional economies manage to renew themselves or to lock themselves out, whereas others are locked into a declining spiral.

Despite a huge literature on the reaction to acute shocks, mostly through the analytical lenses of the notion of resilience, what seems to be hitherto under-investigated are the responsive behaviours of territories to other types of disturbances – namely prolonged, chronic ones which might prove to be corrosive of regional or local adaptability – and the underlying mechanisms and successful coping strategies to them (Boschma, 2015; Gong and Hassink, 2017; Hu and Hassink, 2017). This is especially the case for most peripheral areas, challenged by demographic slow-burning processes, where a given condition of peripherality might hinder their adaptability capacity (Pezzi and Urso, 2017).

Adaptability denotes an ongoing and transforming feature of a community, country or region that influences its propensity or ability to adapt (IPCC, 2001) in line with its resources and assets (Adger and Vincent, 2005), available at a certain time – both as a consequence of a past dependent evolution and of renewing influxes, in a specific set of social, contextual relations that may affect the vulnerability of a community (Bassett and Fogelman, 2013). It is also interpreted as a proactive capacity to adjust to a disturbance or a moderate potential damage, thereby taking advantage of opportunities and coping with the consequences of a transformation (Gallopín, 2006). In short, it can be meant as the "*capacity of a system to maintain core performances despite shocks by adapting its structure, functions and organization*" (Martin and Sunley, 2015, p. 4).

The choice of investigating the case of Italy proves to be an interesting research venue due to some peculiar features: a delayed industrialisation leading to a concentration in 50 years of typical phases of urban transitional dynamics, a heterogeneous, uneven economic and social development across the country (Bonifazi and Heins, 2003), depopulation phenomena occurred after WWII due to out-migration from the rural areas of the Apennines and the Mezzogiorno regions along both a vertical (South/North) and a horizontal axis (East/West) (Bonifazi *et al*., 2020) in search of more economically viable means of livelihood (Biagi *at al.*, 2011).

**Methodology**: A two-step approach to guide the empirical analysis by means of data provided by the Italian National Institute collected across five censuses (hold in 1971, 1981, 1991, 2001 and 2011):

1. Classification of Italian Municipalities according to their demographic behaviour over the period 1971-2011, thus identifying three categories that we named "Vibrant" (always growing), "Slow-burning" (always declining) and "Switching" (non-linear behaviour).
   Exploiting the territorial classification proposed by the National Strategy for Inner Areas to account for an "objective" reference of peripherality.
2. In line with previous works (Faggian *et al*., 2018) we ran two set of analysis using multinomial logit model (MNL) using population variation as the

dependent variable, assuming it to be a proxy for the adaptability capacity of a territory

- an initial exploratory analysis of demographic variation of all Municipalities over the entire period of observation (1971–2011) exploiting the National Strategy for Inner Areas classification to account for the different degrees of peripherality;
- a short-term analysis limited to peripheral areas, observing for the entire period (1971-2011) and for two sub-periods (1971-1991 and 1991-2011) also to include additional variables.

The variables used in the paper have been classified into four main "domains" to account for the extent to which "*the development trajectories of (semi)peripheral regional economies must be apprehended from a historical perspective and considering (...) sociocultural and socioeconomic assets and weaknesses taking into account (...) the collaboration between different development agencies organized in interspatial partnerships*" (Moulaert 1996, p.163):

- *Demography*: population density; share of children and elders on total population; young and old age dependency ratios; share of foreign residents (Cheshire and Magrini, 2006; da Silva *et al.*, 2017; Pirotte and Madre, 2011).
- *Human Capital*: share of illiterates, share of adult population and young people holding a secondary or tertiary degree; gender gap in secondary education; share of NEETs; professional competences (Duranton and Turner, 2012; Faggian *et al.*, 2017; Huang *et al.*, 2002; Lutz and Qiang, 2002; Martin *et al.*, 2016; Partridge *et al*., 2007).
- *Economy*: female employment and unemployment rates; percentage of total employment in industry, agriculture and/or commercial sector; generational turnover and business density (Beeson *et al.*, 2001; Jacobs-Crisioni and Koomen, 2017);
- *Living conditions*: share of owner-occupied dwellings (Bijker and Haartsen, 2012); share of under-occupied dwellings; share of municipality surface occupied by human settlement; degree of social and material vulnerability to account for neighbourhood environment and household living conditions.

To control for location specific amenities and other unobserved regional features, time-invariant characteristics and NUTS2 fixed effects have been included in the model:

- *Administrative*: Regions (NUTS2 level)
- *Geo-morphological*: Altimetric level; closeness to the sea (Chi and Ventura, 2011; Knapp and Gravest, 1989)
- *Natural and economic heritage*: belonging to protected area site (e.g. national or regional parks or natural reserves); tourist destination classification; belonging to an industrial district (Gosnell and Abrams, 2009).

**Findings**: The results of the analysis confirm some intuitive and expected results in terms of the role played in the "vibrancy" of territories (e.g. presence of children, basic literacy levels, good living conditions or female employment) retaining their explanatory value over times while others vary according to time (as is the case for population density, tertiary school education or local occupation opportunities); some confirmation of previous works (morphological features and natural and cultural amenities do not act as pulling factors towards non-core areas or as triggers of local development) and some unexpected results (eg insignificance of the level of young human capital and professional skills). Further research will address unobserved factors by exploring the role of Institutions.

**Originality/value**: Contribute to filling the gap of knowledge on the responsive behaviour of territories in the face of prolonged demographic challenges connected to a given condition of peripherality by examining the extent to which a successful response to a tendency to depopulation is related to their adaptability capacity.

## *1.2 An exit-voice exploration of the Italian left-behind and electoral geographies in the face of economic challenges*

**Purpose**: Exploring the nexus, from a Hirschman's 'exit-voice' perspective, between Abstentionism (exit option) and votes for Movimento 5 Stelle and Lega (voice option) in two national legislative elections held in Italy in February 2013 and March 2018 before the COVID-19 pandemic, and long-term economic and industrial decline along three major socio-economic disturbances/challenges that have affected manufacturing occupation: the China shock in 2001, the Great Recession in 2008-2009 and slow-burning processes.

**Positioning in the literature**: According to many, the decline in confidence in incumbent governments and the crisis of representation of traditional parties to speak for collective preferences of their voters, on the one hand, and to satisfactory address problems that matter to them, on the other (Dahl, 1994), roots beyond the Great Recession and rather seeds in the economic decline experienced by the industrially advanced Western democracies in the late 1980s and early 1990s (Algan *et al*., 2017; Dijkstra *et al*., 2020; Ignazi, 2021)

The economic voting theorem and the 'responsibility hypothesis', for which voters reward at the polls those believed responsible for economic prosperity and punish those held responsible of decline (Lewis-Beck and Paldam, 2000), on its own, does not seem to be sufficiently able to capture the role played by pre-existent and structural dynamics that only a long-term view may provide (Agnew, 1996; Kriesi, 2014; Perrella, 2005)

Hirschman's 'exit-voice' framework (Hirschman, 1970) may be fruitfully applied to the 'geography of discontent' line of research (Los *et al*., 2017; Essletzbichler, 2018) to frame the individual responses when asked to express their opinion in the ballot boxes. The model offers – as already stated in Hirschman's wording himself (1978) – an interesting perspective to analyse political behaviour in an economic-mixed-to-a-political-science context.

Along the Ford and Goodwin's (2014) 'left-behind' conceptualisation mainly relying on individual features (age, education and income) and the more economically driven Watson 'let down' (2018) a growing number of scholars are arguing that the subjective feelings of being the losers from economic shocks may matter as well – or even more – than objective declining economic conditions (Antonucci *et al*., 2017; Furlong, 2019; Lenzi and Perucca, 2021; Norris and Inglehart, 2019).

The Italian case seemed particularly interesting to investigate due to the composition of its economy (small-medium firms usually specialised in traditional products) and the specific features of its organisation (often gathering in industrial districts) heavily affected by the changes occurred to global economy, as demonstrated by the worsening of commercial liabilities from Italy to China (Solinas, 2006).

**Methodology**: A two-step approach to guide the empirical analysis by means of data provided by the Italian National Institute:

1. Classification of all Local Labour Systems according to their reaction to three socio-economic disturbances/challenges that have affected manufacturing occupation over the period 1991-2013/2018 that we named 'Slow-burning' (always declining since 1991) (Pendall *et al*., 2010), 'Affected by the China shock' (started declining after 2001 - access of China to the WTO (2001) (Margalit, 2019), 'Affected by the Great Recession' (started declining after 2011) and 'Not-significant' (non-linear behaviour).
   Exploiting the territorial classification proposed by the National Strategy for Inner Areas to account for an "objective" reference of peripherality.
2. Ran a fractional probit regression model using share of valid votes as the dependent variable, assuming that M5S votes intercept the '*Voice for participation*' to political choices regarding one's future, whereas those of Lega a '*Voice for protection*' of identity values and economic self-determination, abstentionism, on the other side, represent the '*Exit*' option
   - an initial analysis for 2013 to take into account the lag experienced by the European continent in terms of Great Recession effects (ISTAT 2017, Urso *et al.*, 2019)
   - one for 2018 (the last national legislative election held in Italy before COVID-19 pandemic).

Regarding the instrumental variables, to account for both objective and subjective drivers of electoral responses, adapting the Furlong (2019) conceptualisation of left-behindness and including an historical, spatial or place-based perspective as a driving factors above and beyond compositional individual characteristics, we retain next to the 'left behind' individual features par excellence – age, education and income – (Ford & Goodwin, 2014) the 'let down' economic insecurity external drivers (Watson, 2018).

We thus employed:

- **to intercept the subjective individual characteristics framing the** so called "holy trinity of populist voters" (Dijkstra et al., 2020), age[2], income and education (Ford & Goodwin, 2014) that we framed as per capita income and an estimation of the internet capacity to intercept not only the opportunity of developing digital and technological skills fundamental in modern societies (Lenzi & Perucca, 2021) but also the accessibility to information and knowledge that may indirectly influence public perception through the legacy and digital media (Norris & Inglehart, 2019). In order to verify a long-term perspective regarding the compositional features of voters with regard to new economic and opportunities opened up by education, we controlled for the change in share of adults holding a secondary degree school diploma, as in Furlong (2019), to capture family investment in education, as a sort of redemption from poor conditions of previous generations;
- to account for **an objective measure of economic instability/uncertainty** also to explore whether, following the suggestion by Diemer *et al.* (2022) and Rodríguez-Pose *et al.* (2024), in spite of a favourable personal or contextual economic condition, a feeling of being in a development trap is perceived we included: a measure of households liveability standards (the age of building stock) as in Urso *et al*. (2023) and the share of employment in manufacturing and unemployment rate, as in Furlong (2019). Again, to instrument socio-economic contextual changes occurred on the long-term we controlled for: changes in households and family features (framed in terms of household crowding), the share of people employed in low-skilled jobs as in Furlong (2019), to which we added the share of young people outside the labour market

[2] As in for "age" – the first attribute of the holy trinity of populism – it is implicitly accounted for in the choice of employing Senate electoral results, see note 4.

and of the active female population as well as the share of permanent foreign residents to intercept possible generational, gender and ethnicity dimensions ,.

Moreover, to investigate the driving factors of discontent or resentment above and beyond compositional individual characteristics from an historical, spatial or place-based perspective, we added:

- two very long-term variables (from 1951 up to either 2013 or 2018) highlighting relative population and occupation variation compared to the national average (as in Fratesi & Rodríguez-Pose, 2016) as also suggested by Essletzbichler *et al.* (2018),
- following the robust literature on the quality of institutions and of the channels for citizens' voice expression, we used the relative mean of electoral turnout in the national legislative elections (Senate) held closer to the available Census data (from 1951 up to the year considered, 2013 or 2018),
- a measure of a path dependence economic legacy in terms of whether the LLS is included in an industrial district and its main productive specialisation.

Lastly, consistent with the literature highlighting a geographical dimensions of discontent (Rodríguez-Pose, 2018), we introduced a measure of within peripherality (% population living in inner areas over the total LLS population) to account for the degree of urbanisation and the distance from a 'cosmopolitan' city, by exploiting the classification of the National Strategy for Inner areas[3] (Barca *et al.*, 2014).

**Originality/value**: The paper intends to contribute to the recent strand of literature investigating the long-term socioeconomic-related determinants of electoral outcomes, with a specific focus on Italy, within a wider appraisal of the role of historical and geographic influences on voting and the role played by globalisation and particularly three disturbances/challenges that have affected Western economies: the China shock, the Great Recession and slow-burning processes.

[3] Launched in 2012, the Italian National Strategy for Inner Areas (NSIA) is a nation-wide support scheme aimed at tackling the diffuse phenomenon of depopulation and overcoming the North-South/urban–rural dichotomy under the assumption that the deterioration and unequitable provision of essential services is a hindering factor for local development. Inner Areas were mapped according to a peripherality indicator measured in terms of travel-time distance from the nearest service provision centre. This allowed the identification of six classes: single 'Urban Poles', or an aggregation of service provision centre municipalities 'Intermunicipal Poles', 'Outlying/Belt Areas' (up to 20 min), 'Intermediate Areas' (between 20 and 40 min), 'Peripheral Areas' (between 40 and 75 min), 'Ultra-peripheral Areas' (beyond 75 min). The last three classes are labelled as 'Inner areas'.

To embed the effects of such crises into daily life boundaries where the majority of economic, social and cultural relationships unfold (Bourdin & Torre, 2024), the paper adopts Local Labour Systems as the unit of analysis considering them as functional units (Grillitsch *et al*., 2021) that represents the place of living (Agnew, 2015) "where people go about the ordinary business of life" (Martin, 1999, p. 77).

## *1.3 Territorial governance at test: its relations with development opportunities - The example of Italian peripheral areas*

**Purpose**: Presenting evidence on how a territory responds to development challenges against an endured geographical distance by successfully activating its territorial governance ― as that set of participation, cooperation/coordination (horizontal and/or vertical) mechanisms among local actors ― in the quest of resources to develop a solution to a collective problem of development (Davoudi *et al.*, 2008; Stead, 2014; Torre & Traversac, 2011; Torre, 2019).

**Positioning in the literature**: As the territorial impacts of the health and economic crises produced by the outbreak of COVID-19 start to emerge, it comes out clear that the pandemic – topped up by the Ukraine-linked energy crisis and the international political instability that followed – have widen and re-shaped territorial disparities, bringing to the surface (new) crisis-related and longer-term effects of stalled convergence processes among and within countries, especially along the urban-rural cleavage.
Whether the heterogeneous territorial effects were immediately evident, to what extent international and domestic policy measures drawn to support people and places to deal with their backlash will prove to have been effective still remains to be seen.

From a long-term perspective, in a new era where sudden shocks and crises are being replaced by a state of "permacrisis", whose effects and impacts have proven to be more and more asymmetric on people and places, the need for evidence-based research to support policy responses becomes of paramount importance.
However, their effectiveness relies on the appropriateness of the actions foreseen in terms of usefulness and relevance, in other words, how tailor-made and place-based they are and, above all, how they are perceived by local communities.

With the intention to contribute to a rising stream of literature moving beyond the traditional growth economic model and the neo-classical approach (Pike *et al.*, 2016), the paper explores the role of socio-economic and institutional factors in

enhancing, boosting or simply supporting territorial development (hidden or exploitable resources and assets, Hirschman, 1986, Seravalli, 2006; Pecqueur, 2013, Colletis-wahl and Pecqueur, 2001) in the aftermath of the COVID-19 pandemic, in particular the role played by territorial governance relationships.

In case of marginal territories where "distance-based spatial edgeness" from central core (Herrschel, 2011) often overlaps a "communicative, participative distance to functional networks between policy-making actors" (p.88) hindering the reachability of services and opportunities, traditional approaches of agglomeration economies as for core-metropolitan cities do not apply neither do 'one-fit-all' solutions; on the contrary, whether given an opportunity space, they will show their potential and prove not to doomed to decline (de Renzis *et al*., 2022; Nilsen *et al*., 2022).

With the term territorial governance, scholars have then embraced the idea that it is possible for territories to behave and act as "collective actors" (Davoudi *et al*., 2018), in a process – not always pacific – of coordination and collaboration among actors and stakeholder different in nature (public or private), origin (production, voluntary associations or cooperatives), holding different resources (latent and potential conditions of development) and assets (activated conditions of development) (Colletis-wahl & Pecqueur, 2001) gathering together to contribute to joint projects for the development of their territory (Torre, 2023).

**Methodology**: A multi-dimensional approach to guide the empirical analysis by means of data provided by the Italian National Institute, assuming the ability to come out as winners in grant selection procedures as a proxy of the goodness and effectiveness of territorial governance arrangements employing a Multinomial logit model at municipal level to estimate the likelihood of belonging to one of the three types of participants to the measure "M5C3I1.1.1. Enhancement of community social services and infrastructures" call: 'Not participating', 'Not selected participants' and 'Successful participants'.

The variables used in the paper have been chosen within the framework of social capital (Coleman; 1988; Patulny, 2009; Putnam, 2000) to account for the richness of typologies of actors involved and the different 'directions' (either vertical or horizontal') of cooperation: moving from the more institutionalised (government) to the more interpersonal/societal (governance), as well as the prescriptive power

binding the interaction among involved actors: either soft arrangements (legally non-binding recommendations, guidelines, norms, standards and accords) or hard (legally binding) (Torfing & Sørensen, 2014)

Institutionally-wise, the three main types of public-public or public-private partnership thoroughly present in Italian peripheral areas were considered: Inter-municipal cooperation, Inner areas strategy, Local Action Group (LAG).

Furthermore, to account for territorial endowments in terms of actors and institutions (Hodgson, 2006), of bearers of specific and general interests through associations (both formal and informal) of citizens able to play as partners in a development process rather than as passive recipients of benefits and services (Mangone, 2012), we decided to distinguish variables according to the three types of social capital (bonding, bridging and linking) to represent collaborative arrangements characterized by:

- the close ties characterized by strong bonds between relatively homogenous, like-minded people in close groups (Crescenzi *et al.*, 2013) – recalling the concept of *bonding* social capital:
    - the number of *Agricultural cooperatives* registered in 2022 to account for both the role of cooperative forms among similar actors, as well as the importance – also political – of agriculture and related economy in peripheral areas (Saz-Gil et al., 2021; Vollet & Torre, 2016);
- the loose ties (Granovetter, 1973), less dense but more cross-cutting (van der Ploeg and Marsden, 2008), that allows interaction among heterogeneous groups with different backgrounds (Woodhouse, 2006), people that otherwise would not get in connection with other organisations or communities (Emery & Flora, 2006) – recalling the concept of *bridging* social capital:
    - the number of *Third Sector Institutions* registred in 2022, i.e. voluntary or community organisations that are neither for-profit nor state-run organisations that act for social and collective needs (Birch & Whittam, 2008; Mangone, 2012);
    - the number of *Third places* (Oldenburg, 1989), i.e. those informal public gathering places with respect to first places (home) and second places (work), and in particular: the number of registred in 2022: bars

(e.g. cafes, coffee shops), small retail local shops (e.g. small supermarket, small shops, bookstores), hair salons and public libraries (Jeffres *et al.*, 2009; Wretling and Balfors, 2021), to account not only of actors, but also of the role of places where interactions between different people and interests may take place and foster knowledge exchange;

- the vertical connections among different hierarchical groups and becomes particularly relevant in communities with scarce resources as this can increase their access to power and wealth (Arnott *et al.*, 2021; Magis, 2010) – recalling the concept of *linking* social capital:
    - the number of *Public-Private Partnership* contracts awarded in 2022 for the financing, building and managing of infrastructures or providing services of public interest, as although they start as market relationships, they may become sources of new relation and knowledge spillovers (Mazzola *et al.*, 2019).

To capture the responses to socio-economic challenges faced by peripheral areas and in order to avoid the "noise" of cities we decided to limit our analysis to municipalities classified as "Town and suburb" and "Rural areas" by the Degree of Urbanisation classification (Dijkstra *et al*., 2021) employing its recent extension including a dimension of remoteness (European Commission, 2021; Perpiña Castillo *et al.*, 2024).

**Findings**: In rural areas where the availability of public services, schools, health and social care is poor, employment opportunities are more difficult to grasp than in cities, competition and the fear of losing political and economic relevance prevail in a logic of "appropriation of spaces and positions" (Mangone, 2012, p.21).
What appears to be a crucial element in overcoming divergent and competing interests seems to be the length of time in which the process of construction of an institutional legacy has taken place. The longer the actors have been working together and participating in common projects, the higher the probability of them having developed a mutual and consensual approach to design strategies for local development in a spirit of learning by interacting.

**Originality/value**: This paper intends to contribute to filling the gap of what seems to be a missed opportunity to empirically prove the extent to which a collaboration among local actors creates new "*possibilities to draw on certain types of knowledge, networks and resources in the process of new path development*" (Nilsen *et al.*, 2022, p.752).

To further account for the role of remoteness and related challenges associated with a condition of objective peripherality from main core territories, as also suggested by the European Commission in the recent Communication "Long-Term Vision for the EU's Rural Areas", we employed the recent extension of the Degree of Urbanisation with the dimension of remoteness where Towns and Rural areas are classified as either "close to a city" or "remote"[4] (European Commission, 2021; Perpiña Castillo *et al.*, 2024).

[4] The criterion used relies on travel-time distances: if the majority of the population in an area or a region live more than a 45-minute drive by car from the nearest city, it is classified as remote. Other areas and regions are classified as close to a city.

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Chapter 3

# Article 1

I

de Renzis, A., Faggian, A. and Urso, G. (2022). Distant but vibrant places. Local determinants of adaptability to peripherality. *Tijdschrift voor Economische en Sociale Geografie*, *113*(5), 483-501

# *DISTANT BUT VIBRANT PLACES. LOCAL DETERMINANTS OF ADAPTABILITY TO PERIPHERALITY*

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**ABSTRACT**

**Against the discourse according to which peripheral areas are places doomed to an inevitable fate of constant demographic decline, the aim of this paper is to contribute to the understanding of the local determinants fostering adaptability to prolonged challenges connected to a condition of peripherality. Exploiting the classification produced within the Italian National Strategy for Inner Areas, we investigate the determinants of positive demographic long-term growth paths of Italian peripheral municipalities using population variation as the dependent variable in a spatially deep lagged model relying on census data from 1971 to 2011. Our longitudinal study provides evidence on the positive effects of demographic and labour-skills related factors on population dynamics, that may prove to be crucial in supporting policymakers when formulating place-sensitive strategies to enhance the adaptive capability of places in the face of long-term slow-burning pressures.**

**Key words: adaptability; Italian inner areas; peripherality; slow-burns; population decline; multinomial logistic regression model**

## INTRODUCTION

One of the major dilemmas in Economic Geography is the identification of the determinants of the success of some regions in experiencing a sustainable growth path in the face of all sorts of shocks against the cases of territories remaining locked into a declining spiral (Hu & Hassink 2020).

From an evolutionary perspective, it then becomes of paramount importance to understand the ability of a territory to resist long-standing stresses and stressors (Urso *et al.* 2019), acquiring those capacities to cope with persistent negative downturns (Manca *et al.* 2017) or enduring long-term processes of natural, physical, human resources depletion known in literature as slow-burning processes (Pendall *et al.* 2010).

Despite a huge literature on the reaction to acute shocks, mostly through the analytical lenses of the notion of resilience, what seems to be hitherto under-investigated are the responsive behaviours of territories to other types of disturbances – namely prolonged, chronic ones which might prove to be corrosive of regional or local adaptability – and the underlying mechanisms and successful coping strategies to them (Boschma 2015; Gong & Hassink 2017; Hu & Hassink 2017). This is especially the case for most peripheral areas, challenged by demographic slow-burning processes, where a given condition of peripherality might hinder their adaptability capacity (Pezzi & Urso 2017).

In many Western countries demographic transition is a long-standing phenomenon dating back to the end of the XVIII century when

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the equilibrium between birth and death rates was broken. Particularly after WWII, an unstoppable urbanisation phenomenon of both individuals and economy (Storper & Scott 2016) has begun, mainly pushed by globalisation, migrations and agglomeration policies promoting concentration of resources and fostering economic and industrial growth in urban areas. As such, these fluxes have determined an uneven distribution of population, usually favouring urban centres to the detriment of the poorer and more peripheral territories, leaving them doomed to a chronic population decline and stagnation (Iammarino *et al.* 2018). In recent years, against a general context of population stagnation, a complex combination of natural and migration dynamics has enabled some regions to successfully increase their population (Viesti 2021).

The choice of investigating the case of Italy proves to be an interesting research venue due to some peculiar features: a delayed industrialisation leading to a concentration in 50 years of typical phases of urban transitional dynamics, a heterogeneous, uneven economic and social development across the country (Bonifazi & Heins 2003), an out-migration phenomenon from mountain and rural areas along the Apennines and the Mezzogiorno regions – but also from the North-East – (INEA 1932-1938; Fornasin & Lorenzini 2019; Bonifazi *et al.* 2020) in search of more economically viable means of livelihood (Biagi *et al.* 2011), and, last but not least, the recent attention devoted to Inner areas by a National Strategy aiming at inverting depopulation trends.

Using census data collected by the Italian National Institute of Statistics (henceforth ISTAT), and exploiting the classification proposed by the Italian National Strategy for Inner Areas, our study aims to advance knowledge on the possible factors explaining why some territories have successfully managed to cope with a given condition of peripherality, by examining their positive long-run adaptability against the backdrop of a generalised tendency to depopulation (Dawley *et al.* 2010; Hu & Hassink 2020), modification of lifestyles and contraction of the demographic structure (Eurostat 2019; ISTAT 2021). To this end, our paper proposes a classification of territories according to demographic trends and presents the results of a long-term analysis at municipal level of socio-economic changes having occurred in Italy over the period 1971–2011, using population growth as a proxy for adaptability.

The paper is organised as follows. Section 1 provides a brief description of the concept of adaptability. An overall appraisal of the historical background describing the demographic trends characterising Italy in the past 70 years is presented in Section 2, together with the defining rationale underlying the identification of Inner areas as proposed by the Italian Government. Section 3 explains the methodology followed to investigate the behaviour of Inner areas in terms of demographic trends. Section 4 presents the results of the analysis and discusses them. Finally, Section 5 draws some conclusions and suggests possible future research avenues to lead a broader reflection also at policy level.

## ON THE NOTION OF ADAPTABILITY

When considering the reaction of places to any disturbance, the immediate theoretical reference is to the notion of resilience. In spite of an ever-growing recognition of being a powerful analytical tool to investigate local development paths and responses to shocks (Gong *et al.* 2020), the concept of resilience has not been free of criticism, first and foremost the lack of definitory rigour due to a multitude of meanings and nuances granted in the name of 'analogies' to other fields (Martin & Sunley 2015). According to Dawley *et al.* (2010), the concept mainly suffers from three types of issues: in terms of evolutionary perspective, geographical application and political implication. The first relates to the fact that resilience approaches are often embedded in (either single or multiple) equilibrium-based frameworks. The second to the focus on recovery from acute one-time shocks mostly from a regional and metropolitan perspective. The latter to the fact that the resilience framework is not sufficiently able to take into account other geographies or contemporary territorial readings of space and the role of modern economies of power.

A new wave of studies has therefore started to emerge proposing the concept of

(progressive) adaptation and (permanent) adaptability (Walker & Cooper 2011) within an evolutionary approach to local development growth paths. While the former addresses the issue in terms of changes within path dependent processes maintaining existing or the primary functions of a system, the latter accounts for an adaptive capability of territories in developing new pathways building upon existing assets utilised for new purposes (Pike *et al.* 2010; Boschma 2015; Bristow & Healy 2015; Gong & Hassink 2017; Hu & Hassink 2017). In the words by Pike *et al.* (2010, p. 62): 'adaptation is defined as a movement towards a pre-conceived path in the short run […]. Whereas adaptability is defined as the dynamic capacity to effect and unfold multiple evolutionary trajectories […], that enhance the overall responsiveness of the system'.

Adaptability thus denotes an ongoing and transforming feature of a community, country or region that influences its propensity or ability to adapt (IPCC 2001) in line with its resources and assets (Adger & Vincent 2005), available at a certain time – both as a consequence of a past dependent evolution and of renewing influxes, in a specific set of social, contextual relations that may affect the vulnerability of a community (Bassett & Fogelman 2013). It is also interpreted as a proactive capacity to adjust to a disturbance or a moderate potential damage, thereby taking advantage of opportunities and coping with the consequences of a transformation (Gallopín 2006). In short, it can be meant as the 'capacity of a system to maintain core performances despite shocks by adapting its structure, functions and organization' (Martin & Sunley 2015, p. 4).

Empirical applications to endogenous disturbances, hence to 'slow-burn' pressures that are both challenges and outcomes (Pendall *et al.* 2010), are rare and even more so are those focussing on the way in which territories react to and cope with long-run relative (or even absolute) continuous and incremental decline or on how they adapt and why they adapt differently (Hassink 2010; Martin & Sunley 2015; Hu & Hassink 2020).

With the aim of attempting to fill this gap, our work sheds new light on the slow-burning pressure of depopulation and on the determinants of the capacity of a place to contrast such chronic phenomenon and build its adaptive capacity.

## POPULATION DECLINE IN ITALY AND THE NATIONAL STRATEGY FOR INNER AREAS

The depopulation of Italian Inner areas started in the late 30's mainly due to the decline of agricultural economy and the loss of the essential elements of life in the mountains: male migration, livestock farming and forestry (INEA 1932-1938; Fornasin & Lorenzini 2019), furtherly exacerbated during the 50's and the 60's by the rapid economic growth and the evolution of manufacturing industries driving interregional migration from the Apennines and the Mezzogiorno regions – but also from the North-East – mainly to Lombardia, Piemonte and Lazio regions (Bonifazi *et al.* 2020).

From the 70's, the shrinking of population size due to a decreasing fertility rate and an historical uneven non compensatory internal migration pattern (ISTAT 2020) sharpened the phenomenon of depopulation of non-core areas, moving from representing over a third of total population in 1951 down to just a fifth in 2011.[1] While municipalities close to the main cities and infrastructures generally continued to relatively grow (+12 million since 1951), small and medium-sized urban centres and rural areas have declined (−1 million) (Colucci 2019; SVIMEZ 2019), thus resulting in a rarefaction and deterioration in quality and quantity of public services (ISTAT 2019).

In 2012 the Italian Government launched the National Strategy for Inner Areas, a nation-wide support scheme aimed at tackling the diffuse phenomenon of depopulation and overcoming the urban–rural dichotomy under the assumption that the deterioration and unequitable provision of essential services is a hindering factor for local development (UVAL 2014; Lucatelli 2016; Urso 2016).

Inner Areas were mapped according to a peripherality indicator measured in terms of

travel-time distance from the nearest service provision centre. This allowed the identification of six classes: single 'Urban Poles', or an aggregation of service provision centre municipalities 'Intermunicipal Poles' (henceforth 'Centres'), 'Outlying/Belt Areas' (up to 20 min), 'Intermediate Areas' (between 20 and 40 min), 'Peripheral Areas' (between 40 and 75 min), 'Ultra-peripheral Areas' (beyond 75 min). The last three classes are labelled as 'Inner areas'.[2]

## DATA AND METHODOLOGY

Analysing the factors enabling a territory to resist long-term pressures, such as the general tendency to depopulation in the case of remote areas, is a rather complex task.

Within the social sciences literature, the measurement and assessment of adaptive capacity of socio-ecological systems have followed different approaches (Whitney *et al.* 2017), more usually focussing on economic factors (GDP, employment rate, etc.) and comparatively less on demographic features, which are rather used as explanatory variables (Ifejika Speranza *et al.* 2014; Whitney *et al.* 2017; Capdevila *et al.* 2020). Our work, building on the latter stream of studies, hence concentrating on population dynamics in reaction to some kind of pressure (Belcher & Bates 1983; Chamlee-Wright 2010; Aldrich 2012; Xiao & Van Zandt 2012; Compagnucci & Morettini 2020; Fantechi *et al.* 2020), uses population growth as a proxy for the adaptive capacity of peripheral territories. Consistent with previous literature (Dubé & Polèse 2016) according to which population variation may not be suitable to evaluate reactions from sudden shocks as population inertia may hinder its explanatory power, we argue that it may instead be extremely revealing when considering prolonged disturbances to a system equilibrium.

In line with the empirical strategy adopted in previous works (Faggian *et al.* 2018), we followed a two-step approach to guide our analysis. To do so, we:

1. classified all municipalities according to their demographic trends over the entire observation period (1971–2011);
2. run two sets of models at municipal level linking the structural characteristics of peripheral areas to the likelihood of belonging to one of the categories identified in point 1, using a Multinomial Logit Model (MNL). These are:
   a an initial exploratory analysis of population variation in all municipalities over the entire period of observation (1971–2011) accounting for different degrees of peripherality exploiting the SNAI classification;
   b an analysis limited to Inner areas over the entire observation period (1971–2011) and for two sub-periods (1971–1991 and 1991–2011) to include additional variables not available for previous periods.

Building on other studies on the dynamics of population growth in Italy (ISTAT 2017; Accetturo *et al.* 2019), we started by observing long-term demographic trends of Italian municipalities using census data over the last five censuses[3] (1971, 1981, 1991, 2001 and 2011).

Instead of using population variation as a continuous variable we transformed it into a categorical variable to account for the increase/decrease of demographic trends over time. We thus identified three categories of municipalities that we named as 'Vibrant', whether they experienced a stable demographic growth pattern over the period considered, 'Slow-burning', whether they experienced a stable declining pattern and 'Switching', whether they experienced at least one diverging behaviour with respect to the previous census period.

In order to simultaneously consider the factors affecting the probability of belonging to one of the identified categories, we used a Multinomial Logit model (MNL) as follows (as in Train 2003):

$$P_{ni}(k) = \frac{e^{\beta' X_{ni}}}{\sum_j e^{\beta' X_{nj}}} \quad (1)$$

where $x_{nj}$ is a vector of observed variables relating to alternative $j$ with a set of associated coefficients $\beta'$.

As the adaptive capacity of a territory builds upon its resources and assets (Adger & Vincent 2005), following the suggestions of

Dubé and Polèse (2016), our model employs a wide range of variables selected according to literature and their inter-relation to control for specific phenomena.

The variables chosen were then classified into four main 'domains' to account for the extent to which 'the development trajectories of (semi) peripheral regional economies must be apprehended from a historical perspective and considering […] sociocultural and socioeconomic assets and weaknesses' (Moulaert 1996, p. 163).

These are[4]:

- *Demography*: population density; share of children and elders on total population; young and old age dependency ratios; share of foreign residents (Cheshire & Magrini 2006; Pirotte & Madre 2011; da Silva *et al.* 2017).
- *Human Capital*: share of illiterates, share of adult population and young people holding a secondary or tertiary degree; gender gap in secondary education; share of NEETs; professional competences (Duranton & Turner 2012; Faggian *et al.* 2017; Huang *et al.* 2002; Lutz & Qiang 2002; Martin *et al.* 2016; Partridge *et al.* 2007).
- *Economy*: female employment and unemployment rates; percentage of total employment in industry, agriculture and commercial sector; generational turnover and business density (Beeson *et al.* 2001; Jacobs-Crisioni & Koomen 2017);
- *Living conditions*: share of owner-occupied dwellings (Bijker & Haartsen 2012); share of under-occupied dwellings; share of municipality surface occupied by human settlement; degree of social and material vulnerability to account for neighbourhood environment and household living conditions.

Furthermore, time-invariant characteristics and regional fixed effects were included to account for location-specific amenities and other unobserved regional features. More precisely, we controlled for:

- *Administrative level*: Regions (NUTS2 level) to test whether regional behavioural and cultural difference play a role;
- *Geo-morphological characteristics*: in order to account for the role played by 'first nature' factors that might have determined the initial settlement choices (Chi & Ventura 2011; Knapp & Gravest 1989), we controlled for the municipal altimetric level or closeness to the sea;
- *Natural and economic heritage*: in order to account for the role played by natural amenities (Gosnell & Abrams 2009) and by the belonging to an industrial district (1991 classification),[5] we controlled whether the municipality falls within a protected area site (e.g. national or regional parks or natural reserves), it is classified as a tourist destination, or it is part of an industrial district.

Finally, embracing the definition of adaptivity as both an inherited feature as well as a dynamic process as suggested by Reghezza-Zitt *et al.* (2012), we also adopted a temporal perspective: exploring the qualities possessed by the system per se (a-chronic) and their evolution and significance over time (diachronic). Therefore, in order to account for both continuum properties as well as short-medium term dynamics influencing the adaptive capacity at a certain time, besides a full period analysis (1971–2011), we run the model over two sub-periods (1971–1991 and 1991–2011). Furthermore, exploiting the new information provided for in the last three censuses (from 1991), we introduced an additional step of analysis for the latter period (1991–2011). This also allowed us to investigate the effects of two phenomena which might have a role in explaining depopulation trends in Inner areas: intra and inter-regional migration towards core areas, with reference to the period 1971–1991, and the impact of the 1990–1991 'smorgasbord recession' (Krugman, 2018 as cited in Love & Freebairn 2022), as well as the increased importance of growing international migration (ISTAT 2011) for the period 1991–2011.

## DISCUSSION OF RESULTS

In the academic literature, the notions of 'peripheral' or 'marginal' are still controversial. They are concepts which are both time and space dependent, often defined in terms of features and characteristics that are not present or as the opposite of a main focus or, again, in terms of their relationship with a centre (Ferrão & Lopes 2004; Danson & Souza 2012).

Aiming to provide an objective reference of peripherality and a homogenous unit of analysis, as well as to control for the attraction power of urban poles and account for similar outcomes of depopulation phenomena potentially replicable to other contexts, we chose to exploit the classification proposed by SNAI.

Figure 1 below shows the distribution of the three categories ('Vibrant', 'Slow-burning' and 'Switching'), as identified above, over the national territory, with a special focus on Inner areas.

In spite of a scattered distribution of the three categories throughout the country (Figure 1), the majority of slow-burning municipalities are concentrated along the Apennines ridge (from where the origin of the term 'Inner' used in the national strategy).

More in details, the slow-burning phenomenon involves around a quarter of the overall number of municipalities (approximately 85% of those classified as Inner areas and 15% of Centres). Conversely, vibrant municipalities account overall for approximately a third of the total, out of which almost three quarters are Centres.

Regionally-wise, as expected, the majority of slow-burning territories are located in Central-Southern regions (Table 1), mainly along the Apennines, with Abruzzo, Molise and Basilicata showing the highest percentages (46.2%, 58.1% and 55.8%, respectively). The remaining regions in the Centre-South of the country are more in line with Northern ones, against a total mean of 22%. Except for Valle d'Aosta (5.4%) and Trentino-Alto Adige (7.9%) – two of the smallest regions – and Lombardia (9.9%) – one of the best performing regions in terms of economic growth (the 'Italian engine') – which show rates below 10%, the phenomenon under investigation is more or less distributed all over the national territory, discarding in some way the common pattern of the North–South dualism.

If we consider only Inner areas, among the regions showing over 40% of slow-burning municipalities out of them, we find Piemonte and Friuli-Venezia Giulia in the North, Toscana and Marche in the Centre, and Abruzzo, Molise, Basilicata, Calabria, Sicilia and Sardegna in the South and the islands. Although substantial parts of Inner areas suffering from long-run depopulation are found also in Northern and Central Italy, this slow-moving challenge has particularly put Southern ones under pressure, where out-migration – mainly due to lack of prospects – coupled with a general trend of ageing population, has sharpened the issues.

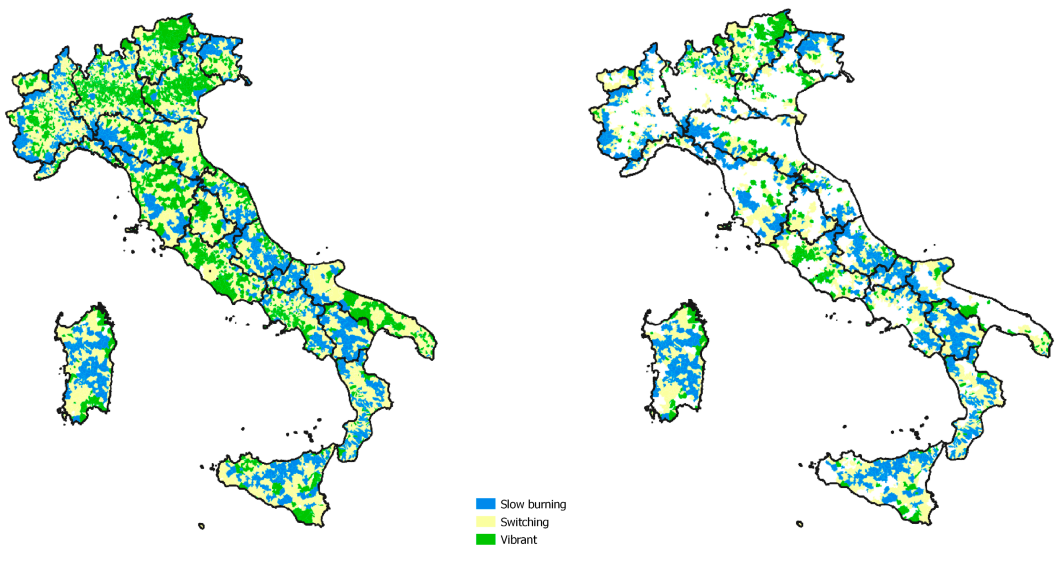


Figure 1. *Distribution of demographic trend behaviours (left: all Italian territory; right: only Inner areas). Source: Authors' own elaboration on ISTAT data.*

Table 1. *Number of municipalities and total demographic variation (1971–2011) per Region (of which Inner areas) and per switching behaviour category.*

| | Slow-burning | | | Vibrant | | | Switching | | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Region | ***N*** | % total | Δ pop. (1971–2011, %) | ***N*** | % total | Δ pop. (1971–2011, %) | ***N*** | % total | Δ pop. (1971–2011) | ***N*** | Δ pop. (1971–2011, %) |
| Piemonte | 298 | 24.75 | –26.10 | 206 | 17.11 | 47.82 | 700 | 58.14 | 58.14 | 1204 | –1.51 |
| *of which Inner Areas* | *197* | *43.01* | *–33.49* | *30* | *6.55* | *45.04* | *231* | *50.44* | *50.44* | *458* | *–7.33* |
| Valled'Aosta/Valléed'Aoste | 4 | 5.41 | –25.06 | 18 | 24.32 | 73.55 | 52 | 70.27 | 70.27 | 74 | 16.18 |
| *of which Inner Areas* | *4* | *9.09* | *–25.06* | *4* | *9.09* | *54.76* | *36* | *81.82* | *81.82* | *44* | *9.51* |
| Lombardia | 152 | 9.86 | –27.01 | 704 | 45.68 | 54.87 | 685 | 44.45 | 44.45 | 1541 | 13.48 |
| *of which Inner Areas* | *118* | *23.23* | *–25.99* | *110* | *21.65* | *40.77* | *280* | *55.12* | *55.12* | *508* | *6.78* |
| Trentino-AltoAdige/Südtirol | 26 | 7.88 | –25.90 | 140 | 42.42 | 36.21 | 164 | 49.70 | 8.25 | 330 | 22.33 |
| *of which Inner Areas* | *26* | *10.36* | *–25.90* | *88* | *35.06* | *33.60* | *137* | *54.58* | *54.58* | *251* | *19.20* |
| Veneto | 74 | 12.80 | –19.28 | 281 | 48.62 | 48.84 | 223 | 38.58 | 38.58 | 578 | 17.42 |
| *of which Inner Areas* | *45* | *23.68* | *–23.75* | *65* | *34.21* | *34.92* | *80* | *42.11* | *42.11* | *190* | *13.69* |
| Friuli-Venezia Giulia | 51 | 23.50 | –26.60 | 49 | 22.58 | 37.36 | 117 | 53.92 | 53.92 | 217 | 0.46 |
| *of which Inner Areas* | *44* | *51.16* | *–35.81* | *7* | *8.14* | *25.10* | *35* | *40.70* | *40.70* | *86* | *–10.55* |
| Liguria | 58 | 24.68 | –27.40 | 43 | 18.30 | 40.01 | 134 | 57.02 | 57.02 | 235 | –15.26 |
| *of which Inner Areas* | *38* | *36.89* | *–34.23* | *10* | *9.71* | *48.79* | *55* | *53.40* | *53.40* | *103* | *–7.58* |
| Emilia-Romagna | 62 | 17.82 | –30.50 | 121 | 34.77 | 46.38 | 165 | 47.41 | 47.41 | 348 | 12.38 |
| *of which Inner Areas* | *53* | *36.30* | *–33.12* | *26* | *17.81* | *58.85* | *67* | *45.89* | *45.89* | *146* | *5.98* |
| Toscana | 65 | 22.65 | –25.26 | 95 | 33.10 | 34.55 | 127 | 44.25 | 44.25 | 287 | 5.73 |
| *of which Inner Areas* | *55* | *43.31* | *–26.58* | *15* | *11.81* | *28.77* | *57* | *44.88* | *44.88* | *127* | *–5.53* |
| Umbria | 13 | 14.29 | –25.42 | 28 | 30.77 | 29.53 | 50 | 54.95 | 54.95 | 91 | 13.65 |
| *of which Inner Areas* | *13* | *21.43* | *–26.40* | *9* | *16.07* | *24.16* | *35* | *62.50* | *62.50* | *56* | *3.56* |
| Marche | 57 | 23.85 | –15.22 | 74 | 30.96 | 43.90 | 108 | 45.19 | 45.19 | 239 | 14.77 |
| *of which Inner Areas* | *44* | *41.51* | *–23.89* | *15* | *14.15* | *31.26* | *47* | *44.34* | *44.34* | *106* | *–4.81* |
| Lazio | 52 | 13.90 | –30.56 | 136 | 36.36 | 73.75 | 186 | 49.73 | 49.73 | 374 | 14.16 |
| *of which Inner Areas* | *52* | *17.99* | *–30.56* | *91* | *31.49* | *93.63* | *146* | *50.52* | *50.52* | *289* | *43.22* |
| Abruzzo | 141 | 46.23 | –32.98 | 53 | 17.38 | 56.07 | 111 | 36.39 | 36.39 | 305 | 12.05 |
| *of which Inner Areas* | *135* | *58.70* | *–35.15* | *18* | *7.83* | *42.64* | *77* | *33.48* | *33.48* | *230* | *–4.03* |
| Molise | 79 | 58.09 | –36.33 | 10 | 7.35 | 69.79 | 47 | 34.56 | 34.56 | 136 | –1.92 |
| *of which Inner Areas* | *75* | *68.81* | *–36.34* | *4* | *3.67* | *84.94* | *30* | *27.52* | *27.52* | *109* | *–13.32* |
| Campania | 117 | 21.51 | –23.06 | 165 | 30.33 | 63.31 | 262 | 48.16 | 48.16 | 544 | 12.80 |
| *of which Inner Areas* | *103* | *38.29* | *–28.06* | *26* | *9.67* | *53.73* | *140* | *52.04* | *52.04* | *269* | *–4.42* |
| Puglia | 36 | 14.29 | –30.62 | 70 | 27.78 | 37.29 | 146 | 57.94 | 57.94 | 252 | 12.27 |
| *of which Inner Areas* | *33* | *24.44* | *–32.66* | *22* | *16.30* | *33.01* | *80* | *59.26* | *59.26* | *135* | *8.19* |

(Continues)

Table 1. (Continued)

| Region | Slow-burning | | | Vibrant | | | Switching | | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | *N* | % total | Δ pop. (1971–2011, %) | *N* | % total | Δ pop. (1971–2011, %) | *N* | % total | Δ pop. (1971–2011) | *N* | Δ pop. (1971–2011, %) |
| Basilicata | 72 | 55.81 | –35.64 | 9 | 6.98 | 36.22 | 48 | 37.21 | 37.21 | 129 | –5.91 |
| *of which Inner Areas* | *72* | *58.06* | *–35.64* | *6* | *4.84* | *31.98* | *46* | *37.10* | *37.10* | *124* | *–13.97* |
| Calabria | 157 | 38.48 | –33.92 | 44 | 10.78 | 28.35 | 207 | 50.74 | 50.74 | 408 | –1.68 |
| *of which Inner Areas* | *145* | *45.03* | *–34.88* | *21* | *6.52* | *48.24* | *156* | *48.45* | *48.45* | *322* | *–9.47* |
| Sicilia | 124 | 32.46 | –27.62 | 79 | 20.68 | 50.06 | 179 | 46.86 | 46.86 | 382 | 6.02 |
| *of which Inner Areas* | *116* | *40.70* | *–28.53* | *35* | *12.28* | *26.24* | *134* | *47.02* | *47.02* | *285* | *–1.84* |
| Sardegna | 141 | 39.72 | –28.32 | 55 | 15.49 | 84.42 | 159 | 44.79 | 44.79 | 355 | 6.84 |
| *of which Inner Areas* | *141* | *46.84* | *–28.32* | *35* | *11.63* | *74.39* | *125* | *41.53* | *41.53* | *301* | *2.47* |
| Total | 1779 | | –26.27 | 2380 | | 50.25 | 3870 | | 0.73% | 8029 | 9.07 |
| *of which Inner Areas* | *1508* | | *–30.69* | *637* | | *0.50* | *1994* | | *47.38%* | *4139* | *3.30* |

Looking at what we defined as vibrant territories, our category of interest since we interpret them as places thriving despite a given condition of peripherality, we see that 'vibrancy' is quite heterogeneous in Northern regions – ranging from Piemonte, with only 6.6% of always growing municipalities classified as Inner areas, or Friuli-Venezia Giulia with 8.1%, to the North-East, with Trentino-Alto Adige and Veneto respectively with 35.1% and 34.2% – and in Southern ones – with the minimum rate of peripheral municipalities constantly increasing their population shown by Molise (3.7%) and Basilicata (4.8%), to the more positive performances of Puglia (16.3%) and Sicilia (12.3%). Central Italy instead displays more similar patterns in this respect, presenting itself as a homogenous macro-region due to the common presence of Apennines as a unifying factor, except for Lazio which has a percentage of always growing Inner areas (31.5%), mainly located in the belt area of Rome, closer to the ones of Norther best performing regions.

The distribution of what we have called 'vibrancy' of peripheral areas is somehow scattered and does not show a homogenous, identifiable pattern construable through the traditional lenses of urbanisation dynamics.

The geography of the phenomenon per se, also partly due to the polycentric nature of the Italian urban structure, is not particularly informative of its underlying determinants and hence calls for further investigation.

Therefore, in order to assess the role played by specific socio-economic conditions in fostering adaptability in the face of the slow-moving challenge under scrutiny, we run an initial exploratory analysis to check for the robustness of the regressors and for the presence of relevant fixed effects requiring specific attention.

The first model in Table 2 shows the results of the analysis conducted over the whole observation period (1971–2011) where we focussed on the significativity of the spatial distribution – using the SNAI classification – on the determinants of a vibrant behaviour.[6] Following one of the main assumptions of SNAI, i.e. that depopulation has affected Inner areas more or less evenly throughout the whole country, no regional effect was added insofar.

In line with expectations, all demographic components are significant and thus play a

Table 2. *Multi Nomial Logit estimations. Dependent variable: Demographic trend 1971–2011 of all Italian municipalities (base category: Slow burning) – only Vibrant areas are shown.*

| Variable | Vibrant areas (1971–2011) |
|---|---|
| *Demography* | |
| Population density | 0.000*** |
| | (0) |
| Population aged less than 6 years old | 0.385*** |
| | (0.025) |
| Population aged more 75 years old | −0.251*** |
| | (0.02) |
| Old age dependency ratio | −0.121*** |
| | (0.006) |
| Young age dependency ratio | 0.016** |
| | (0.007) |
| *Human capital* | |
| Share of illiterates | −0.148*** |
| | (0.007) |
| Share of population holding at least a secondary school degree | 0.088*** |
| | (0.005) |
| Gender gap in secondary education | −0.001** |
| | (0.001) |
| Share of young people holding a tertiary school degree | −0.022*** |
| | (0.005) |
| *Economy* | |
| Female employment rate | 0.022*** |
| | (0.003) |
| Generational turnover index | −0.002*** |
| | (0) |
| Share of occupation in agriculture | −0.023*** |
| | (0.003) |
| Share of occupation in industry | −0.001 |
| | (0.003) |
| Share of occupation in commerce | 0.026*** |
| | (0.005) |
| Business density | 0.014*** |
| | (0.001) |
| *Living conditions* | |
| Owner-occupied dwellings | 0.002 |
| | (0.002) |
| Under-occupied dwellings | 0.020*** |
| | (0.003) |
| *National strategy for inner areas classification* | |
| Poles (ref) | |
| Intermunicipal poles | 0.836*** |
| | (0.235) |
| Outlying areas | 1.736*** |
| | (0.146) |
| Intermediate areas | 0.201 |
| | (0.147) |
| Peripheral areas | −1.177*** |
| | (0.154) |
| Ultra-peripheral areas | −2.041*** |
| | (0.194) |
| Obs | 40,051 |
| Pseudo *R*-squared | 0.299 |

****p < 0.01; **p < 0.05; *p < 0.1.*

role in explain the vibrancy of peripheral territories. More specifically, the presence of children is obviously a strong predictor for it, probably as a positive outcome of female emancipation and availability of nursing public services. Conversely, the share of people aged more than 75 years old and the old age dependency ratio are negatively related to it. In these cases, also due to the abandonment of Inner areas by the younger educated population (see later) attracted by the opportunities offered by the city, the declining trend may become irreversible, as testified by the expected result on population density.

As for human capital, our results show its crucial role in explaining the good performance of Inner areas in terms of population trends. Illiteracy indeed negatively impacts vibrancy, while the share of people holding (at least) a secondary school diploma greatly contributes to it. This is consistent with the SNAI rationale according to which providing an exhaustive range of secondary schools, coupled with healthcare and transportation, could limit dropout rates. The result on the share of people aged 30–34 years old holding a tertiary education degree – significant and negative – is rather difficult to interpret. It probably points to the phenomenon of young people who are in the precarious stage of attempting to enter the job market, during which they come back from urban poles, where they studied, to their native places in Inner areas while looking for employment opportunities, however leaving as soon as they get them.

As for the territorial economic conditions driving population increase in Inner areas, vibrancy is associated with a high female employment rate, business density and with a specialisation in commerce, testament of an open job market, a thick fabric of firms and a tertiarisation of the local economy (Chi & Ventura 2011; Duranton 2016). Female employment as driving factor in producing long-term positive trends in the areas under scrutiny points to the key role of women's participation to the job market and, indirectly, to that of childcare and parenting assistance to make it possible. Conversely, the negative effect of the share of occupation in agriculture is obviously linked to the long-term slow decline of the sector (INEA 1932-1938; Fornasin & Lorenzini 2019)

following a more general global trend – further exacerbated by a lack of investment in innovation which has prevented the sector to stay competitive – making Inner areas more largely dependent on agriculture grow less in terms of population.

The negative significance of generational turnover may be associated with the weaknesses of the school-to-work transition paving the way for the high youth unemployment rate that has always characterised Italy.

The results of the two variables representing the standards of living are very much in line with what expected. The variables included in the model intend to instrument the role played by social safety net provided by family ties in the choice of settling or remaining in a non-core area – where social services are lacking – and grow up a family. To do so, we introduced in the model the share of owner-occupied dwellings to proxy the intention of a long-term material investment and under-occupied dwellings to proxy households living conditions more than suitable for a family. This latter holds significant and positive showing that, also thanks to a higher availability of buildings, households in vibrant territories seem to live in small nucleuses and in larger spaces, as well as implying a tendency of the detachment from the parents' family. The non significativity of the owner-occupied dwellings may be explained by the Italian high home ownership rate (always above 70%, with peaks of more than 80% in Southern regions) compared with the tenure status of other European countries (e.g. Germany and France are both largely below, around 50% and 60%).

In geographical terms, our results show that the probability of experiencing a long-run positive demographic trend is higher in polycentric core areas and in the urban belts (i.e. 'Intermunicipal poles' and 'Outlying areas', with 'Urban poles' as base category, not shown in the table).

The expected negative outcomes of peripheral areas show a high significance which, as for the purpose of this research, is worth investigating further in the attempt to shed light on the specific determinants of the demographic behaviour of Inner areas and ultimately of the adaptive capacity of places to peripherality.

To this end, we run a second set of analysis (Table 3) limited to Inner areas where we controlled for specific literature-driven determinants of population dynamics. We also subdivided the period into two further temporal windows (1971–1991 and 1991–2011) for two main reasons, one analytical and one practical. This, in fact, allows us, on the one side, (i) to account for specific contingencies – intra and inter-regional migration towards urban centres, for the first sub-period, and globalisation and the growing international migration for the second one, as explained in Section 3 – and, on the other side, (ii) to exploit additional variables provided by ISTAT only after the 1991 census.

The results of the analysis confirm the role played by some factors on the vibrancy of peripheral territories. These are geographical location, demographic composition, as well as living conditions.

A further interesting insight may be derived from the adoption of a temporal lens in analysing the results. The figures of the share of young people holding a tertiary school degree are very informative in this sense, becoming salient in explaining respectively non-vibrancy in model 2 and vibrancy in the overall model after 1991.

As quite unanimously recognised within the literature, human capital is a precondition for development, as shown by the robustness of the results on basic education: illiteracy is incontestably detrimental to vibrancy while obtaining at least a first fundamental education (i.e. holding a secondary school diploma) is a strong supportive factor of a constantly positive population variation.

Whether the results on the demographic features are much in line with what we found in the first model in terms of significance and possible interpretations, reading together these latter with the dwelling-related (owner- and under-occupation) ones pertaining to the living conditions allows us to shed some additional light on resident population's features which are relevant when explaining vibrancy in peripheral areas. Both variables are highly significant throughout the four models, but while the latter variable shows a positive correlation with the vibrancy of a territory, the former has a negative sign. We guess that the reasons behind choosing to remain in these areas (or to migrate towards them) are not only ties-related,

Table 3. *Multi Nomial Logit estimations. Dependent variable: Demographic trend 1971–2011 of all Italian municipalities (base category: Slow burning) – only Vibrant areas are shown.*

| | Vibrant areas | | | |
|---|---|---|---|---|
| | (1) | (2) | (3) | (4) |
| | 1971–2011 | 1971–1991 | 1991–2011 | 1991–2011 |
| *Demography* | | | | |
| Population density | −0.000 | −0.000* | −0.000 | −0.004*** |
| | (0.000) | (0.000) | (0.000) | (0.000) |
| Population aged less than 6years old | 0.354*** | 0.429*** | 0.204*** | 0.234*** |
| | (0.036) | (0.043) | (0.061) | (0.063) |
| Population aged more 75years old | −0.294*** | −0.074* | −0.250*** | −0.132*** |
| | (0.030) | (0.043) | (0.041) | (0.045) |
| Old age dependency ratio | −0.132*** | −0.130*** | −0.200*** | −0.244*** |
| | (0.010) | (0.013) | (0.014) | (0.016) |
| Young age dependency ratio | 0.045*** | 0.060*** | 0.153*** | 0.183*** |
| | (0.009) | (0.011) | (0.019) | (0.020) |
| Share of foreign residents | | | | 0.005** |
| | | | | (0.002) |
| *Human capital* | | | | |
| Share of illiterates | −0.138*** | −0.112*** | −0.259*** | −0.098*** |
| | (0.013) | (0.015) | (0.035) | (0.038) |
| Share of population holding at least a secondary school degree | 0.091*** | 0.091*** | 0.087*** | 0.020* |
| | (0.007) | (0.013) | (0.009) | (0.012) |
| Gender gap in secondary education | −0.001 | −0.000 | −0.003 | −0.001 |
| | (0.001) | (0.001) | (0.003) | (0.003) |
| Share of young people holding a tertiary school degree | −0.009 | −0.035** | 0.011 | 0.017* |
| | (0.008) | (0.014) | (0.010) | (0.010) |
| Share of NEETs | | | | −0.005 |
| | | | | (0.006) |
| Share of high-skilled workers | | | | 0.003 |
| | | | | (0.012) |
| Share of craftsmen, skilled workers and farmers | | | | −0.053*** |
| | | | | (0.015) |
| Share of low-skilled workers | | | | −0.063*** |
| | | | | (0.016) |

(Continues)

Table 3. (Continued)

| | Vibrant areas | | | |
|---|---|---|---|---|
| | (1) | (2) | (3) | (4) |
| | 1971–2011 | 1971–1991 | 1991–2011 | 1991–2011 |
| *Economy* | | | | |
| Female employment rate | 0.022*** | 0.019*** | 0.033*** | 0.032*** |
| | (0.004) | (0.005) | (0.009) | (0.009) |
| Generational turnover index | −0.004*** | −0.004*** | −0.005*** | −0.002** |
| | (0.001) | (0.001) | (0.001) | (0.001) |
| Share of occupation in agriculture | −0.028*** | −0.021*** | −0.048*** | −0.015 |
| | (0.004) | (0.005) | (0.008) | (0.011) |
| Share of occupation in industry | −0.003 | 0.007 | −0.009 | 0.005 |
| | (0.004) | (0.005) | (0.007) | (0.010) |
| Share of occupation in commerce | 0.030*** | 0.030*** | 0.046*** | 0.041*** |
| | (0.007) | (0.008) | (0.010) | (0.011) |
| Business density | 0.009*** | 0.008*** | 0.005** | 0.001 |
| | (0.001) | (0.002) | (0.002) | (0.002) |
| Unemployment rate | | | | −0.054*** |
| | | | | (0.010) |
| *Living conditions* | | | | |
| Owner-occupied dwellings | −0.019*** | −0.024*** | −0.033*** | −0.023*** |
| | (0.004) | (0.004) | (0.007) | (0.007) |
| Under-occupied dwellings | 0.065*** | 0.076*** | 0.068*** | 0.048*** |
| | (0.005) | (0.007) | (0.007) | (0.007) |
| Share of municipality surface occupied by human settlement | | | | 0.209*** |
| | | | | (0.017) |
| Social and material vulnerability index | | | | −0.186*** |
| | | | | (0.035) |
| *Altimetric area* | | | | |
| Plain (ref) | | | | |
| Coastal hill | 0.740*** | 0.890*** | 0.548*** | 0.364* |
| | (0.137) | (0.171) | (0.190) | (0.196) |
| Coastal mountain | 0.639** | 0.722** | 0.454 | 0.037 |
| | (0.259) | (0.324) | (0.355) | (0.370) |

(Continues)

Table 3. (Continued)

| | Vibrant areas | | | |
|---|---|---|---|---|
| | (1) | (2) | (3) | (4) |
| | 1971–2011 | 1971–1991 | 1991–2011 | 1991–2011 |
| Inner hill | 0.222* | 0.232 | 0.201 | 0.245 |
| | (0.113) | (0.143) | (0.154) | (0.159) |
| Inner mountain | −1.405*** | −1.530*** | −1.252*** | −1.102*** |
| | (0.123) | (0.156) | (0.168) | (0.174) |
| Coastal area (dummy) | −0.393*** | −0.416*** | −0.390*** | −0.418*** |
| | (0.109) | (0.136) | (0.150) | (0.152) |
| Tourist destination (dummy) | −0.764*** | −0.823*** | −0.713*** | −0.741*** |
| | (0.087) | (0.108) | (0.121) | (0.124) |
| Industrial district (SLL 2011) (dummy) | −0.165* | −0.107 | −0.257** | −0.277** |
| | (0.086) | (0.107) | (0.121) | (0.124) |
| Natural amenities (dummy) | −0.159** | −0.178** | −0.186** | −0.064 |
| | (0.066) | (0.083) | (0.092) | (0.093) |
| _const | 2.806*** | 0.791 | 3.376*** | 23.720*** |
| | (0.514) | (0.683) | (0.976) | (3.587) |
| Regional fixed effect | Yes | Yes | Yes | Yes |
| Obs. | 20,609 | 12,338 | 12,401 | 12,401 |
| Pseudo *R*-squared | 0.287 | 0.251 | 0.349 | 0.363 |

*Note:* Standard errors are in parenthesis.
****p < 0.01; **p < 0.05; *p < 0.1.*

but provision of services and job, and more generally future prospects, certainly play a role.

The result on social and material vulnerability is very insightful also from a policy perspective: the higher it is, the lowest the vibrancy of places, meaning that welfare and quality of life are a pre-condition for a peripheral territory to demographically prosper.

Economic features are consistent with previous literature regarding local development determinants (see Section 3) demonstrating how demographic and economic geography, although not always necessarily overlapping, are nevertheless intertwined, mutually shaping each other. Interestingly, the strong and positive significance holding constant over time of female employment is very noteworthy – especially in light of the significant results regarding the presence of children. This underlines once again how women' participation to the labour market, and hence the availability of parenting support services or more generally specific welfare measures to facilitate the reconciliation between working and private life, is a key enabling factor for positive demographic development and it should be, by implication, one of the cornerstones of any 'vibrancy-aiming policy'.

While business density has some explanatory power in the first sub-periods considered – when a job close to home and an acceptable travel to work time (concepts somehow related to that of districts, see later) were important factors when deciding to settle or remain in a territory – in recent times improvements in physical and immaterial connections to working places may be behind the reduction up to insignificant values in models 3 and 4. Also, as explained later, this seems to confirm the weakening of districts due to a progressively increase of the globalisation of the economy.

As for the local economic structure, consistently to what we found in the previous model, the availability of differentiated business opportunities offered by the third sector holds a constant positive role. These results seem to suggest that vibrant Inner areas are essentially those that have managed to hook the tertiarisation of the economy, diversifying business and occupation offers, resulting attractive for old and new residents. These results pair with – and somehow confirm – the one related to occupation in agriculture (strongly negatively correlated with vibrancy) confirming once more the historic tendency started in the 30s. In this sense, the negative and high significant values of occupation in the primary sector – particularly evident in models 1 to 3, and in model 4, although lower in significance but still negative – coupled with the highly significant and negative value of medium- and low-skilled workers (including farmers) – demonstrate that territories that have remained mostly based on a rural economy have not grown.

Finally, the persistence of the high significance and negative correlation of inter-generational substitutability represented by the generational turnover index seems to imply that younger generations rarely step in into family businesses.

The geographical control variables introduced in the model show some interesting findings that call for a specific detailed description. All variables display high level of significance without influencing the results of other variables hence representing an additional level of information useful for investigating the phenomenon.

In terms of orographic characteristics, the more the altitude the less the vibrancy of places. Inner mountain municipalities hold significant and negative throughout all the periods considered, implying that remoteness still plays a crucial role in explaining demographic patterns and it is more likely associated with slow-burning phenomena. The positive significativity of coastal mountains should not be misleading in this sense: when geographically juxtaposed to inner mountains, it can be shown that they represent a more favourable settling environment. As a matter of fact, these territories, small in numbers, are mainly located in Calabria and Sicilia close to harsh mountain chains.

Tourism, natural amenities (proxied by the presence of national natural reserves) or closeness to the sea are confirmed as important leverages for the local economy in line with literature (Che 2006), but they do not seem to be enough to prevent or stop slow-moving pressures or, put it in another way, to foster adaptability. The persistent high significant and negative sign of these assets across all models confirm the findings of previous studies (Biagi *et al.* 2011) casting doubt on their role as features able to drive the choice to remain in an Inner area.

The negative results of industrial districts, paired with the previous finding on business

density, are consistent with the decline experienced by these territorially embedded economic aggregations hit by globalisation after 1991 and their progressive loss of relevance in driving vibrancy behaviour as it was the case in previous times of the Italian economy, especially in some parts of the country (the so-called Third Italy).

Finally, the results obtained in terms of regional fixed effects by significance along the four models show a geographically random and undistributed pattern.

The absence of any spatially identifiable cluster holding over time highlights that there are no regional or macro-area features which strongly influence population decline. Rather, the phenomenon can be found in any location where specific factors, such as low presence of young generations, low change in class structure and high social inequalities, are at play. This thus proves that depopulation is not a North vs. South issue, as is commonly the case for other challenges in Italy, but a nation-wide priority.

## CONCLUSIONS

With the aim of contributing to fill the gap of evidence-based knowledge on the factors enabling places to thrive despite their peripherality, which are more often rather characterised by slow-burning challenges connected to their marginal condition, our paper, exploring the Italian case, shows that, despite a general association of peripheral areas as being home of stagnation in population growth or even irreversible depopulation (Copus *et al.* 2006), not all non-core areas are declining (Bryden & Munro 2000; Rizzo 2016), against a backdrop of a national demographic dynamics characterised by zero growth (Eurostat 2019; ISTAT 2021).

Building on existing literature, we used two driving definitions to frame our study. First, the one of adaptability/adaptive capacity proposed by Martin and Sunley (2015, p. 4) as the 'capacity of a system to maintain core performances despite shocks by adapting its structure, functions and organization'. Second, the one of peripheral area as a territory distant from a main service provision centre, following the interpretation and operational classification provided by the Italian National Strategy for Inner Areas.

To empirically infer the determinants of the adaptability of territories to a given condition of peripherality, we assumed population variation as our dependent variable since we deem it to be a salient key in intercepting adaptive capacity in the face of prolonged challenges.

By means of data provided by the Italian National Institute of Statistics collected across five censuses (1971, 1981, 1991, 2001 and 2011), we run a two-step regression analysis assuming a direct association between a constant positive demographic variation having occurred from 1971 to 2011 and a multi-dimensional set of specific socio-economic factors and territorial fixed conditions. This allowed us to explore a wide spectrum of possible determinants of adaptability to peripherality.

Very interestingly, we found that the main factors affecting the vibrancy of peripheral places which hold their explanatory power over time are the following: a differentiated and rich economic environment able to capture the opportunities offered by the tertiarisation of the economy, high level of female employment, and a low exposure to the risk of social and material vulnerability, making them crucial factors to be considered when aiming to retain population in peripheral areas from a policy perspective.

Other factors, in particular for what concerns Inner areas, vary depending on the considered time period, as is the case for population density, tertiary school education or local occupation opportunities.

What is worth noticing is that even though high level of human capital does not seem to play a significant role in explaining the vibrancy of a territory, probably due to the fact that these areas have severely suffered from out-migration of the younger and more educated segment of the population, what appears undeniable is that the complete lack of it is detrimental to the adaptive capacity of marginal areas.

Finally, as also observed elsewhere (Biagi *et al.* 2011), we found that morphological features and natural and cultural amenities do not seem to act as pulling factors towards non-core areas despite their potential for economic exploitation.

These interesting insights call for further investigations on what the possible determinants of adaptability to peripherality might be. The triggering mechanisms leading to a sustainable growth path in the face of all sorts of chronic

shocks and in a larger context of population stagnation, that is the driving force(s) allowing a peripheral place not to remain locked into a declining spiral, are still to be thoroughly understood. The theoretical conceptualisation and the empirical evidence produced in this study may be a first step forward towards this ambitious goal.

The findings of this first exploratory study as well as future research avenues which might stem from it in the same or in close directions can offer policy guidance to government agencies and all-level decision makers to formulate place-sensitive strategies to design effective demographic stability policies and to respond or adapt to long-term disturbances, hence tackling the longstanding issues of lagging-behind areas, spatial disparities and the urban–rural dichotomy.

The recent outbreak of the COVID-19 pandemic – and the related severe enduring pressures that are challenging already vulnerable territories such as peripheral ones – has made the production of evidence-based knowledge on the adaptive capacity of territories in the face of more or less long-run social, political or environmental stresses an absolute policy imperative for the upcoming years.

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### Endnotes

1 A detailed description of Italian migration patterns is provided in Annex 1(see Supplemental Material Data S1).
2 A brief description of the Italian National Strategy for Inner areas is provided in Annex 2 (see Supplemental Material Data S1).
3 Agriculture censuses were held instead in 1970, 1982, 1990, 2000 and 2010.
4 A detailed description of all variables and their sources is provided in Annex 3 (see Supplemental Material Data S1).
5 For a more detailed definition see ISTAT (1997, 2005).
6 The complete set of regressions, showing results for both vibrant and switching municipalities, are provided in Annex 4 (see Supplemental Material Data S1).

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## SUPPORTING INFORMATION

Additional supporting information may be found in the online version of this article at the publisher's web site:

Data S1

# Annex: Further robustness checks

## Pairwise correlations

| Variables | -1 | -2 | -3 | -4 | -5 | -6 | -7 | -8 | -9 | -10 | -11 | -12 | -13 | -14 | -15 | -16 | -17 | -18 | -19 | -20 | -21 | -22 | -23 | -24 | -25 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (1) Population density | 1 | | | | | | | | | | | | | | | | | | | | | | | | |
| (2) Population aged less than 6 years old | 0.153* | 1 | | | | | | | | | | | | | | | | | | | | | | | |
| (3) Population aged more 75 years old | -0.210* | -0.735* | 1 | | | | | | | | | | | | | | | | | | | | | | |
| (4) Old age dependency ratio | -0.233* | -0.680* | 0.928* | 1 | | | | | | | | | | | | | | | | | | | | | |
| (5) Young age dependency ratio | 0.100* | 0.921* | -0.694* | -0.596* | 1 | | | | | | | | | | | | | | | | | | | | |
| (6) Share of foreign residents | 0.028* | 0.070* | 0.147* | 0.086* | -0.066* | 1 | | | | | | | | | | | | | | | | | | | |
| (7) Share of illiterates | -0.064* | 0.418* | -0.239* | -0.167* | 0.532* | -0.294* | 1 | | | | | | | | | | | | | | | | | | |
| (8) Share of population holding at least a secondary school degree | 0.129* | -0.456* | 0.461* | 0.276* | -0.570* | 0.548* | -0.381* | 1 | | | | | | | | | | | | | | | | | |
| (9) Gender gap in secondary education | 0.010* | 0.239* | -0.179* | -0.092* | 0.262* | -0.100* | 0.108* | -0.340* | 1 | | | | | | | | | | | | | | | | |
| (10) Share of young people holding a tertiary school degree | 0.109* | -0.330* | 0.420* | 0.283* | -0.388* | 0.421* | -0.200* | 0.793* | -0.221* | 1 | | | | | | | | | | | | | | | |
| (11) Share of NEETs | 0.039* | 0.204* | -0.130* | -0.095* | 0.383* | -0.325* | 0.602* | -0.352* | -0.007* | -0.194* | 1 | | | | | | | | | | | | | | |
| (12) Share of high-skilled workers | 0.239* | -0.014* | 0.001 | 0.009* | -0.111* | 0.196* | -0.230* | 0.719* | -0.018* | 0.493* | -0.230* | 1 | | | | | | | | | | | | | |
| (13) Share of craftsmen, skilled workers and farmers | -0.163* | -0.014* | -0.124* | -0.091* | 0.047* | -0.303* | 0.016* | -0.737* | 0.080* | -0.582* | 0.034* | -0.715* | 1 | | | | | | | | | | | | |
| (14) Share of low-skilled workers | -0.106* | 0.060* | 0.169* | 0.142* | 0.120* | 0.159* | 0.406* | 0.109* | -0.094* | 0.140* | 0.210* | -0.010* | -0.490* | 1 | | | | | | | | | | | |
| (15) Unemployment rate | 0.077* | 0.326* | -0.182* | -0.157* | 0.412* | -0.326* | 0.670* | -0.236* | -0.032* | -0.107* | 0.752* | -0.179* | -0.077* | 0.287* | 1 | | | | | | | | | | |
| (16) Female employment rate | 0.092* | -0.165* | 0.017* | -0.107* | -0.274* | 0.443* | -0.290* | 0.498* | -0.217* | 0.337* | -0.475* | 0.224* | -0.156* | -0.067* | -0.386* | 1 | | | | | | | | | |
| (17) Generational turnover index | -0.037* | -0.416* | 0.580* | 0.524* | -0.402* | 0.345* | -0.069* | 0.577* | -0.170* | 0.625* | 0.009* | 0.273* | -0.495* | 0.276* | 0.031* | 0.153* | 1 | | | | | | | | |
| (18) Share of occupation in agriculture | -0.224* | 0.216* | -0.107* | 0.024* | 0.340* | -0.204* | 0.568* | -0.507* | 0.132* | -0.301* | 0.322* | -0.431* | 0.252* | 0.390* | 0.343* | -0.210* | -0.010* | 1 | | | | | | | |
| (19) Share of occupation in industry | 0.064* | 0.221* | -0.326* | -0.305* | 0.172* | 0.023* | -0.217* | -0.317* | 0.207* | -0.354* | -0.333* | -0.169* | 0.533* | -0.348* | -0.372* | 0.006* | -0.504* | -0.409* | 1 | | | | | | |
| (20) Share of occupation in commerce | 0.092* | -0.268* | 0.181* | 0.102* | -0.318* | 0.095* | -0.375* | 0.420* | -0.189* | 0.265* | -0.116* | 0.199* | -0.354* | -0.166* | -0.092* | 0.177* | 0.151* | -0.476* | -0.242* | 1 | | | | | |
| (21) Business density | -0.005* | -0.266* | 0.135* | 0.084* | -0.328* | 0.249* | -0.393* | 0.297* | -0.126* | 0.199* | -0.364* | 0.105* | -0.020* | -0.273* | -0.429* | 0.342* | 0.091* | -0.313* | 0.036* | 0.501* | 1 | | | | |
| (22) Share of municipality surface occupied by human settlement | 0.808* | 0.219* | -0.332* | -0.318* | 0.109* | 0.105* | -0.178* | 0.256* | 0.015* | 0.158* | -0.087* | 0.328* | -0.183* | -0.183* | -0.062* | 0.261* | -0.050* | -0.368* | 0.124* | 0.125* | 0.144* | 1 | | | |
| (23) Owner-occupied dwellings | -0.302* | -0.325* | 0.348* | 0.363* | -0.259* | -0.105* | 0.046* | 0.106* | -0.120* | 0.059* | -0.055* | -0.181* | 0.177* | 0.031* | 0.010* | 0.011* | 0.182* | 0.163* | -0.211* | -0.020* | -0.024* | -0.276* | 1 | | |
| (24) Under-occupied dwellings | -0.098* | -0.602* | 0.614* | 0.461* | -0.667* | 0.338* | -0.444* | 0.706* | -0.327* | 0.517* | -0.348* | 0.170* | -0.121* | 0.020* | -0.332* | 0.369* | 0.443* | -0.373* | -0.179* | 0.283* | 0.258* | -0.130* | 0.298* | 1 | |
| (25) Social and Material Vulnerability Index | 0.059* | 0.273* | -0.020* | -0.002 | 0.481* | -0.208* | 0.732* | -0.292* | 0.015* | -0.099* | 0.672* | -0.232* | -0.031* | 0.341* | 0.793* | -0.450* | 0.097* | 0.414* | -0.430* | -0.103* | -0.339* | -0.113* | -0.048* | -0.351* | 1 |

Chapter 4

# Article 2

II

de Renzis, A., and Urso, G. An exit-voice exploration of the Italian left-behind and electoral geographies in the face of economic challenges

# An exit-voice exploration of the Italian left-behind and electoral geographies in the face of economic challenges

**Abstract**

The "geography of discontent" calls for revisiting the link between economic, policy and geography. To contribute to this pressing debate especially in light of the current challenges posed by a state of permacrisis that is likely to further exacerbate territorial disparities, the paper proposes to investigate the decline in confidence in incumbent government in favour of non-traditional parties through the Hirschman's 'exit-voice' framework at Local Labour Systems scale, insofar to verify whether the feeling of being left-behind is driven by anti-globalisation sentiments and of not being provided with the means to satisfy social, material and future perspective needs.

**Keywords**

Non-traditional parties; Exit-Voice; Economic shocks; Left-behind places; Peripheral Areas

## 1. INTRODUCTION

A lively debate has started in recent years among academics and policy-makers investigating the rising consensus for political parties advocating their capability of intercepting and representing the "call for power by the ordinary people, who for years have been subjected to declining incomes and political influence" (Urbinati, 2019; Agnew & Shin, 2017), usually identified under the general, yet debated, term of populist parties.

Next to cultural dynamics' reasons, a growing body of research is rather arguing an economic origin for the decline in confidence in incumbent government and the parallel rise of populism.
According to this line of thought, the crisis of representation of traditional parties to speak for the collective preferences of their voters, on the one hand, and to satisfactory address problems that matter to them on the other (Dahl, 1994) root in the economic decline experienced by all the industrially advanced Western democracies started in the late 1980s and early 1990s (Algan *et al.*, 2017; Bloise *et al.*, 2021; Guriev, 2018; Ignazi, 2021; Martin *et al.*, 2018; McCann & Ortega-Argilés, 2021; Rodríguez-Pose, 2018; Rodríguez-Pose *et al.*, 2024). While the new technological changes and advancements introduced in the mid-80's deeply affected general industrial production systems and required workforce competencies, the global shocks that followed the surge of China on the international competition arena after its accession to the World Trade Organization in 2001 (Guriev and Papaioannou, 2022; Margalit, 2019) provoked structural changes, not only in the economy but also in society, culture and identity (Rodrik, 2021).
The individual perception of the impacts of such changes and the (in)effectiveness of public compensative measures have, in return, driven the way in which citizens – as voters – respond and act in electoral rounds (McCann & Ortega-Argilés, 2021; Rodríguez-Pose *et al.*, 2023) shaping a "geography of discontent" of grievance and resentment towards those held responsible for lacking opportunities and hindered future prospects (Los *et al.*, 2017; Essletzbichler, 2018; Rodríguez-Pose, 2018). In parallel, a disenchanted fringe of population has slowly but steadily decided to abandon the ballot boxes to express their resentment in the absence of a preferred alternative.

However, we argue that the general economic voting theorem and the 'responsibility hypothesis' ― according to which voters reward/punish those believed responsible for economic prosperity/decline (Healy & Malhotra, 2013; Lewis-Beck & Paldam, 2000) ― on their own, do not seems sufficiently able to capture the role played by pre-existent and structural dynamics (Kriesi, 2014; Perrella, 2005; Rodriguez-Pose *et al.*, 2024) and the specificities of different historical-geographical context in relation to politics (Agnew, 1996).
Likewise, it overlooks an important factor having characterised many Western democracy in recent years: the phenomenon of rising abstentionism as a form of political expression.

In the intent to fill these gaps, the paper aims at contributing to this recent strand of literature by investigating how and to what extent the outcomes of long-term socioeconomic decline on electoral preferences and their unexpressed intentions shape the channel of discontent building on the assumption that the growing consensus towards non-traditional parties is a way to express discontent or resentment associated to the feeling of having been left behind by globalisation, or other systemic distresses, and the mourning of long-gone good old days.

To do so, following the suggestion by De Ruyter *et al.* (2021), we employ the Hirschman 'exit-voice' model (Hirschman, 1970) to frame the effects of the economic shocks and prolonged negative performance on decline in trust in politics and incumbent government experienced in the last two Italian national elections held in 2013 and 2018.
The work is organised as follows: section 1 is dedicated to a general overview of the background literature of the paper; section 2 and 3 describe the methodology followed for the investigation and its results respectively. Finally, in section 4 we draw some concluding remarks and food for thoughts in light of the current polycrisis context.

## 2. POPULISM AND LEFT BEHIND PLACES

In recent times, following the surge of populist forces in many Western democracies, the investigation of the push and pull factors behind individual choices in political participation and voting behaviour has gained new momentum.
The attention devoted to this topic in recent empirical literature usually frames the rising phenomenon of populism within two competing but complementary frameworks: on the one side the impacts of technological and economic developments, on the other individual characteristics and perceptions (Faggian *et al*., 2021), arguing for a 'neighbourhood effect' (where context and daily living environments influence people's decisions) versus a 'compositional effects' of individual voting's causality (Forest, 2018), where preferences may be related to individual characteristics such as gender, age or socioeconomic status..

The effects of globalisation and economic grievance have been used as an interesting window through which explaining the degree of resentment (Rodrik, 1998).
In this respect, next to the conventional interpretation of 'left behind' voters by Ford and Goodwin's (2014) mainly relying on individual features (age, education and income), or the more economically-driven Watson's (2018) 'let down' people resulting from the "cumulative effects of 40 years of structural economic change" (p. 19), a growing number of scholars are arguing that the subjective feelings of being the losers of economic shocks may matter as well – or even more – than objective declining economic conditions (Antonucci *et al.*, 2017; Furlong, 2019; Lenzi & Perucca, 2021; MacKinnon *et al.*, 2024; Norris & Inglehart, 2019).

According to them, the discontent of "inhabitants of traditional industrial hubs and formerly prosperous places experiencing economic decay and lack of opportunities, in some cases for decades" (Dijkstra *et al.*, 2020, p.744) has been fuelled by the feeling of lost economic wellbeing (Pike *et al*, 2023) and of having been neglected by policies and politics (Mattinson, 2020; MacKinnon *et al*, 2022). Thus, once long-term economic and industrial decline are taken into account next to the 'holy trinity of the populist voter' (Dijkstra *et al.*, 2020) — age, income and education —, the results of the ballot-boxes shape a very distinctive 'geography of discontent' (Los *et al.*, 2017; Essletzbichler, 2018; Rodriguez-Pose, 2018).

In these places, the incapacity of mainstream parties to address the consequences of economic crises adequately has fuelled distrust in the political system and an arising demand for change that has been intercepted by populist parties (Golder, 2016), and, striking the right note during electoral campaigns, channelled into a political consensus.

An interesting point of view is proposed by Rodrik (2021) in his seminal work, where he identifies four different mechanisms through which support for populism is driven in territories being (or feeling like) hit by economic decline. The first two mechanisms relate to the demand-side arising from voters 'a direct demand-side effect from economic dislocation to demands for anti-elite, redistributive policies; an indirect demand-side effect through the amplification of cultural and identity divisions' (ib. p.135). The remaining two regard the supply-side and the adoption by political candidates of more populist platforms in either directly addressing the effects of economic shocks or rather exacerbating other issues (cultural and identity tensions) to shift away the attention from economic decline impacts.

## 3. VOTING GEOGRAPHY IN ITALY

Although being a relatively young republic – the institutional referendum abolishing the monarchy and establishing a bicameral parliamentary republic dates back 2nd June 1946 – the Italian case proves to be an interesting venue of research where politics, economy and geography mix since Medieval ages (Putnam, 1993).

Building on the different economic trajectories followed by the different kingdoms and city-states grown on the ashes of the Roman empire, much of the history of modern Italy (that is after the unification in 1870) revolves around a persistent and increasing North-South cleavage, that from the 70's has been driving a lively debate among Italian regional scientists and economists on the relationship between economic development and the political system (Diamanti, 2018).

As a matter of fact, since the first democratic elections held in 1948 and for much of the following five decades (so called First Republic), the Italian political history has been characterised by a bipolar system opposing two main mass political parties (Fusaro, 2009; Pasquino, 2019) the Christian Democracy (DC), the Italian Communist Party (PCI) and, in smaller extent, the Italian Socialist Party (PSI), and a very distinctive and long-lasting electoral geography that had hold its exemplificative value up to the beginning of the XXI° century. Alongside the

"white" Catholic democrat Northern industrial triangle, characterised by industrial mass production, and the less-developed "volatile" Mezzogiorno, one could identify a "red" central belt ― home of Becattini's studies on industrial district, that the economist Bagnasco (1977) called "Third Italy" ― characterised by small- and medium-sized firms specialised in light industrialisation and a continuity between politics and society (Bonifazi *et al.*, 2020; Lello & Bazzoli, 2020).

Until the 'Mani pulite'[1] scandal (1994) and the dusk of the Second Republic (2013) born on its debris, participation in elections had always been very high (till the 80's even above 90%) and abstentionism a marginal phenomenon (Agnew and Shin, 2017), although – again – with a clear North-South polarisation (around 20% in the South, and just above 10% in the Centre and the North) (Cerruto, 2012).
The 2013 election marked a threshold in this sense, with a progressive disaffection to the state's institutions and lower participation in the country's political life (turnout dropped to just above 70%) and the emergence of (re-)new political actors (Maggini, 2013).

Among the political formations born on the dawn of the Third Republic, Lega (especially in its rebranded attributes after the new course adopted by Matteo Salvini in late 2013 moving from a regional to a national party) and Movimento 5 Stelle (hereafter M5S) were the ones that better managed to channel the claims for a new political offer in challenging the system represented by traditional parties (Evenhuis *et al.*, 2021).
Leveraging on, respectively, the electoral campaign mottos 'Uno vale uno' (one is worth one, meaning everyone's vote/opinion counts) ― whereby M5S promoted a direct involvement and participation of citizens (Manucci & Amsler, 2018; Passarelli & Tuorto, 2018) ― while Lega's 'Italians first' appealed to some sort of protectionism of culture, values and needs through regionalism first and then a sort of nativist nationalism (Albertazzi *et al.*, 2018), they saw their consensus dramatically rise, up to enjoying, in 2018, an absolute majority of seats in both chambers allowing them to form the first populist government in Western Europe (Garzia, 2019).

[1] Mani pulite (Italian for "Clean hands") was a nationwide judicial investigation into political corruption in Italy held in the early 1990s, resulting in the demise of the so-called "First Republic" and the disappearance of many Italian political parties.

Although different in values and electoral bases, both their political offers meet the main components proposed by Mudde (2004) to describe populism: the distinction between two homogenous and antagonistic groups, 'the pure people' and the 'corrupt elite,' and the urge that politics should be an expression of the general will of the people (Di Matteo & Mariotti, 2020; Emanuele *et al*., 2022; Levi & Patriarca, 2019). However, their divergent way of capturing the demand for change embodies the two different demand-side mechanisms framed by Rodrik (2021), ending up representing the two different shades of emerging populism in Europe (D'Alimonte, 2019; Faggian *et al.*, 2021; Passarelli, 2015): anti-elite/anti-establishment (M5S) and anti-EU versus protectionist and nationalist (Lega).

Italy proves to be an interesting venue of research also when it comes to spatialising populist political proposals. As said, Italy is a high inequality country holding very different levels of industrial development among the North and the South and very different expectations when it comes to public support. For this reason, the two manifestos met the feelings of two clearly geographically distinct groups of voters.
As can be seen by figures 1a and 1 b that follow, Lega's (at that time still holding the adjective "Northern" in its name) protectionist from foreign competition rhetoric won particularly the votes of small manufacturing companies in the North in the 2013 elections (Hopkin, 2020), while the change in political offer and the new territorial focus concentrating on the national – rather than Northern only – issues proposed by Salvini (Albertazzi *et al.*, 2018) appealed also for the 2018 Southern voters.
Conversely, M5S voters were rather scattered throughout the country in 2013 due to the novelty of the political grouping born in 2009, but much more concentrated in the South in 2018 most probably connected to the proposal for a 'citizenship minimum income' representing one of the core features of the M5S' political manifesto and particularly relevant for the Southern unemployed population (de Renzis & Sforzi, 2022; Urso *et al.*, 2023).

**Fig. 1a.** Share of votes (2013 national elections)

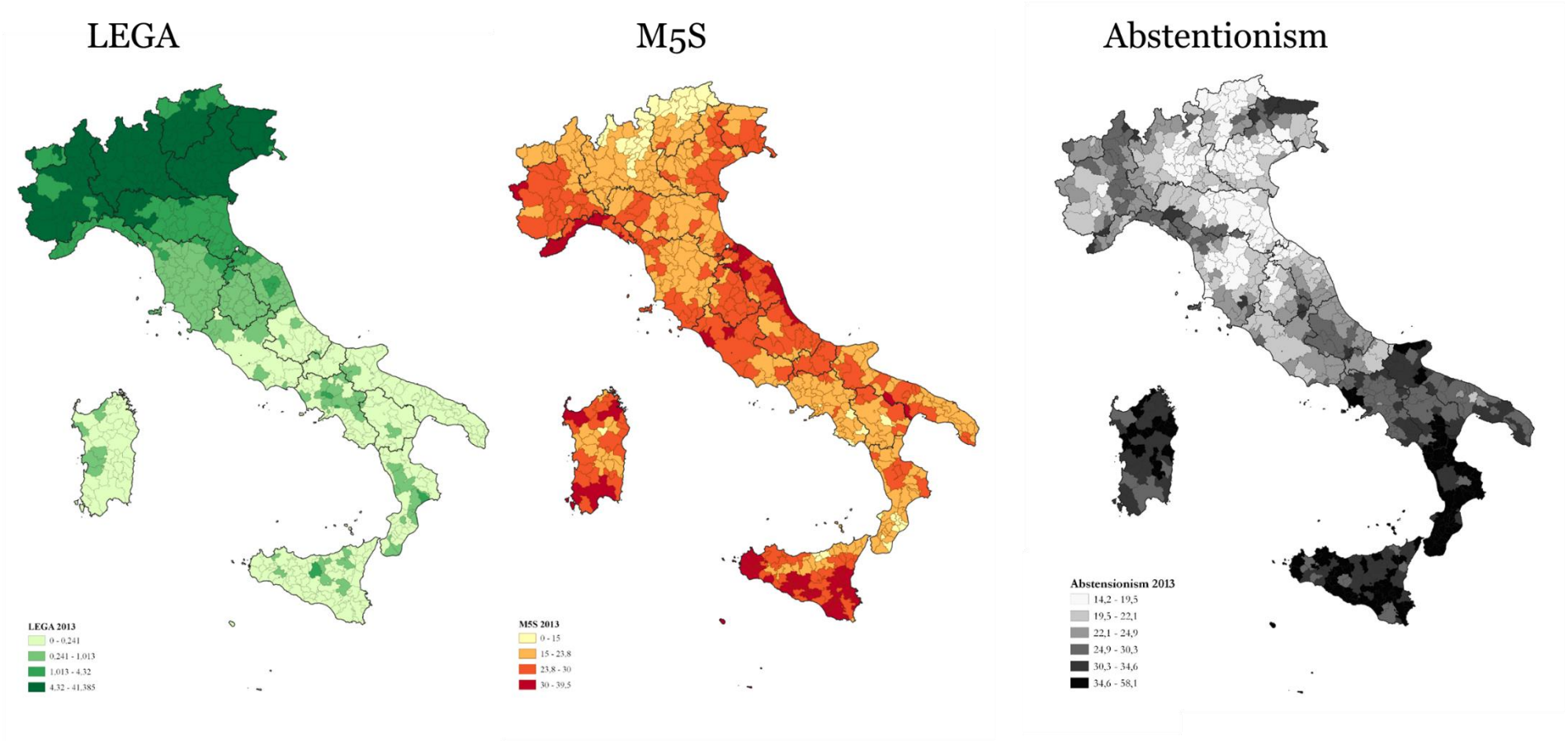
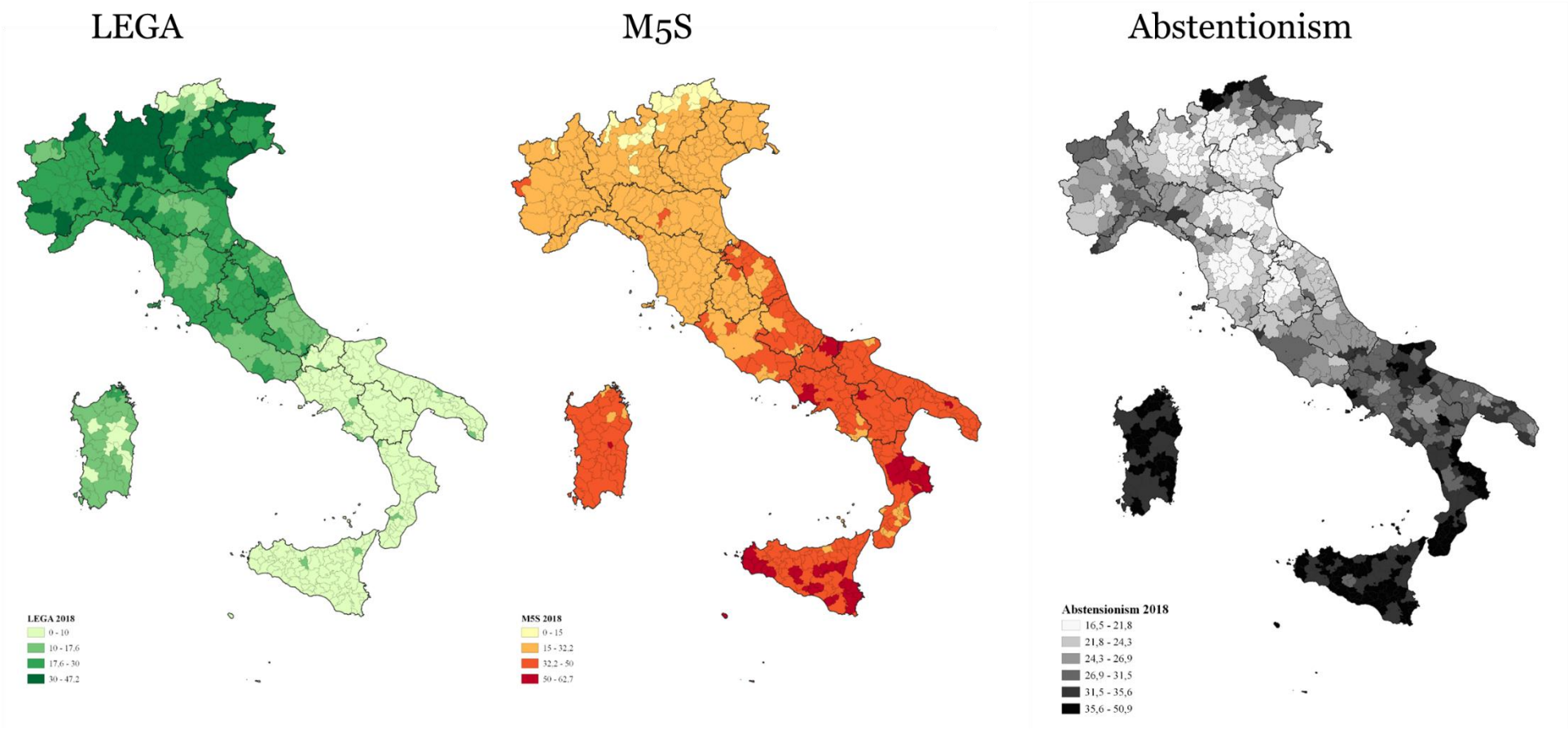


**Fig. 1b.** Share of votes (2018 national elections)



## 4. DATA AND METHOD

### *4.1 Research rationale and design*

In order to frame the electoral choices of disaffected voters and their discontent against socio-economic and political conditions, we embraced the suggestion by De Ruyter *et al*. (2021) to conceptualise the messages behind their resentment within the Hirschman 'Exit-Voice' model.
The model was initially theorised by Hirschman in 1970 to interpret the reactions to discontent in companies, organisations or States and the different types of solutions/reactions that actors can mobilise or put in practice: that of expressing their dissatisfaction (*voice*), leaving the arena (*exit*) or go on as usual (*loyalty*). Although the model has, since then, been applied to many areas, from trade unions to industrial organisations to even marriage or child development (Hirschman, 1987), one of the main applications the same author wished for his work was to contribute to political science, and in particular to the analysis of political participation, protest, and political behaviour (Hirschman, 1978).

Within this framework, although we expect certain factors to have a different impact on the share of votes for the individual parties even across time, we assume that M5S votes intercept the 'Voice for participation' to political choices regarding one's future, whereas those of Lega a 'Voice for protection' of identity values and economic self-determination. Abstentionism, on the other side, represent the 'Exit' option insofar as it functions as "a relief valve for the discontented electorate feeling abandoned by public policies (Bourdin & Tai, 2022), who, in this way, exhibited their resentment in the absence of a preferred alternative" (Passarelli and Tuorto, 2014, p.156).

Regarding the way to intercept the socio-economic effects of global challenges, we focussed our attention on two main issues: the best territorial unit of analysis for the purpose of our study and the main economic features which would be more suitable to capture the phenomena under observation.

Regarding the territorial unit of analysis, as suggested by Essletzbichler *et al.* (2018), recent electoral results and the rise of non-traditional parties and values should be looked into at sub-national level and investigating "structural and cyclical

changes as well as current economic conditions" (Ib., p. 74) that generate such demand for vote. For this reason, and following the suggestion by Broz *et al.* (2021), the analysis concentrates on "communities and not just specific individuals, occupations, industries, or factors of production and to explore how the indirect effects of manufacturing decline affect local turnout and voting behavior" (p. 489).
To this aim, and following Grillitsch *et al.*'s (2021) suggestions, we employ the Italian Local Labour System (henceforth LLS) classification as our geographical unit of analysis, considering them as relational spaces rather than administrative units (ISTAT, 1997; de Renzis & Sforzi, 2021) insofar as they represent homogeneous areas where production and consumption activities intertwine, drawn according to the boundaries where the majority of economic, social and cultural relationships unfold (Bourdin & Torre, 2024). They are, thus, the place of living, that "background geography", the social place of interaction (Agnew, 2015) "where people go about the ordinary business of life" (Martin, 1999, p.77) and experience most of their daily life, dwell, and work in search for the satisfaction of their needs. As such, they offer on the one side a lens through which interpreting the Italian economy from a place-based perspective moving beyond the isolated vision of the economy of a single municipality, on the other, accounting for the changes occurred at the local level in terms of re-arrangement of production processes and industrial specialisation.

According to many (Broz *et al.*, 2021; Greve *et al.*, 2021), the decline of manufacturing employment represents the core phenomenon explaining the backlash against globalisation as "the negative spillovers of closing industrial plants have left many once-prosperous manufacturing communities in ruins" (Broz *et al.*, 2021, p.476).
The losers of exposure to global competition may, as a matter of fact, be identified as both those employed in traditionally protected sectors strongly affected by the lowering of trade barriers toward low-wage countries that, until then, enjoyed a comparative advantage (Autor *et al.*, 2014; Fiorentino *et al.*, 2023; Rodrik, 1998), but also those indirectly exposed to the adjustment costs of trade such as residents of manufacturing regions hit by possibly long-term economic decline (Colantone & Stanig, 2018a).
For this category of workers and their communities, as Colantone and Stanig (2018b) state, "the economic roots of the cultural backlash" driven by globalisation – as captured by the 'China shock' (Guriev and Papaioannou, 2022; Margalit, 2019)

– can be easily recognised. In their work, the authors empirically prove that the failure of Western European incumbent governments to address the effects of the adjustment costs of new trade relationships, the inability of implementing successful policies in terms of effective compensation and redistribution, "has generated an economic grievance that in turn lead to anti-establishment voting" (p. 2).

In observing the share of occupation in manufacturing having occurred over the past forty years, within an overall tendency towards contraction and structural evolution (Pensa & Traù, 2021), we identified four categories along three main economic disturbances/challenges: considering 1991 as our reference year, we named as 'Affected by the China shock' (Guriev and Papaioannou, 2022) the Local Labour Systems that have started declining in 2001, somehow related to the access of China to the WTO; as 'Affected by the Great Recession' those LLSs that have started declining in 2011[2]; as 'Slow burning' (Pendall *et al.*, 2010) those LLSs with a stable declining pattern since 1991 and as 'Not-significant' the heterogeneous group of LLSs showing a plethora of differentiated non-linear behaviour over time.

As shown in Fig. 1, the vast majority of LLSs were already experiencing a downturn decline since 1991, and the two shocks (the China negation to access the WTO and the Great Recession) simply exacerbated a situation of a long-term process of economic depletion. LLSs affected by the China shock can be mainly found in the South of Italy, with regions such as Molise and Calabria heavily impacted as well as Campania, Basilicata and Sicily, where almost all LLSs got hit by the effects of the opening of the global market competition.
It must be noted that the LLSs affected by the Great Recession are few, the majority of which are found in Sardinia, and one in Calabria, Apulia and Trentino-Alto Adige.

[2] Although the Great Recession is conventionally time-framed from 2007 to 2009, the contagion spread that followed affected some economies for much longer. For European countries, and Italy in particular, next to the first wave of economic downturn in 2007-2009 induced by the US sub-prime crisis, a second wave, much more severe in terms on GDP, of banking problems started with the Greek crisis and affected State aid, deficits, and debt, mostly from 2011 onwards (Codogno and Monti, 2017).

**Fig. 2**: Classification of LLSs according to variation in manufacturing occupation since 1991 in Italy

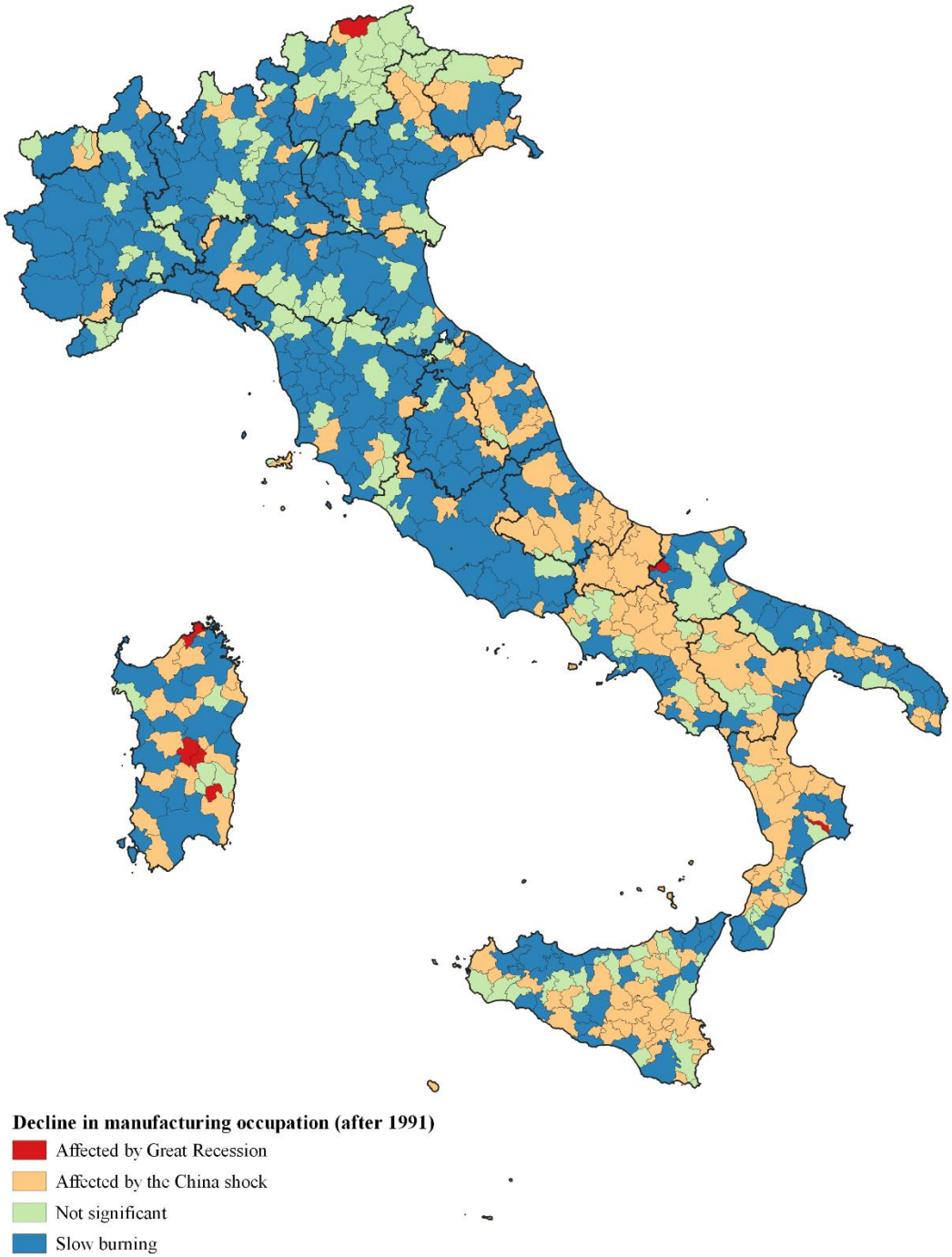


**Table 1.** Regional distribution of LLSs according to variation in manufacturing occupation from 1991 up to 2018

| Region | Slow-burning (always declining) | Affected by the China shock (started declining after 2001) | Affected by the Great Recession (started declining after 2011) | Not-significant | Total |
|---|---|---|---|---|---|
| Abruzzo | 7 | 10 | | 1 | 18 |
| Basilicata | 5 | 6 | | 3 | 14 |
| Calabria | 13 | 21 | 1 | 8 | 43 |
| Campania | 14 | 22 | | 10 | 46 |
| Emilia-Romagna | 21 | 6 | | 12 | 39 |
| Friuli-Venezia Giulia | 5 | 5 | | 1 | 11 |
| Lazio | 12 | 3 | | 3 | 18 |
| Liguria | 10 | 1 | | 3 | 14 |
| Lombardia | 33 | 5 | | 13 | 51 |
| Marche | 15 | 8 | | 2 | 25 |
| Molise | | 5 | | | 5 |
| Piemonte | 26 | 3 | | 7 | 36 |
| Puglia | 22 | 11 | 1 | 10 | 44 |
| Sardegna | 14 | 16 | 4 | 5 | 39 |
| Sicilia | 24 | 28 | | 19 | 71 |
| Toscana | 31 | 4 | | 13 | 48 |
| Trentino-Alto Adige/Südtirol | 8 | 2 | 1 | 15 | 26 |
| Umbria | 11 | 2 | | 1 | 14 |
| Valle d'Aosta/Vallée d'Aoste | 1 | 1 | | 3 | 5 |
| Veneto | 26 | 8 | | 9 | 43 |
| **Total** | **298** | **167** | **7** | **138** | **610** |

Building on these premises, with the intention of disentangling how economic decline shape the channel of discontent, we embraced Furlong's (2019) idea of the existence of multiple forms of "left-behindedness". In his work the author suggests that on the one side deindustrialisation and on the other a rise in insecure labour are driving "a complex mix of demographic, socioeconomic, geographic and cultural patterns that are potentially restructuring voting behaviour" (p.1) not only due to objective worsening of personal economic conditions but also the subjective perception of being "poorly treated by the political or economic system" so "they switch voting allegiances or align with an insurgent party or politician" (p. 3).
The suggestion coming from the author is that a multidimensional approach should be adopted when addressing the nexus between decline and electoral responses, retaining next to the 'left behind' individual features par excellence – age, income and education – (Ford & Goodwin, 2014) the 'let down' economic insecurity external drivers (Watson, 2018). Moreover, due to the intricate nature of people's perception and voting behaviour, it is indispensable to go beyond just this economic decline prognosis controlling for the related compositional and contextual effects.

And thus, relying on an original dataset using official census and non-census data from the Italian National Institute of Statistics, we framed the subjective and objective drivers of electoral responses as follows:

- **to intercept the subjective individual characteristics framing the** so called "holy trinity of populist voters" (Dijkstra et al., 2020), age[3], income and education (Ford & Goodwin, 2014) that we framed as per capita income and an estimation of the internet capacity to intercept not only the opportunity of developing digital and technological skills fundamental in modern societies (Lenzi & Perucca, 2021) but also the accessibility to information and knowledge that may indirectly influence public perception through the legacy and digital media (Norris & Inglehart, 2019). In order to verify a long-term perspective regarding the compositional features of voters with regard to new economic and opportunities opened up by education, we controlled for the change in share of adults holding a secondary degree school diploma, as in Furlong (2019), to capture family investment in education, as a sort of redemption from poor conditions of previous generations;

[3] As in for "age" – the first attribute of the holy trinity of populism – it is implicitly accounted for in the choice of employing Senate electoral results, see note 4.

- to account for **an objective measure of economic instability/uncertainty** also to explore whether, following the suggestion by Diemer *et al.* (2022) and Rodríguez-Pose *et al.* (2024), in spite of a favourable personal or contextual economic condition, a feeling of being in a development trap is perceived we included: a measure of households liveability standards (the age of building stock) as in Urso *et al*. (2023) and the share of employment in manufacturing and unemployment rate, as in Furlong (2019). Again, to instrument socio-economic contextual changes occurred on the long-term we controlled for: changes in households and family features (framed in terms of household crowding), the share of people employed in low-skilled jobs as in Furlong (2019), to which we added the share of young people outside the labour market and of the active female population as well as the share of permanent foreign residents to intercept possible generational, gender and ethnicity dimensions ,.

Moreover, to investigate the driving factors of discontent or resentment above and beyond compositional individual characteristics from an historical, spatial or place-based perspective, we added:

- two very long-term variables (from 1951 up to either 2013 or 2018) highlighting relative population and occupation variation compared to the national average (as in Fratesi & Rodríguez-Pose, 2016) as also suggested by Essletzbichler *et al.* (2018),
- following the robust literature on the quality of institutions and of the channels for citizens' voice expression, we used the relative mean of electoral turnout in the national legislative elections (Senate) held closer to the available Census data (from 1951 up to the year considered, 2013 or 2018),
- a measure of a path dependence economic legacy in terms of whether the LLS is included in an industrial district and its main productive specialisation.

Lastly, consistent with the literature highlighting a geographical dimensions of discontent (Rodríguez-Pose, 2018), we introduced a measure of within peripherality (% population living in inner areas over the total LLS population) to account for the degree of urbanisation and the distance from a 'cosmopolitan' city, by exploiting the classification of the National Strategy for Inner areas[4] (Barca *et al.*, 2014).

[4] Launched in 2012, the Italian National Strategy for Inner Areas (NSIA) is a nation-wide support scheme aimed at tackling the diffuse phenomenon of depopulation and overcoming the North-South/urban–rural dichotomy under the assumption that the deterioration and unequitable provision

*4.2 Empirical strategy*

To answer to our research questions, we assume the results obtained in the Senate (the Upper House) during the national elections held in 2013 to take into account the lag experienced by Europe in terms of effects produced by the Great Recession (Capriati, 2019; ISTAT 2017, Urso *et al.*, 2019) and in 2018 (last general election before the COVID-19 pandemic as not to biased by the effects of the pandemic on political attitudes, Bordignon *et al.*, 2024; Picchio & Santolini 2022) as the dependent variable of the econometric model, $\mathbf{Y_i}$.

The reason behind the choice to employ only *Senate* results and not Chamber of Deputies (Lower House) is driven by the assumption that, due to the older age demanded to vote in the Upper House[5], this could allow us to better intercept the feelings of older people "that have seen better times and remember them with nostalgia" (Rodríguez-Pose, 2018, p. 200) living in the shadow of a lost prosperity (Rodríguez-Pose *et al*., 2024; Faggian *et al.*, 2021) as "income security becomes more important than income growth with age" (Agnew and Shin, 2017, p.921).

The empirical model can be represented as:

$$(1)\ Y_i = \alpha + \beta_1 IND'_i + \beta_2 ECO'_i + \beta_3 C'_i + \beta_4 L'_i + d + \varepsilon_i$$

where $\mathbf{Y_i}$ is the mean share of valid votes obtained in the Senate by M5S and Lega, and the share of abstentionism in 2013 and 2018 National elections in the LLS **i**. **IND** and **ECO** are time-varying vectors associated with subjective individual features and economic instability/uncertainty, respectively[6], such as income, digital divide, occupation in manufacturing and unemployment rate, while vector **C** includes the time-invariant control census variables as described above, among

of essential services is a hindering factor for local development. Inner Areas were mapped according to a peripherality indicator measured in terms of travel-time distance from the nearest service provision centre. This allowed the identification of six classes: single 'Urban Poles', or an aggregation of service provision centre municipalities 'Intermunicipal Poles', 'Outlying/Belt Areas' (up to 20 min), 'Intermediate Areas' (between 20 and 40 min), 'Peripheral Areas' (between 40 and 75 min), 'Ultra-peripheral Areas' (beyond 75 min). The last three classes are labelled as 'Inner areas'.

[5] Up to 2021, minimum age for voting to the Senate was 25 then lowered to 18 as for the Chamber of Deputies.

[6] A detailed description of all variables and their sources is provided in the Annex.

which: share of adults holding a secondary school diploma, low-skilled employment, size of households, and young people outside the labour market. Finally, **L** consists in a vector of long-term census variables related to population and occupation as well as institutional characteristics, and **d** represents the dummy variables of time-invariant features. **ε** represents an idiosyncratic error term[7].

To estimate Equation (1) we use a fractional probit regression model (Papke & Wooldridge, 2008), given the nature of the dependent variable (share of valid votes), i.e., it takes values between 0 and 1.

## 5. RESULTS AND DISCUSSION

Table 2 summarises the results obtained to infer the determinants of the protest vote for non-traditional parties (*voice* option) and of abstentionism (*exit* option), in 2013 and 2018.[8]

[7] Additional robustness checks are provided for in the Annex including the basic model results when not controlling for any compositional or contextual effects on the long term.
[8] A geographical description of M5S and LEGA voting results, as well as an overall representation of the share of votes obtained in the Senate by all parties running in both the national elections in 2013 and 2018 are provided for in the Annex.

**Table 2.** Fractional probit regression. Dependent variable: Mean share of valid votes obtained in the Senate by Movimento 5 Stelle and Lega, and rate of abstention on February 24th-25th 2013 and on March 4th 2018 National elections (LLSs).

| VARIABLES | (1) M5S 2013 | (2) M5S 2018 | (3) LEGA 2013 | (4) LEGA 2018 | (5) Abstentionism 2013 | (6) Abstentionism 2018 |
|---|---|---|---|---|---|---|
| Per capita income | -0.15* | -0.33*** | 1.01*** | 0.10 | -0.21*** | -0.11** |
| | (0.09) | (0.09) | (0.32) | (0.13) | (0.05) | (0.04) |
| Internet capacity | 0.12** | 0.12 | -0.06 | -0.02 | 0.02 | 0.14*** |
| | (0.05) | (0.08) | (0.22) | (0.10) | (0.03) | (0.03) |
| Variation in Population with at least a secondary school degree | -0.12*** | -0.16*** | 0.19* | 0.09 | -0.03** | 0.02 |
| | (0.04) | (0.03) | (0.11) | (0.06) | (0.02) | (0.02) |
| Age of building stock | 0.01*** | 0.01*** | -0.01 | 0.01 | 0.01*** | 0.01*** |
| | (0.00) | (0.00) | (0.01) | (0.00) | (0.00) | (0.00) |
| Occupation in manufacturing | 0.12 | 0.14 | -0.34 | 0.15 | -0.23*** | -0.17*** |
| | (0.10) | (0.11) | (0.37) | (0.15) | (0.06) | (0.05) |
| Unemployment rate | 0.56* | 2.53*** | -11.52*** | -3.67*** | 1.01*** | 0.62*** |
| | (0.30) | (0.37) | (1.53) | (0.45) | (0.20) | (0.14) |
| Industrial District (dummy) | -0.03 | -0.04** | 0.14** | 0.06** | -0.01 | -0.01 |
| | (0.02) | (0.02) | (0.06) | (0.03) | (0.01) | (0.01) |
| % Population living in an Inner Area | -0.05** | -0.04* | 0.11** | -0.04 | 0.01 | 0.01 |
| | (0.02) | (0.02) | (0.05) | (0.03) | (0.01) | (0.01) |
| Variation in Household crowding | 0.04*** | 0.01 | -0.02 | 0.00 | -0.01** | 0.01 |
| | (0.01) | (0.01) | (0.04) | (0.02) | (0.01) | (0.01) |
| Variation in Low-skilled employment | 0.03 | -0.01 | 0.29*** | 0.12*** | 0.00 | -0.01* |
| | (0.02) | (0.02) | (0.05) | (0.03) | (0.01) | (0.01) |
| Variation in Female employment rate | 0.33*** | -0.08 | -0.09 | 0.24*** | 0.15*** | 0.14*** |
| | (0.07) | (0.07) | (0.27) | (0.09) | (0.04) | (0.04) |

| VARIABLES | (1) M5S 2013 | (2) M5S 2018 | (3) LEGA 2013 | (4) LEGA 2018 | (5) Abstentionism 2013 | (6) Abstentionism 2018 |
|---|---|---|---|---|---|---|
| Variation in Young people outside the labour market | -0.01 | -0.82** | -3.75*** | 0.06 | 0.88*** | 0.61*** |
| | (0.31) | (0.38) | (1.30) | (0.41) | (0.21) | (0.13) |
| Variation in Foreign population | -0.00*** | -0.00 | 0.00** | 0.00 | -0.00 | -0.00 |
| | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) |
| Relative mean electoral turnout (1953-2013/2018) | -0.00 | -0.00 | -0.03*** | -0.00 | -0.02*** | -0.02*** |
| | (0.00) | (0.00) | (0.01) | (0.00) | (0.00) | (0.00) |
| Relative variation in population (1951-2013/2018) | 0.04* | 0.07*** | 0.08 | -0.07** | 0.02* | 0.04*** |
| | (0.02) | (0.02) | (0.07) | (0.03) | (0.01) | (0.01) |
| Relative variation in employment rate (1951-2012/2017) | -0.08 | -0.09 | 0.46 | 0.25** | 0.01 | 0.05 |
| | (0.09) | (0.09) | (0.28) | (0.11) | (0.05) | (0.04) |
| **Disturbance/challenge** | | | | | | |
| *Affected by the China shock* | 0.08*** | 0.12*** | -0.16* | -0.06** | -0.01 | -0.01 |
| | (0.02) | (0.03) | (0.09) | (0.03) | (0.01) | (0.01) |
| *Slow burning* | 0.08*** | 0.04** | -0.03 | 0.03 | -0.01 | -0.02* |
| | (0.02) | (0.02) | (0.06) | (0.03) | (0.01) | (0.01) |
| *Affected by Great recession* | -0.02 | 0.11** | -0.47*** | -0.12 | 0.02 | 0.07 |
| | (0.08) | (0.05) | (0.11) | (0.14) | (0.03) | (0.06) |
| *Not significant* | (baseoutcome) | | | | | |
| **LLS main productive specialisation** | | | | | | |
| *Typical "Made in Italy" (Light Manufacturing) LLSs* | 0.05 | 0.01 | -0.05 | 0.09** | -0.00 | -0.02* |
| | (0.03) | (0.03) | (0.11) | (0.04) | (0.02) | (0.01) |
| *"Heavy Manufacturing" LLSs* | 0.01 | 0.01 | 0.07 | 0.14*** | 0.01 | -0.01 |
| | (0.03) | (0.03) | (0.12) | (0.04) | (0.02) | (0.02) |
| *Other specialisation LLSs* | 0.02 | -0.02 | -0.09 | 0.11*** | 0.02 | 0.01 |
| | (0.03) | (0.03) | (0.10) | (0.03) | (0.01) | (0.01) |
| *Non-specialised LLSs* | (baseoutcome) | | | | | |

| VARIABLES | (1) M5S 2013 | (2) M5S 2018 | (3) LEGA 2013 | (4) LEGA 2018 | (5) Abstentionism 2013 | (6) Abstentionism 2018 |
|---|---|---|---|---|---|---|
| Constant | 0.13 | 2.21** | -10.79*** | -2.05 | 0.99** | 0.12 |
| | (0.92) | (0.90) | (3.36) | (1.31) | (0.48) | (0.44) |
| Observations | 610 | 610 | 610 | 610 | 610 | 610 |
| Pseudo R-squared | 0.0047 | 0.0322 | 0.187 | 0.0692 | 0.0193 | 0.0138 |

Starting with the so called 'holy trinity' of the populist voter (Dijkstra *et al.*, 2020) and the compositional factors of left-behindness representing individual characteristics, they hold by far the most important explanatory power, although with some distinctions. Recalling Goodwin & Heath (2016, 325) populist supporters are often "*citizens with few qualifications, who live on low incomes and lack the skills that are required to adapt and prosper amid the modern, post-industrial economy*".

As a matter of fact, in both election rounds, either per capita income as the variation in the overall level of education are strongly negatively correlated with abstentionism and M5S indicating that that low-income level communities experiencing higher economic inequalities where education level remained unaltered relative to the 1991 level, manifest their discontent by approaching political involvement from the two extreme positions. Those in whom the sense of alienation and a growing scepticism towards the ability of political parties to address citizens' concerns (Van Hauwaert, 2019) passively prevail are those abandoning the ballot boxes feeling disengaged and disillusioned, thinking that their votes do not matter. Whether instead a surge of pride and a desire for retaliation set in, a demand for direct participation arise.

Conversely the results of Lega (aways positive thought significant only in 2013), support the idea that higher-income communities voice their need for protection, consistent with the idea that "the 'losers' of globalization are people whose life chances were traditionally protected by national boundaries. They perceive the weakening of these boundaries as a threat for their social status and their social security" (Norris and Inglehart, 2019, p. 136).

Also, the geographic association of increasing resentments in rural areas suffering from chronic slow-burning processes of depopulation and deindustrialisation holds strong. High variations in demographic trends relative to the national average strongly predict for the rise of voice expression and for deserting the ballot boxes both in 2013 and, to a greater extent, 2018.

Access to information and knowledge development – also in terms of digital and technological skills – are particularly interesting to provide further evidence to support this thesis. In 2013 an anti-establishment sentiment, and what we therefore interpret as a call for participation, rose where access to information and exchanges through the web was easy thanks to an adequate internet capacity, consistent with the massive use of social networks and online platforms made by M5S to engage

citizens. Though, in 2018 those same attributes where at the basis of an even greater cleavage between citizens and politics, and the flee from the ballot boxes.

Given the purposes of our study, we further investigate the local economic system. Adopting a "development trap" (Diemer *et al.*, 2022) lens, looking closer to the effect of occupation and in particular on the manufacturing sector on voting, we see that – again – low-income communities non-specifically relying on a manufacturing-based economy, who have suffered from the backslashes of a long-term decline exacerbated by subsequent disturbances, channel their protest into a support for M5S, probably asking for more participation in economic/industrial policies, or once more abandoning any hope of establishing a dialogue with those in power.
Instead, those economic rentier territories part of an industrial district, holding a manufacturing specialisation, that have experienced an increase in low-skilled employment driving an important long-term (positive) variation in occupation level (as can be seen particularly in 2018) probably connected to changes occurred in their economic structure to adapt to globalisation, direct their support towards those, as Lega, promising the recognition of their manufacturing trait, also in terms of related employment opportunities, against external interferences.

In the same direction point the results of the overall workforce, demonstrating how much unemployment matters in increasing the distance from the political system, being associated with greater abstention and anti-elite protest. Very consistently, as already found elsewhere (Urso *et al.*, 2023), unemployment rate is a strong predictor of voting for M5S, which championed the 'citizenship minimum income' appealing to out-of-work people. Similarly, it also drives disillusion from the ability of any government in power to change the status quo.
On the contrary, the appeal of Lega in communities where employment rate is still high, leads – again – to the reflection that is not employment per se that matters. It could be rather the fear of losing a rentier position also in the eyes of politicians that causes malaise, somehow testifying that what voters are missing is the recognition of their role as being the economic engine of the country having been able to promote the absorption of the work force in tertiarisation/servitisation of manufacturing activities. LLSs specialisation[9] offers an even clearer lens of interpretation: territories with a specific industrial specialisation were the less

[9] A detailed description of Italian Local labour systems is provided for in the Annex.

affected by exogenous shocks and they are those where dissent has grown to invoke protectionism.

This is also proved by the main focus of our model, regarding the three economic disturbances/challenges that have affected manufacturing occupation – the China shock, the Great Recession and slow-burning processes. In our opinion, economic decline roots beyond the Great 2008-2009 recession, being rather a long-term process particularly exacerbated by the enlargement of international markets and its impacts on social and economic local structures.
As a matter of fact, recalling previous Fig. 1 and Table 1, the LLSs that were affected by the economic-financial recessionary crisis are in absolute values very few (7) compared to slow-burning LLSs (298) and those where the disruptive changes introduced by the rise of China as an economic superpower stroke harder (167). Whereas in Southern regions the majority of LLSs – particularly in Molise where all the 5 LLSs started declining after 2001 and except for Puglia – have been negatively affected by the major changes introduced by the enlargement of the international markets, both the Industrial triangle (North-west) and the 'Third Italy' (Centre and North-east) regions suffer from an unstoppable detriment of manufacturing occupation.

Very interestingly, looking at the empirical model, all LLSs affected by any type of economic distress are those where discontent grew most and manifested itself in a demand for participation (results hold robust both in 2013 and 2018). In the same way, the negative significance of the impacts on the economy of both the sudden crises (the China shock, hence, globalisation per se, and the Great recession) leads to a call for protection through voting for Lega. These results corroborate once more the reflection that it is probably not market enlargement per se that people fear or contest, which might be very likely seen as unavoidable, but rather the lack of commitment or a more vigorous economic/industrial policy measures implemented by mainstream parties and governments aimed at limiting or handling its direct effects and its by-products fall short of addressing the deeper, recognition-based roots of populist sentiment.

Quite interestingly, a gendered dimension (see women's participation in the workforce) seems to be at play when considering the role of occupation on voting, calling for attention: in both 2013 and 2018 elections, variation in female

employment strongly correlates with abstentionism, that is with the exit attitude. In communities where this variation is high, the change in traditional values represented by a patriarchal conception of the family, where household income was mainly provided by male occupation, could be a destabilising force and it may have contributed to feelings of loss or bewilderment due to traditional roles being undermined, leading to a disinterest in politics or a difficulty in making a choice concerning it.
Likewise, from a generational point of view, our analysis shows that a variation in the rate of young people outside the labour market (in the decade hit by the Great Recession) strongly predicts the abstentionist choice. It may thus be that the discouragement against the missing opportunities during the period 1991-2011 resulted mainly in an exit attitude but also a cry for new opportunities for youngsters, later captured by M5S with a minimum income promise as the situation worsened.

Against common narrative and previous academic evidence (Essletzbichler *et al.*, 2018), in the Italian case migration per se marginally influence protest voting (in their study, Urso *et al.*, 2023 find a similar effect in the country, with a larger share of foreign resident population mitigating the growth of populism). The salience of household economic and living conditions is instead very clear. A variation in the quality of the living environment dimension – instrumented by the age of the building stock – leads voters towards both types of active response against incumbent governments, driving an anti-establishment voice or indifference to both electoral rounds. Likewise poor housing conditions such as overcrowding, are seen, particularly in 2013, as a home issue not explicitly tackled by politics – voicing protest – while on the other side it seems to suggest that a shrinkage of the (crowded) Italian family model (due to low fertility and out-migration of youngsters) is an inescapable destiny to be accepted with resignation.

## 6. CONCLUSIONS

In the aftermath of the pandemic crisis that has influenced both the economy and lifestyles, the call for new studies investigating increasingly less manageable accumulation of tensions rooting in recent history and overlapping with

unprecedented systemic shocks (Manzocchi & Traù, 2022, p. 5) becomes of paramount importance.

An emerging line of research (Algan *et al*., 2017; Broz *et al*., 2021; Essletzbichler *et al.*, 2018; McCann & Ortega-Argilés, 2021; Ignazi, 2021; Rodríguez-Pose *et al*., 2024) has tried to relate the recent drop in the support for incumbent governments in favour of non-traditional parties to economic decline and loss of opportunities, whether real or perceived. The main assumption behind this approach is that once long-term economic and industrial decline are taken into account, the results of the ballot-boxes shape a very distinctive geography (Rodríguez-Pose, 2018).

By means of censuses data, electoral data and up-to-date official statistics, this paper intends to contribute to answering the question of whether – and to what extent – such discontent or resentment is associated to the feeling of having been left behind by globalisation or other systemic distresses.

In order to do so, we analysed the results obtained by Movimento 5 Stelle and Lega in the Senate, as well as the overall participation to the election round, in the last two national legislative elections held in Italy before the COVID-pandemic (on February 24$^{th}$-25$^{th}$, 2013 and on March 4$^{th}$, 2018).
Moving from the identification of three economic challenges having affected manufacturing occupation – the China shock, the Great Recession and slow-burning processes – we exploited Hirschman's 'Exit-Voice' model to frame the electoral choices of disaffected voters. In this way we investigated the relationship between abstentionism (exit option) and votes for Movimento 5 Stelle and Lega (voice option, for participation and for protection respectively) against a set of cross-sectional and time series explanatory variables identified in literature as objective and subjective factors driving protest responses at the ballot boxes. Adopting a spatial and contextual approach, we chose Local Labour Systems as our unit of analysis as a complete geographic representation of economic and social phenomena and used the classification of the National Strategy for Inner Areas to account for an objective degree of peripherality.
When looking at voting behaviour through the lens of Hirschman's 'exit-voice' model, we find that some strong political expressions are influenced more by perceptions rather than more evidence-based indicators. This is particularly evident in the case of protest voting to voice a quest for protection (expressed in our

perspective by the support to Lega). Although with some different degree of significance, Lega seems to intercept the support of entrepreneurial middle class living in LLSs characterised by the presence of a vibrant industrial economy not affected by the two crises, that have rather found in tertiarisation or servitisation of manufacturing a way to contrast employment-loss both for adults and youngsters, or generally benefited from it.

Conversely a direct challenge to the incumbent government, taking the form of a direct confrontation (driving the expression of voice for participation, M5S option) or of a silent form of disenchantment protest (Bourdin & Torre, 2025) driving citizen disengagement from any form of political participation (Abstentionism option) seem to rise in communities suffering from unfavourable economic and living conditions, namely: unemployment compounded by social hardship and material vulnerability, (proxied by the variation in the household crowding and being surrounded by an outdated building stock).
Very interestingly, also a long-term variation in population is a strong predictor for both these form of loud or silent protest voting. Communities living in small, inner Italian municipalities experiencing slow-burning processes reinforced by every backslash of a new crisis are (directly or indirectly) calling for policy attention to stop the decline.

Intriguingly the gender and generational dimension of occupation are strong constant explanatory factors for the exit option, but are also connected to voice expression although differentiated. This is probably associated with the destabilizing effects that youth delayed entry into the labour market and women's emancipation might have produced in traditional communities.

Finally, it is worth noting that the three economic distresses we considered strongly relate to both protest voting behaviours (voice and exit). This result, coupled with the specialisation of the LLS seems to suggest that the impact of globalisation, regardless the economic sectors, has produced an explicit demand for inclusion in the choices of industrial and social policies. On the contrary, in mature and economically differentiated communities, able to convert their production system to intercept the rising demand for tertiary service rather than primary production, assume a closed attitude toward the outside world or anti-global, protectionist

feelings prompting incumbent governments to continue supporting their economic position.

These results point to the pressing need to tackle policy-wise the issues of the vulnerability and instability lead by the change in long-established values and by material and immaterial marginality which might have together generated a feeling of loss with no firm points of reference.
Considering both the "loyalty" effect explained by Hirschman – with people that keep on voting the same party not for conviction, but for "loyalty" – and the alarming ever-increasing rates of abstentionism (against an average drop in participation of around 10% in many European countries, Italy has lost more than 22% of voters in the last 70 years reaching the lowest voter turnout in the history of republican Italy at 63.9% in 2022; Feltrin & Ieraci, 2023), the outcomes of the present study, enriched with additional evidence that may be offered by more recent elections will provide insights into whether after the populist wave of recent times, in the next future we may witness an exit wave due to disenchantment and distrust, moving from a great expectations era when people turned to non-mainstream parties to a great disillusionment age.
These reflections urge to review the political offerings of parties that to date have proved to be unable to answer people's needs, but it is even more urgent to rebuild the bond of trust with politicians and policy, a trust that has far broader impacts on the socio-economic system but more generally on the very fabric of a country.
This may be highly enlightening if we are to draw a lesson from the past, especially in light of the current challenges that are likely to further exacerbate territorial disparities and shake the political arena.

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## Annex 1. Data description

| Name of the variable | Definition | Description | Source* |
|---|---|---|---|
| Per capita income | Income logged<br>(2012, 2017) | Income declared in the tax return document submitted to the Revenue Agency by all individuals who registered an income the previous year.<br>(2012, 2017) | Italian Ministry of Finance:<br>https://www1.finanze.gov.it/ |
| Population holding at least a secondary school degree | Variation in % Adults holding a secondary school diploma<br>(2011-1991) | Share of people 6 years old or more holding at least a secondary educational attainment on the total resident population 6 years old or more in the municipality.<br>(1991, 2011) | Italian National Institute of Statistics (ISTAT)<br>https://esploradati.istat.it |
| Internet capacity | Households with access to network bandwidth<br>(2012, 2018) | Number of households with a connection ≥ 2Mbps | Italian Communication Authority (AGCOM)<br>https://maps.agcom.it/ |
| Low-skilled workers | Variation in % Low-skilled workers<br>(2011-1991) | Share of working population in the municipality employed in Italian Classification of Occupation 8 – low-skilled professions more total employed persons<br>(1991, 2011) | Italian National Institute of Statistics (ISTAT)<br>https://esploradati.istat.it |
| Occupation in manufacturing | % Occupation in manufacturing<br>(2012, 2017) | Share of people employed in manufacturing on total employment in the municipality.<br>(2012, 2017) | Italian National Institute of Statistics (ISTAT)<br>https://esploradati.istat.it |
| Female employment rate | Variation in % Female participation to the labour market<br>(2011-1991) | Share of active female population on the total resident female population of the same age in the municipality<br>(1991, 2011) | Italian National Institute of Statistics (ISTAT)<br>https://esploradati.istat.it |
| Foreign population | Variation in % foreign residents per 1,000 inhab<br>(2011-1991) | Share of foreign resident per 1,000 residents in the municipality<br>(1991, 2011) | Italian National Institute of Statistics (ISTAT)<br>https://esploradati.istat.it |

| Name of the variable | Definition | Description | Source* |
|---|---|---|---|
| Household crowding | Variation in Household crowding (2011-1991) | Percentage ratio between resident population living in dwellings with less than 40 sq. meters and more than 4 people or in 40-59 sq. meters and more than 5 people or in 60-79 sq. meters and more than 6 people, and total resident population living in occupied dwellings in the municipality (1991, 2011) | Italian National Institute of Statistics (ISTAT) https://esploradati.istat.it |
| Age of building stock | Age of building stock (2011) | Arithmetic mean of the age of the building stock built after 1962 | Italian National Institute of Statistics (ISTAT) https://esploradati.istat.it |
| Unemployment rate | Unemployment rate (2012, 2017) | Share of job-seekers aged 15 years or over on labour force aged 15 years or over in the municipality (2012, 2017) | Italian National Institute of Statistics (ISTAT) https://esploradati.istat.it |
| Young people outside the labour market | Variation in Young people outside the labour market (2011-1991) | Share of people aged 15-29 in a non-professional status (other than students) over residents of the same age in the municipality (1991, 2011) | Italian National Institute of Statistics (ISTAT) https://esploradati.istat.it |
| Population living in an Inner Area | % Population living in an Inner Area (Classification 2012 for 2013, classification 2020 for 2018) | Dummy variable. 1 if over 50% of resident population lives in a Municipality classified as Inner Area. NB 0 is automatically assigned if the LLS contains a Municipality with over 50,000 inhabitants | Italian National Institute of Statistics (ISTAT) https://esploradati.istat.it |
| Industrial district | Industrial district (2011) | Dummy variable | Italian National Institute of Statistics (ISTAT) https://esploradati.istat.it |
| Relative mean electoral turnout | Relative Mean Turnout (1953-2013, 2018) | LLS Senate voting turnout relative to the national average. Data employed regard the national legislative elections held closer to the Census date of the period under consideration (2013 or 2018): (7th June 1953, 24th-25th February 2013 and on 4th March 2018) | Italian Ministry of Interior https://interno.gov.it/elezioni/open-data |

| Name of the variable | Definition | Description | Source* |
|---|---|---|---|
| Relative variation in resident population | Relative Population change (1951-2013, 2018) | Population change relative to the national average (1951, 2013, 2018) | Italian National Institute of Statistics (ISTAT) https://esploradati.istat.it |
| Relative variation in employment rate | Relative Employment rate change (1951-2013, 2018) | Employment change relative to the national average (1951, 2013, 2018) | Italian National Institute of Statistics (ISTAT) https://esploradati.istat.it |
| LLS main productive specialisation | LLS main productive specialisation (2011) | Economic specialization of the industrial district identified by using the data on economic units surveyed in the 9th Industry and Services Census (2011) | Italian National Institute of Statistics (ISTAT) https://esploradati.istat.it |

* Census data are provided at municipal level. In order to maintain the integrity of the geographical unit of analysis, variables employed in the regression were calculated individually.

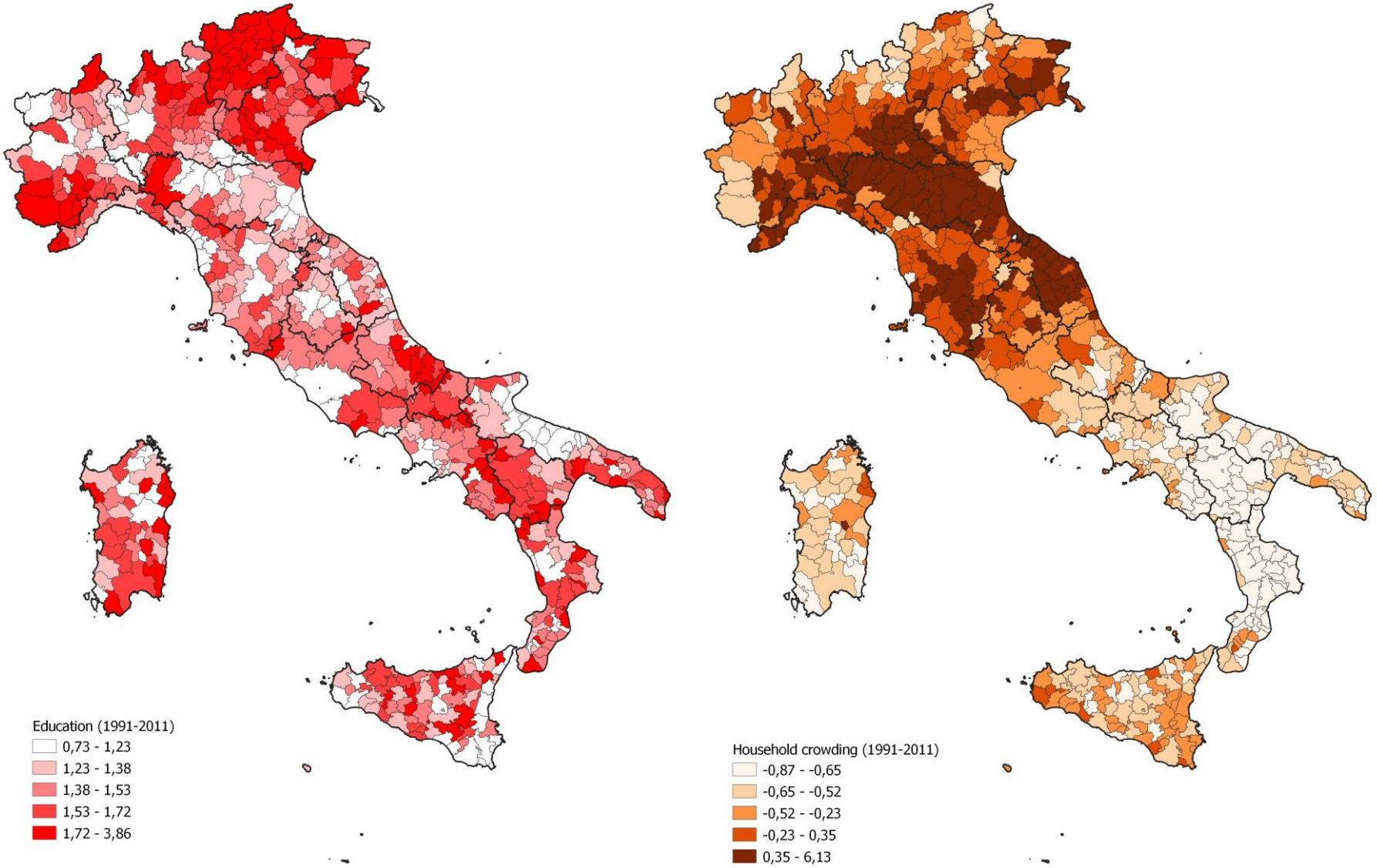
## Annex 2. Descriptive Statistics and multi-collinearity diagnostic

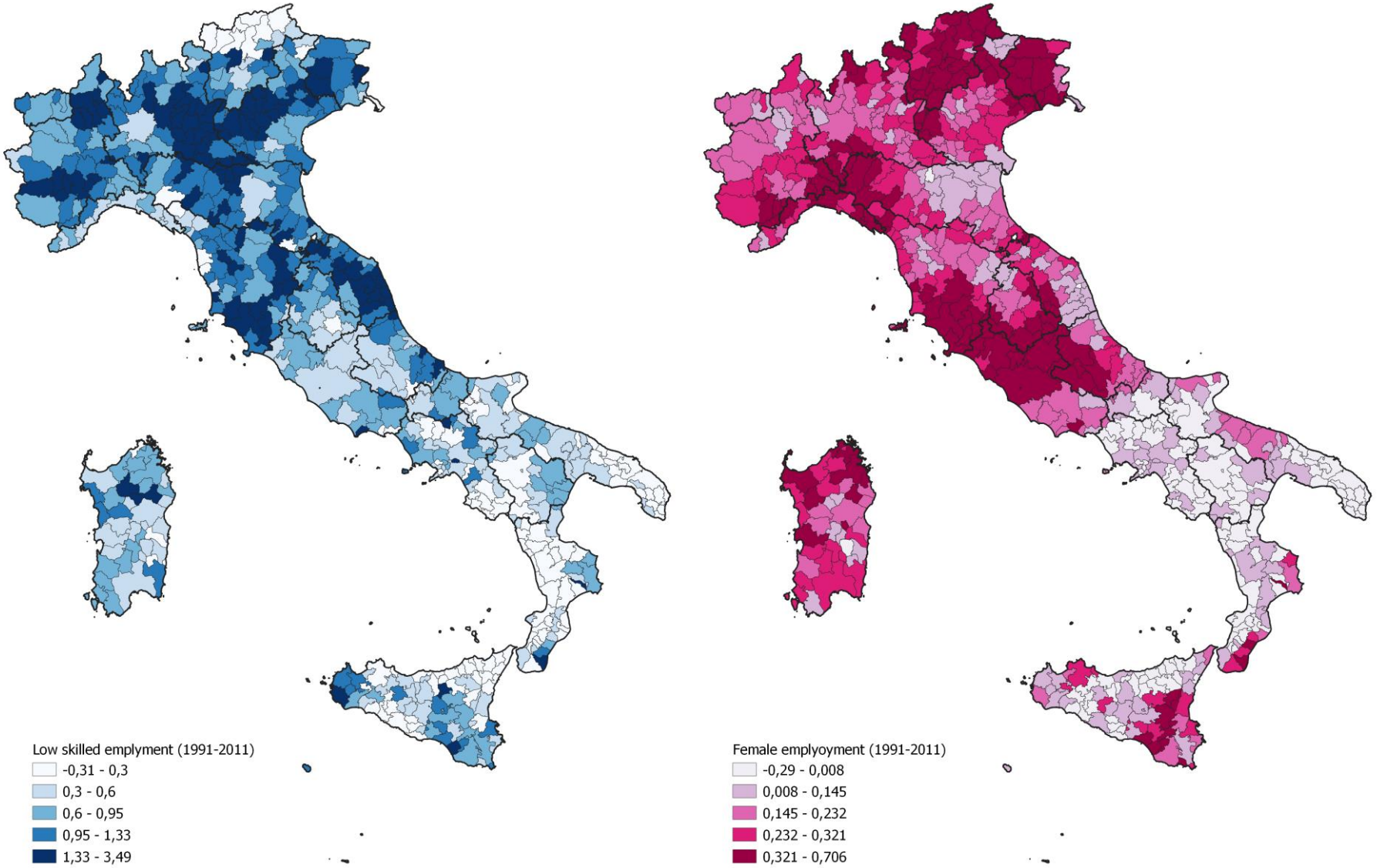
### Descriptive Statistics

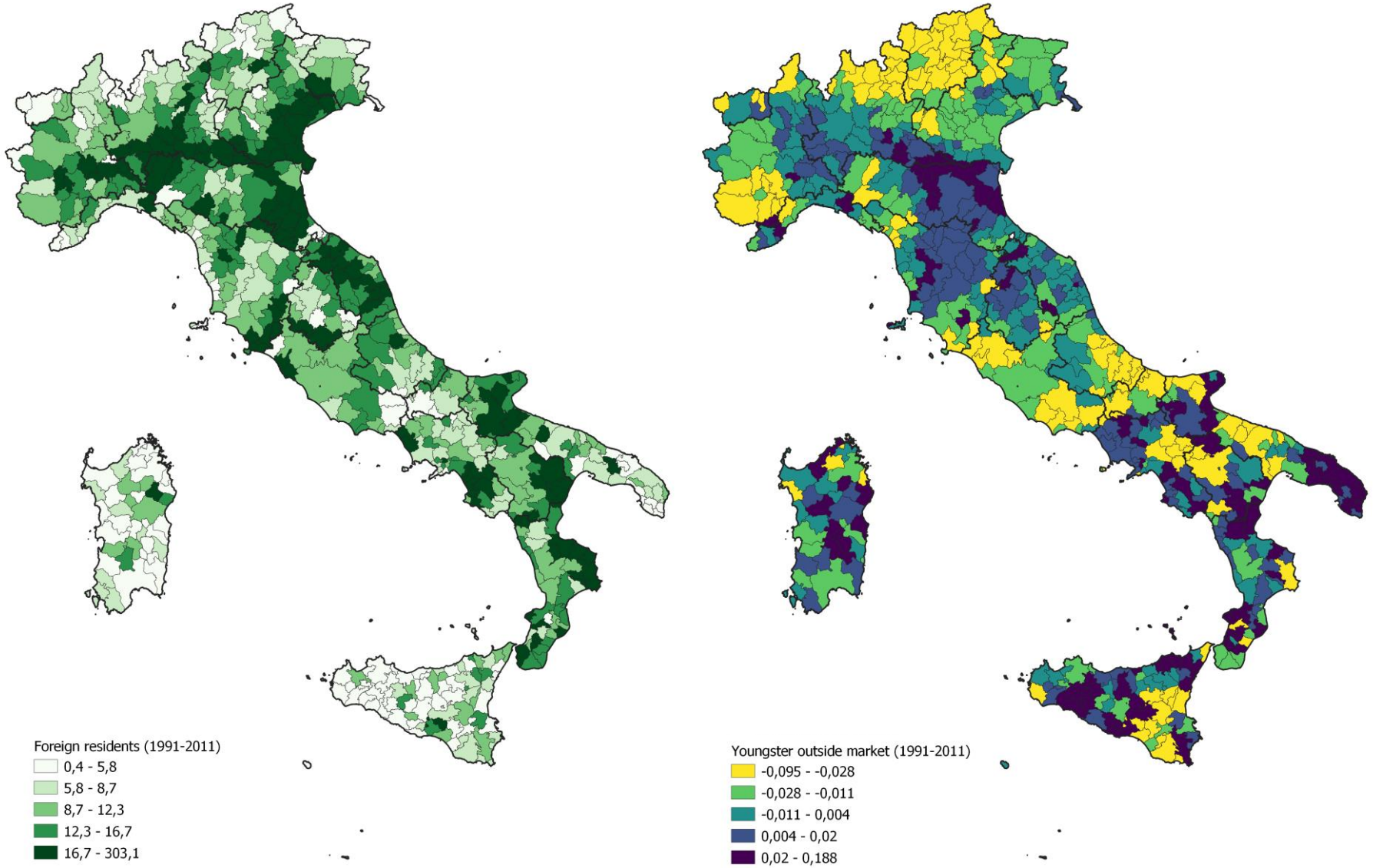
| Variable | Obs | Mean | Std. Dev. | Min | Max |
|---|---|---|---|---|---|
| Share of valid votes for M5S (2013) | 610 | .23 | .06 | .01 | .39 |
| Share of valid votes for LEGA (2013) | 610 | .04 | .07 | 0 | .41 |
| Share of abstentionism (2013) | 610 | .27 | .07 | .14 | .58 |
| Share of valid votes for M5S (2018) | 610 | .32 | .11 | .04 | .63 |
| Share of valid votes for LEGA (2018) | 610 | .17 | .11 | .02 | .47 |
| Share of abstentionism (2018) | 610 | .28 | .07 | .16 | .51 |
| Per capita income log (2013) | 610 | 9.73 | .2 | 9.2 | 10.2 |
| Per capita income log (2018) | 610 | 9.8 | .21 | 9.26 | 10.28 |
| Internet capacity (2012) | 610 | .83 | .16 | .18 | 1 |
| Internet capacity (2018) | 610 | .84 | .11 | .39 | 1 |
| Occupation in manufacturing (2012) | 610 | .22 | .12 | .01 | .64 |
| Occupation in manufacturing (2017) | 610 | .21 | .12 | .02 | .61 |
| Unemployment rate (2012) | 610 | .12 | .05 | .04 | .34 |
| Unemployment rate (2017) | 610 | .12 | .06 | .02 | .38 |
| % Population living in an Inner Area (2013) | 610 | .52 | .5 | 0 | 1 |
| % Population living in an Inner Area (2018) | 610 | .42 | .49 | 0 | 1 |
| Relative mean electoral turnout (1953-2013) | 610 | -2.08 | 6.12 | -23.47 | 6.91 |
| Relative variation in population (1951-2013) | 610 | .1 | .45 | -.6 | 3.97 |
| Relative variation in employment rate (1951-2012) | 610 | -.18 | .17 | -.56 | .38 |
| Relative mean electoral turnout (1953-2018) | 610 | -2.01 | 6.01 | -21.19 | 7.02 |
| Relative variation in population (1951-2018) | 610 | .1 | .45 | -.62 | 3.1 |
| Relative variation in employment rate (1951-2017) | 610 | -.17 | .18 | -.57 | .41 |
| Variation in Population with at least a secondary school degree (1991-2011) | 610 | 1.49 | .32 | .73 | 3.86 |
| Variation in Low-skilled employment (1991-2011) | 610 | .87 | .65 | -.31 | 3.49 |
| Variation in Female employment rate (1991-2011)r | 610 | .17 | .17 | -.29 | .71 |
| Variation in Foreign population (1991-2011) | 610 | 12.83 | 15.52 | .37 | 303.11 |
| Variation in Household crowding (1991-2011) | 610 | -.11 | .78 | -.87 | 6.13 |
| Variation in Young people outside the labour market (1991-2011) | 610 | 0 | .03 | -.09 | .19 |
| Age of building stock (2011) | 610 | 29.77 | 2.59 | 21.08 | 36.9 |

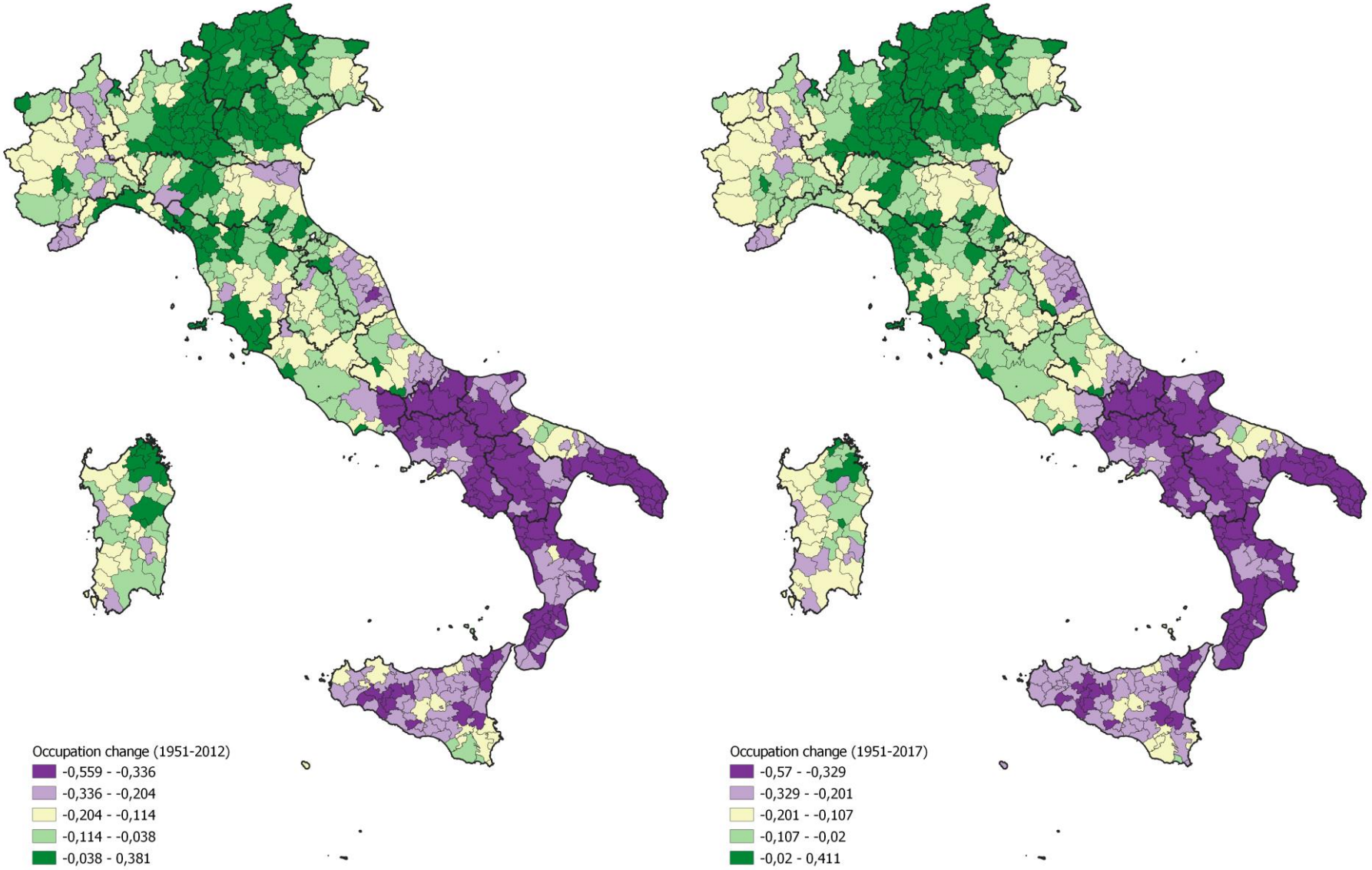
**Additional descriptive statistics**

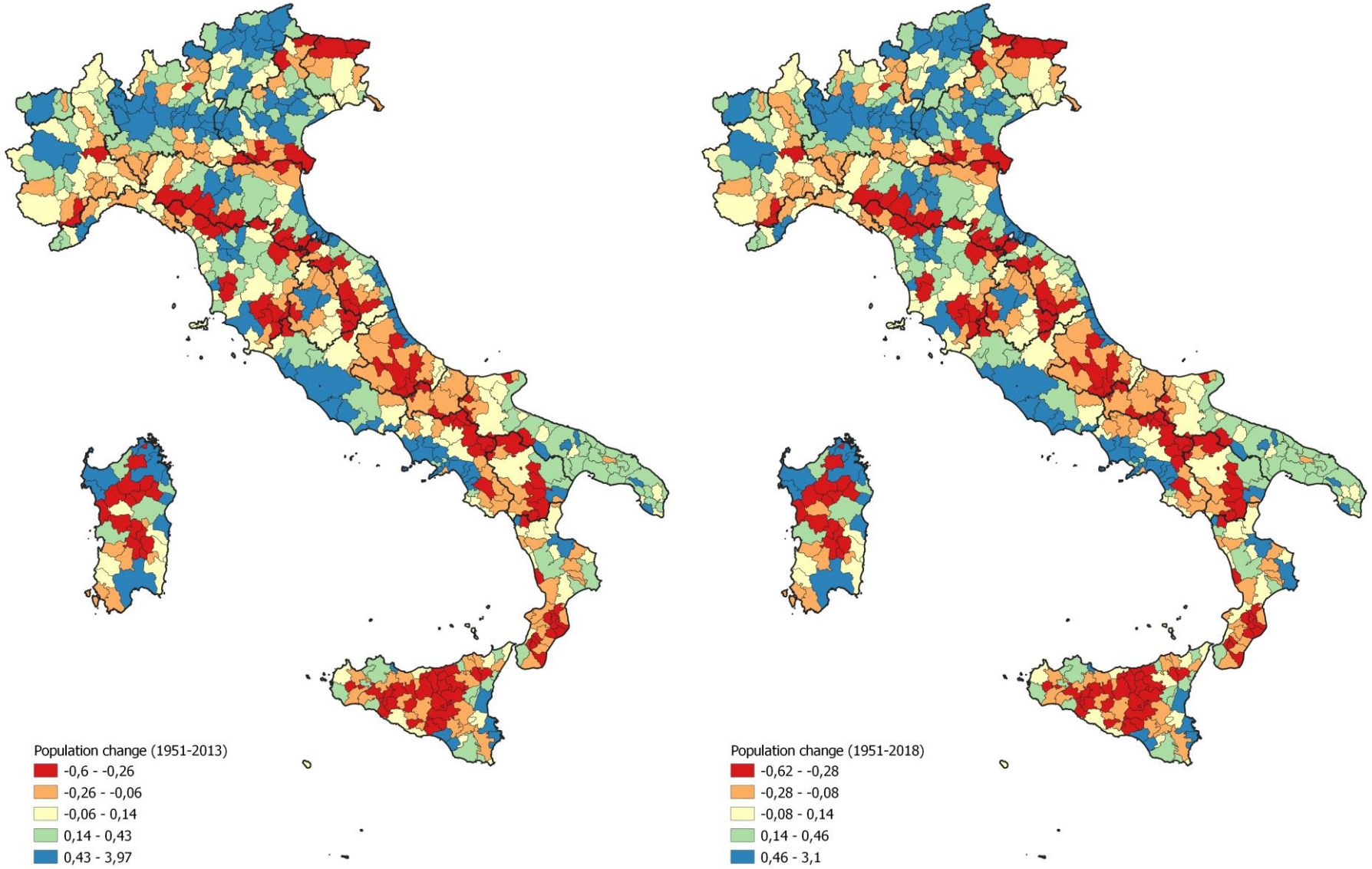
| Variable | Obs | Mean | Std. Dev. | Min | Max |
|---|---|---|---|---|---|
| Share of population with at least a secondary school degree (1991) | 610 | 19.71 | 4.01 | 8.49 | 36.39 |
| Share of population with at least a secondary school degree (2011) | 610 | 48.21 | 6.81 | 27.81 | 64.02 |
| Share of low-skilled employment (1991) | 610 | 13.11 | 8.04 | 2.88 | 50.53 |
| Share of low-skilled employment (2011) | 610 | 20.93 | 7.62 | 8.56 | 61.43 |
| Female employment rate (1991) | 610 | 33.33 | 5.59 | 16.47 | 49.19 |
| Female employment rate (2011) | 610 | 38.7 | 6.77 | 22.29 | 57.02 |
| Share of foreign population per 1,000 inhab (1991) | 610 | 4.95 | 4.18 | .07 | 33.2 |
| Share of foreign population per 1,000 inhab (2011) | 610 | 53.92 | 35.94 | 1.48 | 155.97 |
| Household crowding (1991) | 610 | 2.33 | 2.14 | .14 | 11.11 |
| Household crowding (2011) | 610 | 1.18 | .75 | .15 | 5.36 |
| Occupation 1951 | 610 | 51.75 | 7.09 | 33.25 | 72.11 |
| Occupation 2013 | 610 | 40.92 | 8.45 | 22.71 | 61.48 |
| Occupation 2017 | 610 | 42.47 | 8.49 | 25.29 | 61.59 |
| Population 1951 | 610 | 77894.32 | 159992.37 | 1517 | 2200496 |
| Population 2013 | 610 | 97844.63 | 260634.11 | 3172 | 3730492 |
| Population 2018 | 610 | 99154.05 | 272791.98 | 3201 | 3908163 |
| Turnout 1953 | 608 | 93.15 | 3.42 | 80.45 | 98.23 |
| Turnout 2013 | 610 | 73.07 | 7.4 | 41.91 | 85.83 |
| Turnout 2018 | 610 | 71.52 | 6.53 | 49.08 | 83.54 |


Education (1991-2011)
0,73 - 1,23
1,23 - 1,38
1,38 - 1,53
1,53 - 1,72
1,72 - 3,86
Household crowding (1991-2011)
-0,87 - -0,65
-0,65 - -0,52
-0,52 - -0,23
-0,23 - 0,35
0,35 - 6,13


Low skilled emplyment (1991-2011)
-0,31 - 0,3
0,3 - 0,6
0,6 - 0,95
0,95 - 1,33
1,33 - 3,49
Female emplyoyment (1991-2011)
-0,29 - 0,008
0,008 - 0,145
0,145 - 0,232
0,232 - 0,321
0,321 - 0,706


Foreign residents (1991-2011)
0,4 - 5,8
5,8 - 8,7
8,7 - 12,3
12,3 - 16,7
16,7 - 303,1
Youngster outside market (1991-2011)
-0,095 - -0,028
-0,028 - -0,011
-0,011 - 0,004
0,004 - 0,02
0,02 - 0,188


Occupation change (1951-2012)
-0,559 - -0,336
-0,336 - -0,204
-0,204 - -0,114
-0,114 - -0,038
-0,038 - 0,381
Occupation change (1951-2017)
-0,57 - -0,329
-0,329 - -0,201
-0,201 - -0,107
-0,107 - -0,02
-0,02 - 0,411


Population change (1951-2013)
-0,6 - -0,26
-0,26 - -0,06
-0,06 - 0,14
0,14 - 0,43
0,43 - 3,97
Population change (1951-2018)
-0,62 - -0,28
-0,28 - -0,08
-0,08 - 0,14
0,14 - 0,46
0,46 - 3,1

**Tabulation of LLS main productive specialisation**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| Typical “Made in Italy” (Light Manufacturing) LLSs | 189 | 30.98 | 30.98 |
| “Heavy Manufacturing” LLSs | 85 | 13.93 | 44.92 |
| Other specialisation LLSs | 223 | 36.56 | 81.48 |
| Non-specialised LLSs | 113 | 18.52 | 100.00 |
| Total | 610 | 100.00 | |

**Tabulation of Disturbance/challenge**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| Affected by the China shock | 167 | 27.38 | 27.38 |
| Slow burning | 298 | 48.85 | 76.23 |
| Affected by the Great recession | 7 | 1.15 | 77.38 |
| Not significant | 138 | 22.62 | 100.00 |
| Total | 610 | 100.00 | |

**Tabulation of Industrial district 2011 (dummy)**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| 0 | 469 | 76.89 | 76.89 |
| 1 | 141 | 23.11 | 100.00 |
| Total | 610 | 100.00 | |

## Heteroskedasticity test

*M5S 2013*

```
Breusch-Pagan / Cook-Weisberg test for heteroskedasticity
         Ho: Constant variance
         Variables: fitted values of PCTM5S2013_PP

         chi2(1)      =     1.88
         Prob > chi2  =   0.1705
```

*LEGA 2013*

```
Breusch-Pagan / Cook-Weisberg test for heteroskedasticity
         Ho: Constant variance
         Variables: fitted values of PCTLEGA2013_PP

         chi2(1)      =   294.48
         Prob > chi2  =   0.0000
```

*Abstentionism 2013*

```
Breusch-Pagan / Cook-Weisberg test for heteroskedasticity
         Ho: Constant variance
         Variables: fitted values of Abstentionism13_PP

         chi2(1)      =    83.07
         Prob > chi2  =   0.0000
```

*M5S 2018*

```
Breusch-Pagan / Cook-Weisberg test for heteroskedasticity
         Ho: Constant variance
         Variables: fitted values of PCTM5S2018_PP

         chi2(1)      =   109.16
         Prob > chi2  =   0.0000
```

*LEGA 2018*

```
Breusch-Pagan / Cook-Weisberg test for heteroskedasticity
         Ho: Constant variance
         Variables: fitted values of PCTLEGA2018_PP

         chi2(1)      =    68.59
         Prob > chi2  =   0.0000
```

*Abstentionism 2018*

```
Breusch-Pagan / Cook-Weisberg test for heteroskedasticity
         Ho: Constant variance
         Variables: fitted values of Abstentionism18_PP

         chi2(1)      =    22.60
         Prob > chi2  =   0.0000
```

Although the error terms have constant variance (i.e., no heteroskedasticity) as p-value is almost often 10% heteroskedasticity will be controlled using a robust standard errors.

**Variance inflation factor**

| Variable | VIF | 1/VIF |
|---|---|---|
| Per capita income (2013) | 4.66 | 0.21 |
| Variation in Population with at least a secondary school degree (1991-2011) | 1.49 | 0.67 |
| Internet capacity (2012) | 1.45 | 0.69 |
| Variation in Low-skilled employment (1991-2011) | 2.12 | 0.47 |
| Occupation in manufacturing (2012) | 3.36 | 0.30 |
| Variation in Female employment rate (1991-2011) | 2.75 | 0.36 |
| Variation in Foreign population (1991-2011) | 1.23 | 0.81 |
| Variation in Household crowding (1991-2011) | 1.76 | 0.57 |
| Age of building stock (2011) | 1.47 | 0.68 |
| Unemployment rate (2017) | 4.73 | 0.21 |
| Variation in Young people outside the labour market (1991-2011) | 1.67 | 0.60 |
| Relative mean electoral turnout (1953-2013) | 3.29 | 0.30 |
| Relative variation in population (1951-2013) | 1.76 | 0.57 |
| Relative variation in employment rate (1951-2012) | 3.91 | 0.26 |
| Industrial district 2011 | 1.86 | 0.54 |
| % Population living in an Inner Area (2013) | 1.58 | 0.63 |
| **Disturbance/challenge** | | |
| *Affected by the China shock* | 1.75 | 0.57 |
| *Slow burning* | 1.82 | 0.55 |
| *Affected by the Great recession* | 1.15 | 0.87 |
| **LLS main productive specialisation** | | |
| *Typical "Made in Italy" (Light Manufacturing) LLSs* | 3.83 | 0.26 |
| *"Heavy Manufacturing" LLSs* | 2.49 | 0.40 |
| *Other specialisation LLSs* | 2.75 | 0.36 |
| Mean VIF | 2.4 | |

| Variable | VIF | 1/VIF |
|---|---|---|
| Per capita income (2018) | 4.76 | 0.21 |
| Variation in Population with at least a secondary school degree (1991-2011) | 1.44 | 0.69 |
| Internet capacity (2018) | 1.43 | 0.70 |
| Variation in Low-skilled employment (1991-2011) | 2.12 | 0.47 |
| Occupation in manufacturing (2017) | 3.33 | 0.30 |
| Variation in Female employment rate (1991-2011) | 2.64 | 0.38 |
| Variation in Foreign population (1991-2011) | 1.21 | 0.83 |
| Variation in Household crowding (1991-2011) | 1.75 | 0.57 |
| Age of building stock (2011) | 1.46 | 0.69 |
| Unemployment rate (2017) | 5.34 | 0.19 |
| Variation in Young people outside the labour market (1991-2011) | 1.68 | 0.59 |
| Relative mean electoral turnout (1953-2013) | 3.57 | 0.28 |
| Relative variation in population (1951-2013) | 1.81 | 0.55 |
| Relative variation in employment rate (1951-2012) | 3.88 | 0.26 |
| Industrial district 2011 | 1.87 | 0.54 |
| % Population living in an Inner Area (2018) | 1.47 | 0.68 |
| **Disturbance/challenge** | | |
| *Affected by the China shock* | 1.76 | 0.57 |
| *Slow burning* | 1.85 | 0.54 |
| *Affected by the Great recession* | 1.15 | 0.87 |
| **LLS main productive specialisation** | | |
| *Typical "Made in Italy" (Light Manufacturing) LLSs* | 3.74 | 0.27 |
| *"Heavy Manufacturing" LLSs* | 2.43 | 0.41 |
| *Other specialisation LLSs* | 2.77 | 0.36 |
| Mean VIF | 2.43 | |

## Variables pairwise correlation

| Variables | -1 | -2 | -3 | -4 | -5 | -6 | -7 | -8 | -9 | -10 | -11 | -12 | -13 | -14 | -15 | -16 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (1) Per capita income (2013) | 1 | | | | | | | | | | | | | | | |
| (2) Variation in Population with at least a secondary school degree (1991-2011) | -0.103 | 1 | | | | | | | | | | | | | | |
| (3) Internet capacity (2012) | 0.011 | -0.284* | 1 | | | | | | | | | | | | | |
| (4) Variation in Low-skilled employment (1991-2011) | 0.382* | -0.011 | -0.038 | 1 | | | | | | | | | | | | |
| (5) Variation in Occupation in manufacturing (2012) | 0.369* | 0.076 | -0.047 | 0.594* | 1 | | | | | | | | | | | |
| (6) Variation in Female employment rate (1991-2011) | 0.515* | 0.119* | -0.128* | 0.298* | 0.111* | 1 | | | | | | | | | | |
| (7) Variation in Foreign population (1991-2011) | -0.053 | 0.029 | -0.136* | 0.236* | 0.073 | 0.053 | 1 | | | | | | | | | |
| (8) Variation in Household crowding (1991-2011) | 0.484* | -0.092 | 0.004 | 0.457* | 0.430* | 0.312* | 0.074 | 1 | | | | | | | | |
| (9) Age of building stock (2011) | -0.385* | -0.182* | -0.105* | -0.170* | -0.191* | -0.274* | 0.002 | -0.202* | 1 | | | | | | | |
| (10) Unemployment rate (2012) | -0.741* | -0.161* | 0.171* | -0.486* | -0.461* | -0.524* | -0.024 | -0.495* | 0.352* | 1 | | | | | | |
| (11) Variation in Young people outside the labour market (1991-2011) | -0.252* | -0.247* | 0.061 | -0.106* | -0.017 | -0.534* | 0.057 | 0.054 | 0.169* | 0.255* | 1 | | | | | |
| (12) Relative mean electoral turnout (1953-2013) | 0.745* | -0.068 | 0.121* | 0.427* | 0.408* | 0.369* | 0.024 | 0.496* | -0.387* | -0.689* | -0.160* | 1 | | | | |
| (13) Relative variation in population (1951-2013) | 0.361* | -0.110* | 0.349* | 0.101 | 0.003 | 0.114* | -0.077 | 0.118* | -0.364* | -0.088 | -0.155* | 0.391* | 1 | | | |
| (14) Relative variation in employment rate (1951-2012) | 0.684* | 0.037 | 0.066 | 0.475* | 0.299* | 0.681* | -0.011 | 0.393* | -0.400* | -0.714* | -0.351* | 0.565* | 0.280* | 1 | | |
| (15) % Population living in an Inner Area (2013) | 0.275* | -0.006 | 0.075 | 0.459* | 0.607* | 0.074 | 0.084 | 0.355* | -0.188* | -0.333* | 0.014 | 0.371* | 0.066 | 0.281* | 1 | |
| (16) Industrial District dummy (2011) | -0.441* | 0.275* | -0.127* | -0.127* | -0.163* | -0.098 | -0.021 | -0.249* | 0.158* | 0.154* | 0.033 | -0.379* | -0.317* | -0.131* | -0.161* | 1 |

**** p<0.01, ** p<0.05, * p<0.1*

| Variables | -1 | -2 | -3 | -4 | -5 | -6 | -7 | -8 | -9 | -10 | -11 | -12 | -13 | -14 | -15 | -16 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (1) Per capita income (2018) | 1 | | | | | | | | | | | | | | | |
| (2) Variation in Population with at least a secondary school degree (1991-2011) | -0.069 | 1 | | | | | | | | | | | | | | |
| (3) Internet capacity (2018) | -0.154* | -0.243* | 1 | | | | | | | | | | | | | |
| (4) Variation in Low-skilled employment (1991-2011) | 0.398* | -0.011 | -0.081 | 1 | | | | | | | | | | | | |
| (5) Variation in Occupation in manufacturing (2017) | 0.390* | 0.074 | -0.148* | 0.598* | 1 | | | | | | | | | | | |
| (6) Variation in Female employment rate (1991-2011) | 0.511* | 0.119* | -0.230* | 0.298* | 0.122* | 1 | | | | | | | | | | |
| (7) Variation in Foreign population (1991-2011) | -0.041 | 0.029 | -0.001 | 0.236* | 0.072 | 0.053 | 1 | | | | | | | | | |
| (8) Variation in Household crowding (1991-2011) | 0.491* | -0.092 | -0.149* | 0.457* | 0.432* | 0.312* | 0.074 | 1 | | | | | | | | |
| (9) Age of building stock (2011) | -0.399* | -0.182* | -0.003 | -0.170* | -0.194* | -0.274* | 0.002 | -0.202* | 1 | | | | | | | |
| (10) Unemployment rate (2017) | -0.763* | -0.189* | 0.316* | -0.489* | -0.480* | -0.506* | -0.042 | -0.482* | 0.358* | 1 | | | | | | |
| (11) Variation in Young people outside the labour market (1991-2011) | -0.263* | -0.247* | 0.152* | -0.106* | -0.029 | -0.534* | 0.057 | 0.054 | 0.169* | 0.248* | 1 | | | | | |
| (12) Relative mean electoral turnout (1953-2018) | 0.768* | -0.058 | -0.06 | 0.447* | 0.447* | 0.371* | 0.028 | 0.505* | -0.396* | -0.708* | -0.172* | 1 | | | | |
| (13) Relative variation in population (1951-2018) | 0.372* | -0.125* | 0.272* | 0.112* | -0.006 | 0.113* | -0.077 | 0.119* | -0.362* | -0.09 | -0.152* | 0.398* | 1 | | | |
| (14) Relative variation in employment rate (1951-2017) | 0.691* | 0.069 | -0.106* | 0.480* | 0.327* | 0.670* | 0.001 | 0.393* | -0.357* | -0.754* | -0.349* | 0.578* | 0.194* | 1 | | |
| (15) % Population living in an Inner Area (2018) | 0.293* | -0.006 | 0 | 0.459* | 0.606* | 0.074 | 0.084 | 0.355* | -0.188* | -0.324* | 0.014 | 0.391* | 0.069 | 0.269* | 1 | |
| (16) Industrial District dummy (2011) | -0.475* | 0.171* | -0.037 | -0.180* | -0.176* | -0.229* | 0.045 | -0.244* | 0.261* | 0.263* | 0.073 | -0.446* | -0.348* | -0.276* | -0.171* | 1 |

**** p<0.01, ** p<0.05, * p<0.1*

## Annex 3. Complete regressions

**Table 2.** Fractional probit regression. Dependent variable: Mean rate of abstention and share of valid votes obtained in the Senate by Movimento 5 Stelle and Lega on February 24th-25th 2013 National elections (LLSs).

| VARIABLES | (1) M5S2013 | (2) LEGA2013 | (3) Abstentionism 2013 |
|---|---|---|---|
| Per capita income (2013) | -0.15* | 1.01*** | -0.21*** |
| | (0.09) | (0.32) | (0.05) |
| Internet capacity (2012) | 0.12** | -0.06 | 0.02 |
| | (0.05) | (0.22) | (0.03) |
| Variation in Population with at least a secondary school degree (1991-2011) | -0.12*** | 0.19* | -0.03** |
| | (0.04) | (0.11) | (0.02) |
| Age of building stock (2011) | 0.01*** | -0.01 | 0.01*** |
| | (0.00) | (0.01) | (0.00) |
| Occupation in manufacturing (2012) | 0.12 | -0.34 | -0.23*** |
| | (0.10) | (0.37) | (0.06) |
| Unemployment rate (2012) | 0.56* | -11.52*** | 1.01*** |
| | (0.30) | (1.53) | (0.20) |
| Industrial District dummy (2011) | -0.03 | 0.14** | -0.01 |
| | (0.02) | (0.06) | (0.01) |
| % Population living in an Inner Area (2013) | -0.05** | 0.11** | 0.01 |
| | (0.02) | (0.05) | (0.01) |
| Variation in Household crowding (1991-2011) | 0.04*** | -0.02 | -0.01** |
| | (0.01) | (0.04) | (0.01) |
| Variation in Low-skilled employment (1991-2011) | 0.03 | 0.29*** | 0.00 |
| | (0.02) | (0.05) | (0.01) |

| VARIABLES | (1) M5S2013 | (2) LEGA2013 | (3) Abstentionism 2013 |
|---|---|---|---|
| Variation in Female employment rate (1991-2011) | 0.33*** | -0.09 | 0.15*** |
| | (0.07) | (0.27) | (0.04) |
| Variation in Young people outside the labour market (1991-2011) | -0.01 | -3.75*** | 0.88*** |
| | (0.31) | (1.30) | (0.21) |
| Variation in Foreign population (1991-2011) | -0.00*** | 0.00** | -0.00 |
| | (0.00) | (0.00) | (0.00) |
| **Historical legacy** | | | |
| *Relative mean electoral turnout (1953-2013)* | -0.00 | -0.03*** | -0.02*** |
| | (0.00) | (0.01) | (0.00) |
| *Relative variation in population (1951-2013)* | 0.04* | 0.08 | 0.02* |
| | (0.02) | (0.07) | (0.01) |
| *Relative variation in employment rate (1951-2012)* | -0.08 | 0.46 | 0.01 |
| | (0.09) | (0.28) | (0.05) |
| **Disturbance/challenge** | | | |
| *Affected by the China shock* | 0.08*** | -0.16* | -0.01 |
| | (0.02) | (0.09) | (0.01) |
| *Slow burning* | 0.08*** | -0.03 | -0.01 |
| | (0.02) | (0.06) | (0.01) |
| *Affected by the Great recession* | -0.02 | -0.47*** | 0.02 |
| | (0.08) | (0.11) | (0.03) |
| *Not significant* | (baseoutcome) | | |
| **LLS main productive specialisation** | | | |
| *Typical "Made in Italy" (Light Manufacturing) LLSs* | 0.05 | -0.05 | -0.00 |
| | (0.03) | (0.11) | (0.02) |
| *"Heavy Manufacturing" LLSs* | 0.01 | 0.07 | 0.01 |
| | (0.03) | (0.12) | (0.02) |

| VARIABLES | (1)<br>M5S2013 | (2)<br>LEGA2013 | (3)<br>Abstentionism 2013 |
|---|---|---|---|
| *Other specialisation LLSs* | 0.02 | -0.09 | 0.02 |
| | (0.03) | (0.10) | (0.01) |
| *Non-specialised LLSs* | (baseoutcome) | | |
| Constant | 0.13 | -10.79*** | 0.99** |
| | (0.92) | (3.36) | (0.48) |
| Observations | 610 | 610 | 610 |
| Pseudo R-squared | 0.0047 | 0.187 | 0.0193 |

**Table 3.** Fractional probit regression. Dependent variable: Mean rate of abstention and share of valid votes obtained in the Senate by Movimento 5 Stelle and Lega on March 4th, 2018 National elections (LLSs).

| VARIABLES | (1) M5S2018 | (2) LEGA2018 | (3) Abstentionism 2018 |
|---|---|---|---|
| Per capita income (2018) | -0.33*** | 0.10 | -0.11** |
| | (0.09) | (0.13) | (0.04) |
| Internet capacity (2018) | 0.12 | -0.02 | 0.14*** |
| | (0.08) | (0.10) | (0.03) |
| Variation in Population with at least a secondary school degree (1991-2011) | -0.16*** | 0.09 | 0.02 |
| | (0.03) | (0.06) | (0.02) |
| Age of building stock (2011) | 0.01*** | 0.01 | 0.01*** |
| | (0.00) | (0.00) | (0.00) |
| Occupation in manufacturing (2017) | 0.14 | 0.15 | -0.17*** |
| | (0.11) | (0.15) | (0.05) |
| Unemployment rate (2017) | 2.53*** | -3.67*** | 0.62*** |
| | (0.37) | (0.45) | (0.14) |
| Industrial District dummy (2011) | -0.04** | 0.06** | -0.01 |
| | (0.02) | (0.03) | (0.01) |
| % Population living in an Inner Area (2018) | -0.04* | -0.04 | 0.01 |
| | (0.02) | (0.03) | (0.01) |
| Variation in Household crowding (1991-2011) | 0.01 | 0.00 | 0.01 |
| | (0.01) | (0.02) | (0.01) |
| Variation in Low-skilled employment (1991-2011) | -0.01 | 0.12*** | -0.01* |
| | (0.02) | (0.03) | (0.01) |
| Variation in Female employment rate (1991-2011) | -0.08 | 0.24*** | 0.14*** |
| | (0.07) | (0.09) | (0.04) |

| VARIABLES | (1) M5S2018 | (2) LEGA2018 | (3) Abstentionism 2018 |
|---|---|---|---|
| Variation in Young people outside the labour market (1991-2011) | -0.82** | 0.06 | 0.61*** |
| | (0.38) | (0.41) | (0.13) |
| Variation in Foreign population (1991-2011) | -0.00 | 0.00 | -0.00 |
| | (0.00) | (0.00) | (0.00) |
| **Historical legacy** | | | |
| *Relative mean electoral turnout (1953-2018)* | -0.00 | -0.00 | -0.02*** |
| | (0.00) | (0.00) | (0.00) |
| *Relative variation in population (1951-2018)* | 0.07*** | -0.07** | 0.04*** |
| | (0.02) | (0.03) | (0.01) |
| *Relative variation in employment rate (1951-2017)* | -0.09 | 0.25** | 0.05 |
| | (0.09) | (0.11) | (0.04) |
| **Disturbance/challenge** | | | |
| *Affected by the China shock* | 0.12*** | -0.06** | -0.01 |
| | (0.03) | (0.03) | (0.01) |
| *Slow burning* | 0.04** | 0.03 | -0.02* |
| | (0.02) | (0.03) | (0.01) |
| *Affected by the Great recession* | 0.11** | -0.12 | 0.07 |
| | (0.05) | (0.14) | (0.06) |
| *Not significant* | (baseoutcome) | | |
| **LLS main productive specialisation** | | | |
| *Typical "Made in Italy" (Light Manufacturing) LLSs* | 0.01 | 0.09** | -0.02* |
| | (0.03) | (0.04) | (0.01) |
| *"Heavy Manufacturing" LLSs* | 0.01 | 0.14*** | -0.01 |
| | (0.03) | (0.04) | (0.02) |

| VARIABLES | | (1)<br>M5S2018 | (2)<br>LEGA2018 | (3)<br>Abstentionism 2018 |
|---|---|---|---|---|
| | *Other specialisation LLSs* | -0.02 | 0.11*** | 0.01 |
| | | (0.03) | (0.03) | (0.01) |
| | *Non-specialised LLSs* | (baseoutcome) | | |
| Constant | | 2.21** | -2.05 | 0.12 |
| | | (0.90) | (1.31) | (0.44) |
| Observations | | 610 | 610 | 610 |
| Pseudo R-squared | | 0.0322 | 0.0692 | 0.0138 |

**Basic model**

| VARIABLES | (1) M5S 2013 | (2) M5S 2018 | (3) LEGA 2013 | (4) LEGA 2018 | (5) Abstentionism 2013 | (6) Abstentionism 2018 |
|---|---|---|---|---|---|---|
| Per capita income (2013, 2018) | 0.05 | -0.18** | 0.45 | -0.02 | -0.31*** | -0.24*** |
| | (0.09) | (0.08) | (0.27) | (0.12) | (0.05) | (0.05) |
| Internet capacity (2012, 2018) | 0.19*** | 0.22*** | -0.12 | -0.08 | -0.04 | 0.07* |
| | (0.05) | (0.07) | (0.23) | (0.10) | (0.03) | (0.04) |
| Age of building stock (2011) | 0.01*** | 0.01*** | -0.02* | 0.01 | 0.01*** | 0.01** |
| | (0.00) | (0.00) | (0.01) | (0.01) | (0.00) | (0.00) |
| Occupation in manufacturing (2012, 2017) | 0.13 | 0.06 | 0.13 | 0.40*** | -0.29*** | -0.26*** |
| | (0.09) | (0.11) | (0.34) | (0.14) | (0.06) | (0.06) |
| Unemployment rate (2012, 2017) | 0.55** | 3.29*** | -14.48*** | -5.20*** | 1.72*** | 1.05*** |
| | (0.26) | (0.31) | (1.48) | (0.41) | (0.17) | (0.14) |
| Industrial District dummy (2011) | -0.03 | -0.05** | 0.15** | 0.09*** | -0.02 | -0.02** |
| | (0.02) | (0.02) | (0.06) | (0.03) | (0.02) | (0.01) |
| % Population living in an Inner Area (2013, 2018) | -0.05*** | -0.05** | 0.22*** | -0.03 | 0.03*** | 0.02* |
| | (0.02) | (0.02) | (0.06) | (0.03) | (0.01) | (0.01) |
| **Disturbance/challenge** | | | | | | |
| *Affected by the China shock* | 0.08*** | 0.12*** | -0.12 | -0.06* | 0.02 | 0.01 |
| | (0.02) | (0.03) | (0.09) | (0.03) | (0.01) | (0.01) |
| *Slow burning* | 0.07*** | 0.05** | -0.00 | 0.02 | -0.01 | -0.03** |
| | (0.02) | (0.02) | (0.07) | (0.03) | (0.01) | (0.01) |
| *Affected by Great recession* | -0.08 | 0.05 | -0.59*** | -0.08 | 0.05 | 0.09 |
| | (0.09) | (0.04) | (0.22) | (0.14) | (0.04) | (0.06) |
| *Not significant* | (baseoutcome) | | | | | |

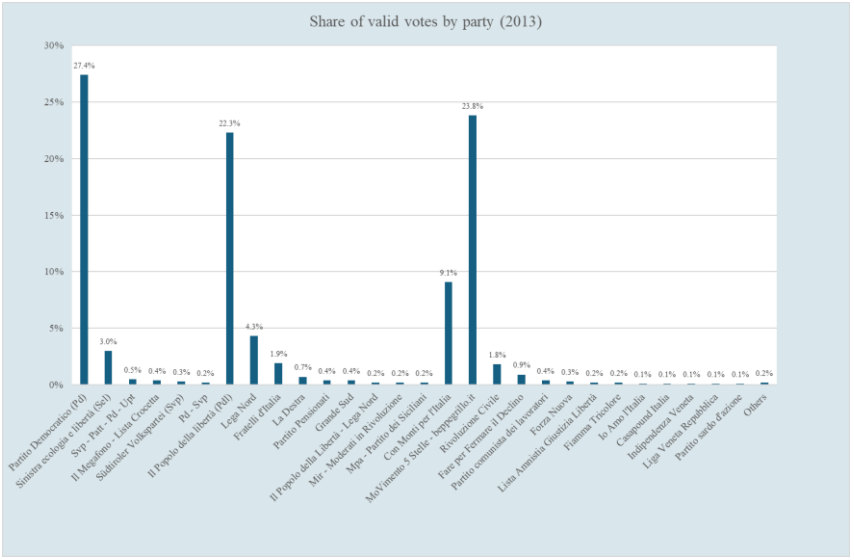
| | | | | | | |
|---|---|---|---|---|---|---|
| **LLS main productive specialisation** | | | | | | |
| *Typical "Made in Italy" (Light Manufacturing) LLSs* | 0.06** | 0.04 | 0.06 | 0.10*** | -0.01 | -0.04** |
| | (0.03) | (0.03) | (0.13) | (0.04) | (0.02) | (0.02) |
| *"Heavy Manufacturing" LLSs* | 0.03 | 0.02 | 0.23* | 0.18*** | 0.02 | 0.00 |
| | (0.03) | (0.03) | (0.13) | (0.04) | (0.02) | (0.02) |
| *Other specialisation LLSs* | 0.05* | -0.01 | 0.06 | 0.15*** | 0.02 | 0.02 |
| | (0.03) | (0.03) | (0.12) | (0.04) | (0.02) | (0.01) |
| *Non-specialised LLSs* | (baseoutcome) | | | | | |
| Constant | -2.01** | 0.24 | -4.38 | -0.46 | 1.93*** | 1.50*** |
| | (0.89) | (0.82) | (2.81) | (1.24) | (0.53) | (0.48) |
| Observations | 610 | 610 | 610 | 610 | 610 | 610 |
| Pseudo R-squared | 0.0026 | 0.0309 | 0.165 | 0.0657 | 0.0175 | 0.0121 |

## Annex 4. The 2013 and 2018 election results through a territorial lens

Very much in line with its historical voting geography (Bloise *et al.*, 2021) Fig.2a and Fig.2b show the results obtained by Lega and M5S during the 2013 and 2018 election as well as the distribution of abstentionism (while a general overview of the share of votes in the Senate by all parties running in both the national elections all results is provided in Fig.1).
Whether the geographical characterisation of Lega (at that time still holding the adjective "Northern" in its name) is particularly evident in the 2013 elections, the change in political offer and the new territorial focus concentrating on the national – rather than northern – territory proposed by Salvini (Albertazzi *et al.*, 2018) resulted appealing also for the 2018 Southern voters. Conversely, M5S voters were rather scattered throughout the country in 2013 due to the novelty of the political grouping born in 2009, but much more concentrated in the South in 2018 most probably connected to the proposal for a 'citizenship minimum income' representing one of the core features of the M5S' political manifesto and particularly relevant for the southern unemployed population (de Renzis & Sforzi, 2022; Urso *et al.*, 2023).

Regarding the distribution of votes in the two rounds of elections separately, the 2013 results (Fig.2a and Table 5) are then still much in line with the historical geographical belonging and the attendance to the polls: a randomly distributed M5S electorate, an hegemony of Lega in the North (all Northern Regions show percentages higher than the national mean) and high level of abstentionism in the South (with the positive exception of Molise and the negative one of Liguria), all having a marginal role in the 'red-belt' Centre.
In 2018 (Fig.2b and Table 5) voting patterns assume a very different behaviour. Regionally-wise Lega starts its descent southwards gaining higher percentages than the national average in all Northern and Central regions (with the exception of Lazio), whereas M5S emerges as a mainly Southern movement. Yet again abstentionism is a Southern prerogative, except for Abruzzo, Liguria and Valle d'Aosta.

**Fig. 1.** National elections 2013 and 2018. Total result by party: share of votes in the Senate (Upper Chamber)



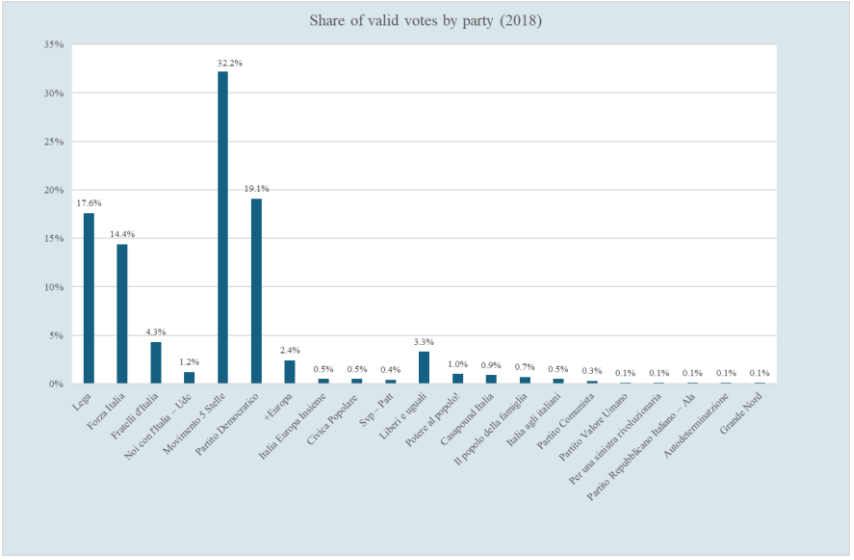



**Fig. 2a.** Share of votes (2013 national elections)

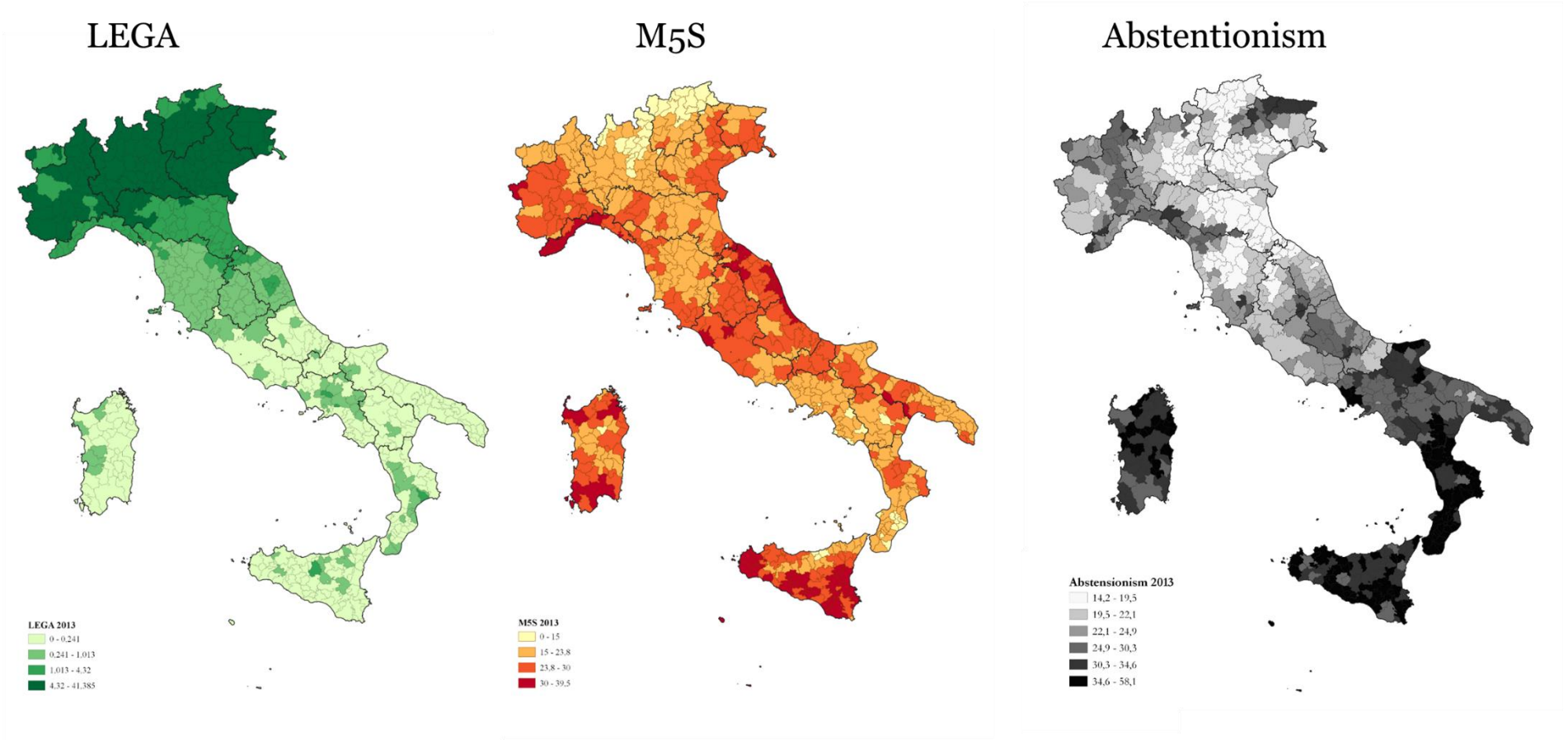


**Fig. 2b.** Share of votes (2018 national elections)

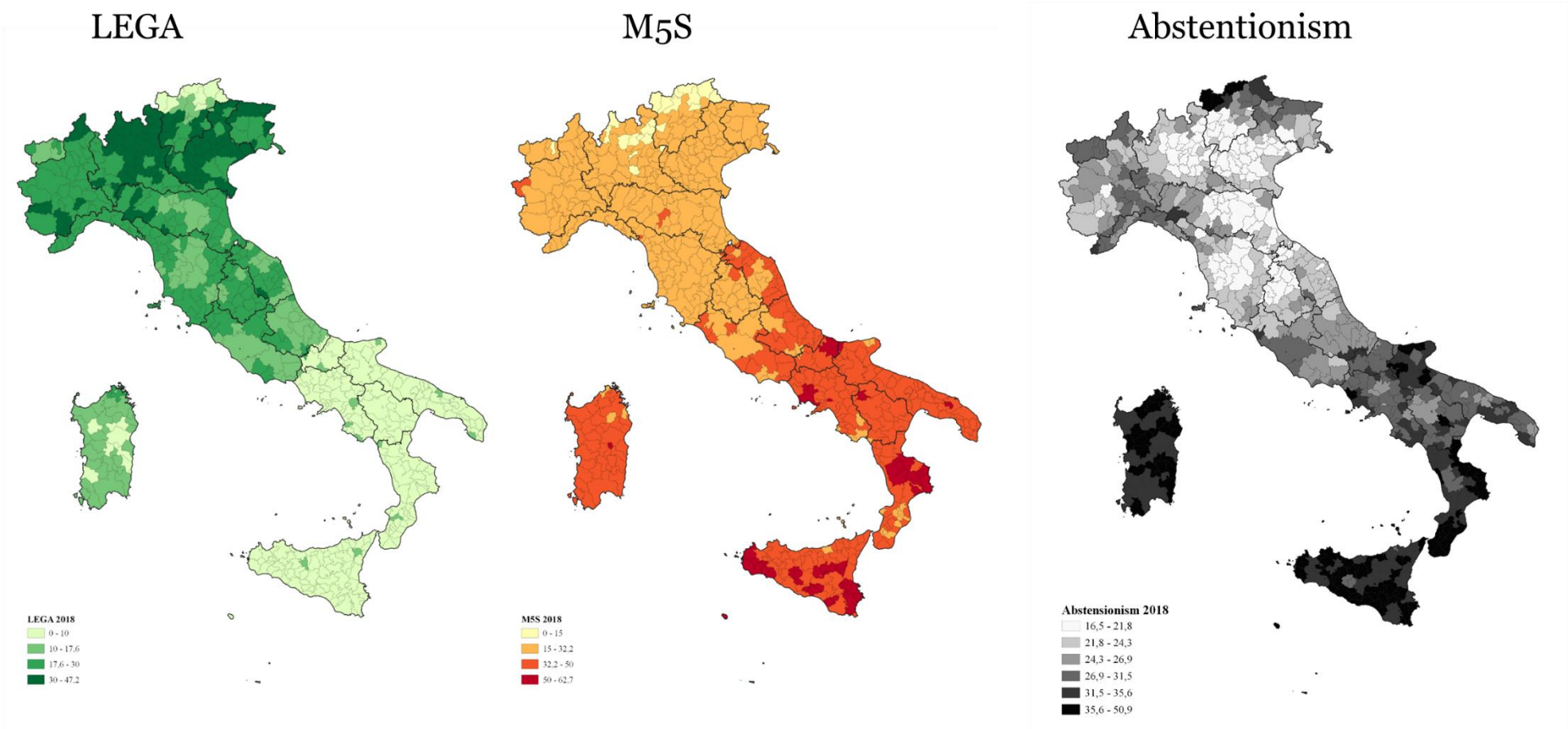


**Table 1.** Geographical distribution of valid votes

| | M5S | | LEGA | | Abstentionism | |
|---|---|---|---|---|---|---|
| | 2013 | 2018 | 2013 | 2018 | 2013 | 2018 |
| Piemonte | 24.53 | 24.07 | 6.45 | 27.06 | 24.47 | 25.46 |
| Valle d'Aosta/Vallée d'Aoste | 18.68 | 19.7 | 4.91 | 19.72 | 23.68 | 28.65 |
| Lombardia | 16.15 | 18.75 | 18.04 | 34.58 | 20.75 | 22.98 |
| Trentino-Alto Adige/Südtirol | 13.62 | 16.5 | 17.74 | 20.23 | 19.62 | 26.1 |
| Veneto | 23.56 | 22.55 | 13.26 | 34.86 | 20.4 | 21.95 |
| Friuli-Venezia Giulia | 24.93 | 24.19 | 7.14 | 27.79 | 24 | 25.4 |
| Liguria | 30.46 | 27.76 | 3.07 | 23.47 | 25.25 | 27.74 |
| Emilia-Romagna | 23.7 | 26.02 | 3.07 | 23.2 | 19.54 | 22.68 |
| Toscana | 23.38 | 24.53 | 0.8 | 19.56 | 22.55 | 23.62 |
| Umbria | 25.49 | 26.43 | 0.62 | 21.33 | 21.82 | 22.09 |
| Marche | 29.43 | 33.9 | 0.82 | 19.72 | 20.99 | 22.9 |
| Lazio | 25.01 | 33.4 | 0.22 | 16.39 | 23.36 | 26.72 |
| Abruzzo | 27.39 | 38.37 | 0.19 | 14.49 | 25.01 | 25.97 |
| Molise | 25.6 | 42.58 | 0.18 | 9.21 | 23.96 | 30.19 |
| Campania | 18.69 | 41.35 | 0.28 | 6.43 | 30.13 | 30.39 |
| Puglia | 22.63 | 41.22 | 0.09 | 7.35 | 30.18 | 30.98 |
| Basilicata | 21.01 | 40.51 | 0.13 | 7.01 | 32.11 | 30.43 |
| Calabria | 18.96 | 40.26 | 0.28 | 5.99 | 39.56 | 37.8 |
| Sicilia | 27.15 | 46.98 | 0.19 | 5.67 | 34.86 | 36.73 |
| Sardegna | 24.43 | 40.49 | 0.16 | 11.76 | 34.89 | 36.66 |
| *ITALY (mean)* | *23.8* | *32.2* | *4.32* | *17.6* | *24.89* | *26.9* |

## Annex 4. Local Labour Systems descriptive statistics

**Table 1.** Classification of LLS according to variation in manufacturing occupation from 1991 up to 2018

| | **Freq.** | **Percent** |
|---|---|---|
| Slow burning | 298 | 48.85 |
| Affected by the China shock (after 2001) | 167 | 27.38 |
| Affected by the Great recession (after 2011) | 7 | 1.15 |
| Not-significant | 138 | 22.62 |
| ***Total*** | ***610*** | ***100.00*** |

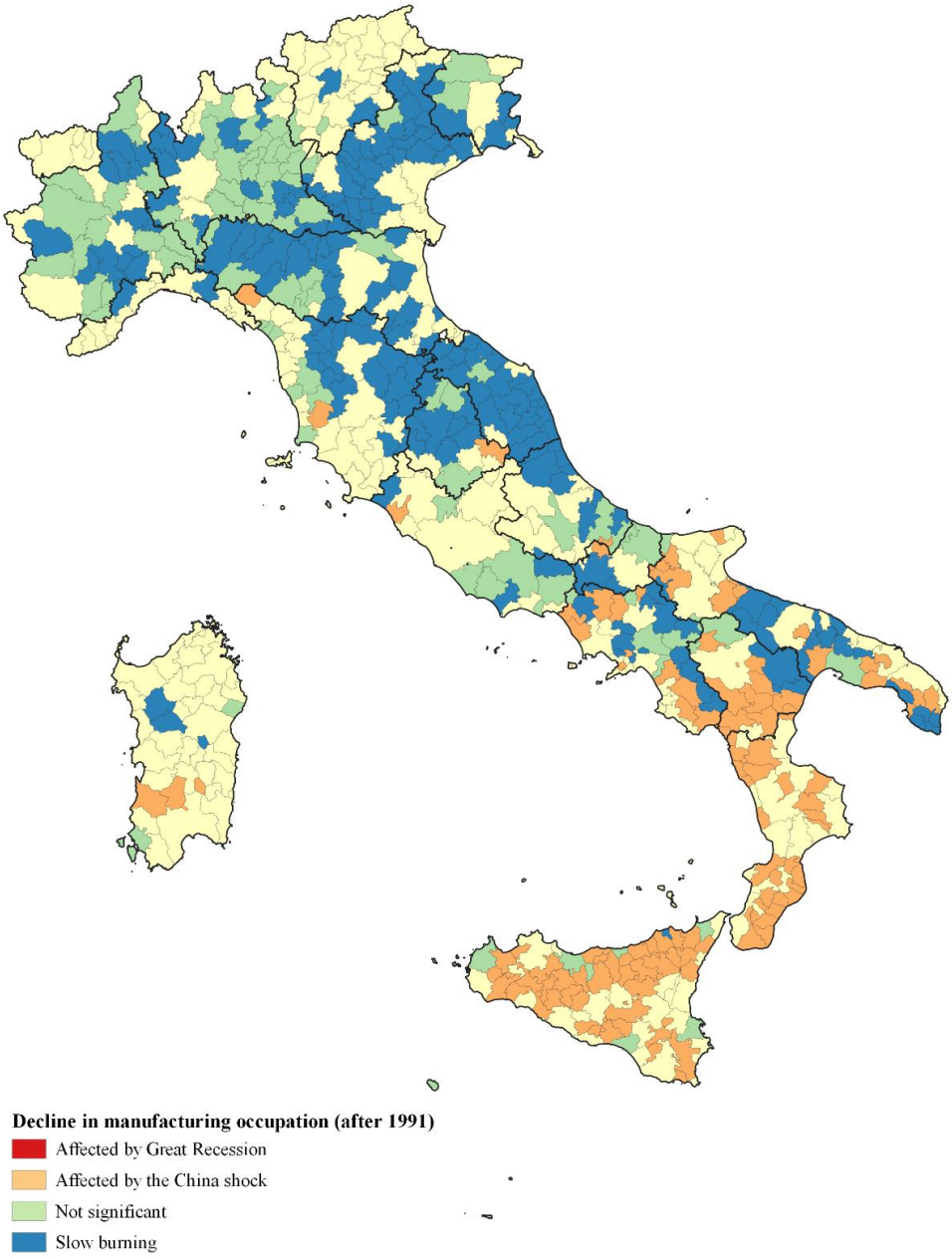


**Table 2.** Impact of disturbances/challenges per manufacturing classes LLS's specialisation

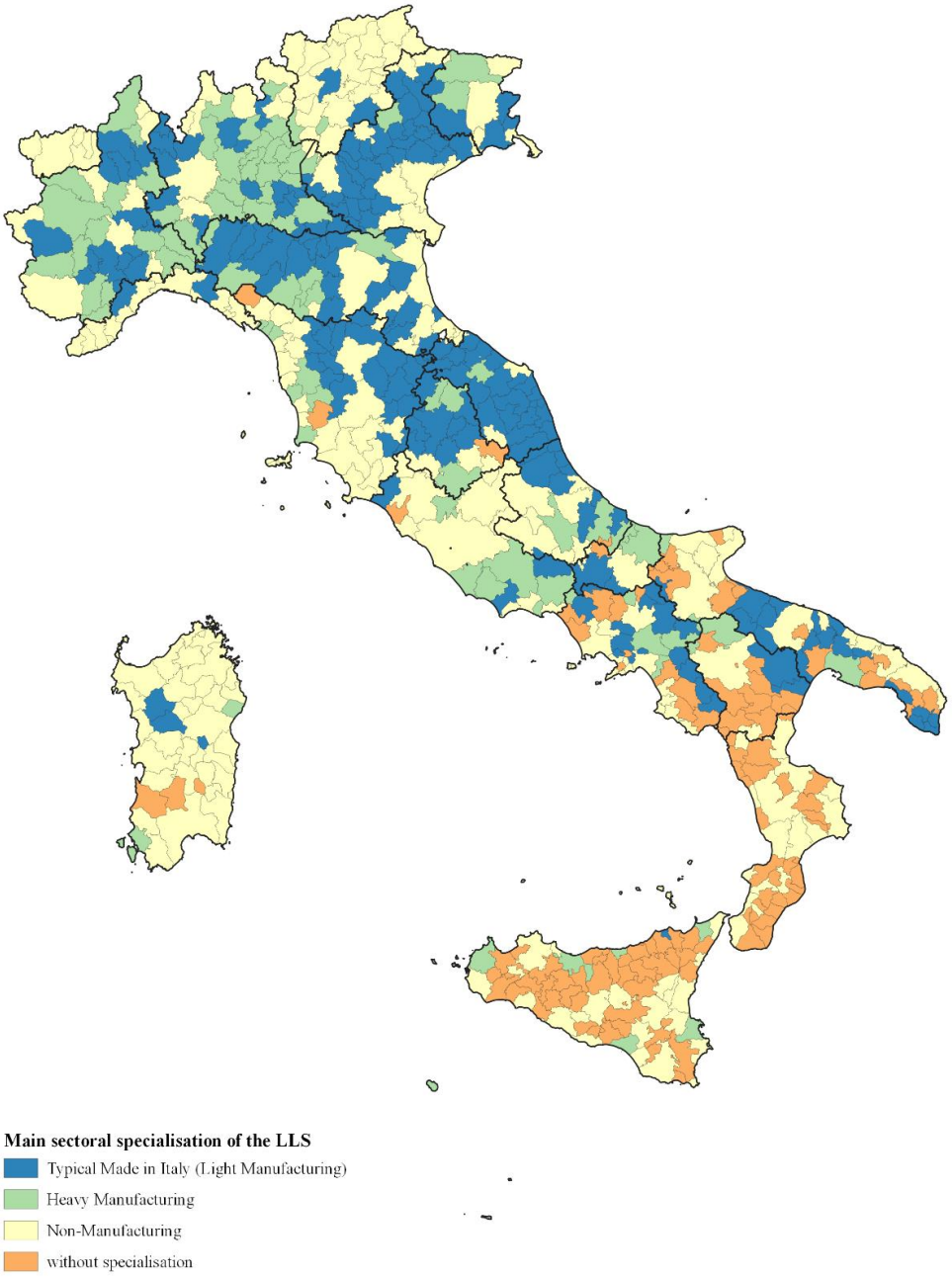
| | | |
|---|---|---|
| *Typical "Made in Italy" (Light Manufacturing) LLS's* | Affected by the China shock | 51 |
| | Not-significant | 35 |
| | Slow-burning | 103 |
| **Total** | | **189** |
| *"Heavy Manufacturing" LLS's* | Affected by the China shock | 19 |
| | Not-significant | 18 |
| | Slow-burning | 48 |
| **Total** | | **85** |
| *Non-Manufacturing LLS's* | Affected by the Great Recession | 5 |
| | Affected by the China shock | 54 |
| | Not-significant | 53 |
| | Slow-burning | 111 |
| **Total** | | **223** |
| *LLS's without specialisation* | Affected by the Great Recession | 2 |
| | Affected by the China shock | 43 |
| | Not-significant | 32 |
| | Slow-burning | 36 |
| **Total** | | **113** |
| **Overall total** | | **610** |

**Table 3.** Regional distribution of LLS according to variation in manufacturing occupation from 1991 up to 2018

| Region | Slow-burning (always declining) | Affected by the China shock (started declining after 2001) | Affected by the Great Recession (started declining after 2011) | Not-significant | Total |
|---|---|---|---|---|---|
| Abruzzo | 7 | 10 | | 1 | 18 |
| Basilicata | 5 | 6 | | 3 | 14 |
| Calabria | 13 | 21 | 1 | 8 | 43 |
| Campania | 14 | 22 | | 10 | 46 |
| Emilia-Romagna | 21 | 6 | | 12 | 39 |
| Friuli-Venezia Giulia | 5 | 5 | | 1 | 11 |
| Lazio | 12 | 3 | | 3 | 18 |
| Liguria | 10 | 1 | | 3 | 14 |
| Lombardia | 33 | 5 | | 13 | 51 |
| Marche | 15 | 8 | | 2 | 25 |
| Molise | | 5 | | | 5 |
| Piemonte | 26 | 3 | | 7 | 36 |
| Puglia | 22 | 11 | 1 | 10 | 44 |
| Sardegna | 14 | 16 | 4 | 5 | 39 |
| Sicilia | 24 | 28 | | 19 | 71 |
| Toscana | 31 | 4 | | 13 | 48 |
| Trentino-Alto Adige/Südtirol | 8 | 2 | 1 | 15 | 26 |
| Umbria | 11 | 2 | | 1 | 14 |
| Valle d'Aosta/Vallée d'Aoste | 1 | 1 | | 3 | 5 |
| Veneto | 26 | 8 | | 9 | 43 |
| **Total** | **298** | **167** | **7** | **138** | **610** |

**Table 4.** Prevalent productive specialisation of the LLS

| 2011 classification | Freq. | Percent |
|---|---|---|
| Made in Italy | 189 | 30.98 |
| Heavy manufacturing | 85 | 13.93 |
| Non-manufacturing | 223 | 36.56 |
| Non-specialised | 113 | 18.52 |
| ***Total*** | ***610*** | ***100.00*** |

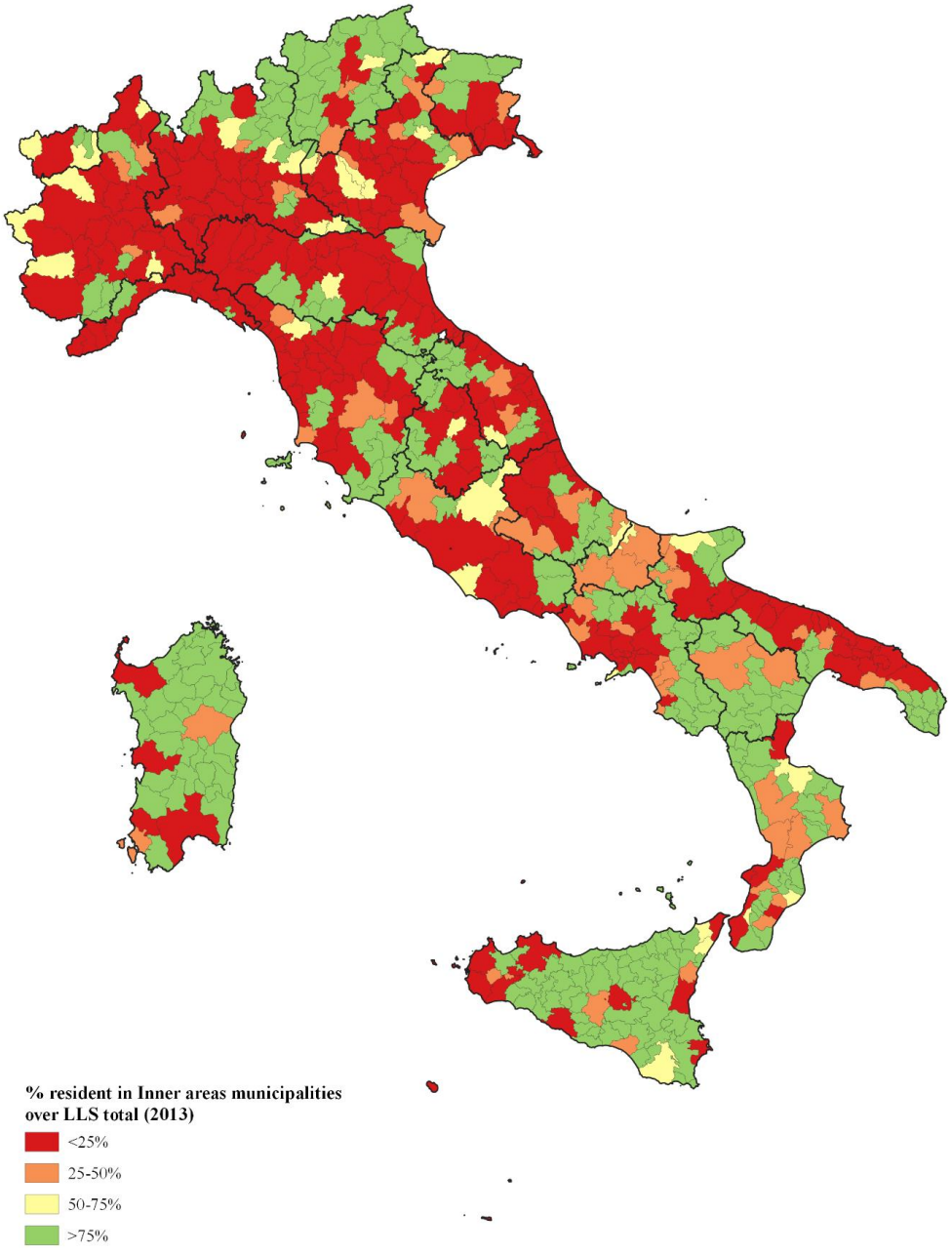


**SLL classes**

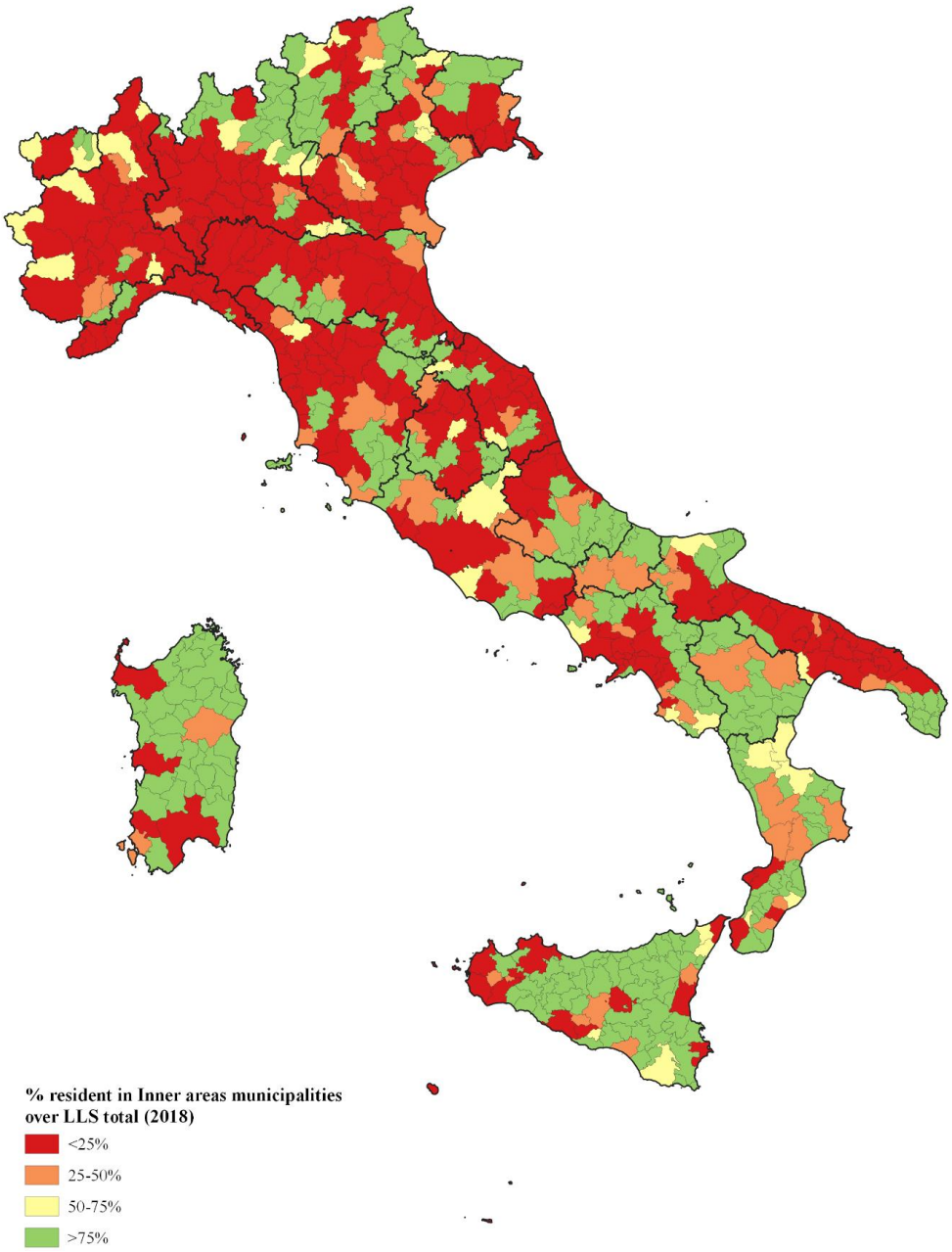
| | Freq | Percent | Cum. |
|---|---|---|---|
| *Typical "Made in Italy" (Light Manufacturing) LLS's* | | | |
| Eyewear, jewellery and music instruments | 10 | 5.29 | 5.29 |
| Wood and Furniture | 31 | 16.40 | 21.69 |
| Textile and wearing | 35 | 18.52 | 40.21 |
| Food and related products | 53 | 28.04 | 68.25 |
| Metal products, Machinery and Equipment | 35 | 18.52 | 86.77 |
| Leather and related products | 25 | 13.23 | 100 |
| **Total** | **189** | **100** | |
| | | | |
| *"Heavy Manufacturing" LLS's* | | | |
| Non-Metallic Mineral products | 17 | 20 | 20 |
| Motor vehicles and Transport equipment | 15 | 17.65 | 37.65 |
| Petroleum and Chemical products | 24 | 28.24 | 65.88 |
| Basic Metals | 29 | 34.12 | 100 |
| **Total** | **85** | **100** | |
| | | | |
| *Non-Manufacturing LLS's* | | | |
| High-specialisation Urban | 5 | 2.24 | 61.43 |
| Low-specialisation Urban | 33 | 14.80 | 91.48 |
| Non-specialised Urban | 34 | 15.25 | 76.68 |
| Agricultural | 48 | 21.52 | 21.52 |
| Tourism | 84 | 37.67 | 59.19 |
| Harbours and Shipbuilding | 19 | 8.52 | 100 |
| **Total** | **223** | **100** | |
| | | | |
| *LLS's without specialisation* | | | |
| LLS's without specialisation | 113 | 100 | 100 |
| **Total** | **113** | **100** | |

**Table 5.** Incidence of resident population in Inner areas municipalities over total LLS resident population

| Year 2013 | Freq. | Percent |
|---|---|---|
| <25% | 235 | 38.52 |
| 25-50% | 56 | 9.18 |
| 50-75% | 35 | 5.74 |
| >75% | 284 | 46.56 |
| ***Total*** | ***610*** | ***100.00*** |



| Year 2018 | Freq. | Percent |
|---|---|---|
| <25% | 243 | 39.84 |
| 25-50% | 59 | 9.67 |
| 50-75% | 41 | 6.72 |
| >75% | 267 | 43.77 |
| ***Total*** | ***610*** | ***100.00*** |



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Chapter 5

# Article 3

III

de Renzis, A. Territorial governance at test: its relations with development opportunities - The example of Italian peripheral areas

# Territorial governance at test: its relations with development opportunities

The example of Italian peripheral areas

**Abstract**

In the aftermath of the Covid-19 pandemic, the European Union Institutions agreed to put in place a 'Marshallian' plan of financial and policy measures to support the recovery of EU economy tiding fiscal capacity to a common growth agenda : the Next Generation EU. This impressive injection of resources in socio-economic systems craving for a boost to get back on track is allowing those coming out as winners in grant selection procedures to obtain the support required for the planning and fulfilling of territorial development processes.

Drawing from the literature on territorial governance within a social capital framework, the paper shows how a thick web of relationship among local actors is fundamental to design successful projects in competition for public expenditure resources. Though, governance is not always pacific but rather requires time for the construction of an institutional legacy.

**Keywords**: Territorial development; Territorial governance; Peripheral areas; Next Generation EU

## 1. INTRODUCTION

As Bressanelli and Natali (2023) provocatively remark, in the last decades Europe, as many Western countries, has been experiencing countless critical occasions to induce many to label the current situation as a "polycrisis" or "permacrisis".
However, not all crises are equal. Some may be classified as "fast-burning" (following instant and abrupt shocks, such as the Great Recession of 2008, the refugee crisis that exploded in 2015, Brexit in 2016, Covid-19 and the Great Lockdown in 2020, the Russia-Ukraine conflict in 2022 and the more recent Middle East conflict in 2023), other "slow-burning" (gradual and creeping, such as security crises, climate and energy crises, the progressive growth of populist political forces) (Hart & Boin, 2001).

These changes hold particularly challenging in peripheral areas more fragile in their capacity to respond and recover from shocks, and already facing up to their own unique set of issues: from declining and ageing populations to rarefaction and difficult access to public services, from soil and land depletion to abandonment of landscapes and deterioration of natural and cultural historical heritage (European Commission, 2021) as well as fewer employment opportunities and lower investment attractiveness.

The Covid-19 pandemic has hit particularly hard on these territories, exacerbating their structural problems and compounding existing weaknesses, envisaging the likelihood for them of suffering from the after-effects for an extended period of time. Furthermore, the majority of European national governments have opted for spatially-blind, large-scale and universal economic support remedial measures, mainly relying on pre-existing instruments recalibrated in terms of budgetary allocation or eligibility to suit specific crisis-related needs that have still to prove their effectiveness (Georgevia, 2021; Molica *et al.*, 2024) or rather, result in having paved the way for a widening of socio-economic inequalities across the EU.

A call to arms has hence been sounded by the European Commission (2021) and the OECD (2023) underling how, whilst speed of recovery, or more generally speed of growth, are uneven, inequalities should no longer be considered a "fact of life" as their persistence is raising costs that are becoming too economically, socially and

politically high to ignore (OECD, 2023). Against the revealed fragility of current global systems to respond to systemic shocks and a longstanding geography of inequalities, they urge the need to strengthen and adapt tailor-made, place-based and integrated policy solutions and investments, together with effective territorial governance arrangements to manage territorial dynamics, leveraging on institutional context and existing legacies.

As a matter of fact, much of the recent political and academic debate has mainly concentrated on investigating the determinants or the barriers to growth and development from an economic point of view, particularly in terms of contrasting the emergence or the (self-)reinforcing dynamics leading to development traps.
Nevertheless, a growing number of scholars have started investigating the role that extra-economic factors can play as explanatory elements of differentiated development attainments "bringing the state (institutions) back in" (Holmberg *et al.*, 2012). Tough, much effort has been devoted by the academic community (Martin *et al*., 2022; Mendez & Bachtler, 2024; Rodríguez-Pose & Garcilazo, 2015) and that of international organisations (World Bank, United Nations) primarily on State capacity and the quality of government in a principal-agent framework.

In his seminal work, shifting away from the trinity of market-state-civil society, Goodwin (1998) claims that the ways in which an area is 'governed' are crucial to its economic and social trajectory. As such the new emerging governance mechanisms '*in which disparate but interdependent social and economic agencies are co-ordinated to achieve specific goals and objectives*' (p. 8) to '*define a specific growth model for a given economic space' along with outlining its various extra-economic preconditions and the general strategies appropriate to its realization'* (p.10) should be the focus of further research to test their adequacy. Similarly, Rodríguez-Pose (2020) stresses the need for understanding what determines the 'fortune of territories' and in particular the role of institutions and their interaction as shapers of economic development at subnational level and, especially, in lagging areas to support solid and evidence-based recommendations for institutional intervention.

Few are the analysis ― and even less those adopting a quantitative approach ― investigating the role of formal and informal institutions such as public, private and community groups (Rodríguez-Pose, 2020), of individual and organised agents

(Gertler, 2010), their networks and connections, as potential brokers to place territories on a better position in their development opportunities.

Posing itself amidst the extensive research on territorial development determinants and the recent literature addressing the post pandemic EU's recovery efforts, this paper intends to contribute to the debate by presenting empirical evidence on how a territory challenged by an endured geographical distance from services and decision-centres, has managed to successfully leverage on its territorial governance ― as that set of participation, cooperation/coordination (horizontal and/or vertical) mechanisms among local actors ― in the quest of resources to develop a solution to a collective problem of development (Davoudi *et al.*, 2008; Stead, 2014; Torre & Traversac, 2011; Torre, 2019).

In particular, the paper investigates the main features of territorial governance a territory should retain in order to successfully grasp funding opportunities to support its development path, in particular in those territories challenged by an endured geographical distance from services and decision-centres.
In order to do so, the results of grant selection procedures promoted by the Italian National Recovery and Resilience Plan, four years after its launch, and in particular one measure supporting the enhancement of community social services and infrastructures in peripheral areas are used to delve into the issue. As thus, in observing the features of participants within a social capital (Coleman; 1988; Patulny, 2009; Putnam, 2000), we investigate whether such attainments are linked to a higher quality of territorial governance able to place these territories in "corridors of connectivity" and grant them access to power structures, policymaking processes and agenda-setting possibilities (Herrschel, 2009).

The paper is organised as follows: Section 2 introduces the theoretical background; Section 3 briefly outlines the policy context in which the study moves; Section 4 describe the rationale and the methodological approach; whereas the results of the analysis are discussed in Section 5. Finally, Section 6 draws some conclusions and highlights policy implications.

## 2. TERRITORIAL GOVERNANCE

The emphasis on the active role of Institutions and local actors in the making of governing has recently gained momentum (Muringani *et al*, 2024). The economic crises that have hit many Western countries in the last decades of the twentieth century translated into a decline in confidence in the authority and legitimacy of National States perceived as unable to provide effective answers to the economic and social problems these crises were causing, undermining the very role the State should play, also in policy implementation (Martin *et al.*, 2022). This development goes hand in hand with a major movement towards decentralisation, which has affected all nations since the 1980s (Torre & Bourdin, 2023), particularly at the European level (Hooghe *et al.*, 2016).

The institutional innovations that followed saw a shift in *modus operandi* of traditional forms in which the modern State governs society and the economy (Friedmann, 1979; Koch, 2012; Peters & Pierre, 2006): "gradually losing its monopoly on public policy making as an increasing number of private stakeholders such as interest organisations, NGOs, citizen groups, consultancy firms and business firms become involved in the formulation and implementation of public policy" (Torfing & Sørensen, 2014, p.330). State powers were then reconfigured, towards a greater involvement of local level of governments and private and social actors in both decision-making and goods and services provision, in a process of decentralisation and contractualisation (Torre & Traversac, 2011).

Public policies have also evolved, moving from the search for macroeconomic equilibria to more bottom-up processes or putting forward a principle of subsidiarity (Keating, 2013). Namely, moving from "government", regarded as the way in which the State exerts its top-down power through hierarchy and formal organisations and procedures, to "governance", where new territorial actors external to the political arena and their relationships, become involved in the execution of political goals (Davoudi *et al*., 2008; Fukuyama, 2013; Rhodes; 1997; Stoker,1998). It is also the time to take into consideration the quality of local institutions and to see if they are able to take into account the wishes or desires of the society (Boschma *et al.*, 2017; Rodriguez-Pose, 2020), and also to measure the gaps between these desires and the injunctions of European policies (Völker *et al.*, 2023).

The shift from government to governance has allowed scholars to take more into consideration the realities and particularities of territories, for example cities vs. countryside, but also to explore the impact of new forms of collaboration and negotiation in decision-making processes (Goldsmith & Eggers, 2004; Allmendinger & Haughton, 2009; Bezes & Le Lidec, 2016). For them, the way in which a territory grows and develops may be regarded as a function of the incremental ability and opportunity both in space and time to benefit from the knowledge embedded in local actors and moving across their relations.

In their understanding, territory is an evolutionary and not fixed concept, a political and social construct (Bagnasco & Le Galès, 2000; Storey, 2018), more similar to a complex dynamic system, defined by the way in which its constituent actors relate to each other and the results of strategies to affect, influence, and control people, phenomena, and relationships (Sack, 1986, p. 19), forged through interaction and struggle, and thoroughly permeated with social relations (Elden, 2010) linked through common projects (Torre, 2023): a "place alive and of life", the place of the mobilisation of actors outside institutions, outside borders or traditional fields of competences (Greffe, 2002).

With the term territorial governance scholars have then embraced the idea that it is possible for territories to behave and act as "collective actors" (Davoudi *et al*., 2018; Faludi, 2016; Leloup *et al, 2005*), in a process – not always pacific – of coordination and collaboration among actors and stakeholder different in nature (public or private), origin (production, voluntary associations or cooperatives), holding different resources (latent and potential conditions of development) and assets (activated conditions of development) (Colletis-wahl & Pecqueur, 2001) gathering together to contribute to joint projects for the development of their territory (Torre, 2023).

Territorial development thus represents the outcome of the relationship between territories and local actors (Simard & Chiasson, 2008) and of the density of "institutional thickness" (Amin & Thrift, 1995), stressing the value of coordination of multiple actors and on the system of vertical and horizontal relations between institutions, organisations and individuals to support the construction and

implementation of territorial development projects (Neto *et al.*, 2009; Niang *et al.*, 2022) assuming a form of pacific collaboration or of an antagonistic confrontation (Torre & Traversac, 2011).

## 3. POLICY CONTEXTS

In the immediate aftermath of the Covid-19 pandemic, the European Union Institutions agreed to put in place a 'Marshallian' plan of financial and policy measures to support the recovery of EU economy tiding fiscal capacity to a common growth agenda, whose cornerstone is represented by the 750billion euro package named Next Generation EU (NGEU) (Celi *et al.*, 2020; Crescenzi *et al.*, 2021; de la Porte & Jensen, 2021; Fabbrini, 2022).

In its premises, NGEU is a potential 'game changer' both in terms of governance and policy-making, representing an opportunity to reinvigorate the social dimension of EU (economic) governance (Tkalec & Umbach, 2022) and have a positive impact on socio-economic growth (Viesti, 2022) whether, though, some conditions are satisfied: a stronger (than before) inclusion of national social partners and vulnerable groups stakeholders, and the institutional and administrative capacities of Member states to select, develop and implement projects.

The NGEU legislative package foresees the support to various instruments, ranging from the reinforcement of existing programmes to new initiatives mainly through the Recovery and Resilience Facility absorbing about 90% of the total NGEU envelop. To access these resources, Member States were required to submit a Plan highlighting the reforms and investments they intend to implement, setting at the same time binding targets and milestones. Italy's National Recovery and Resilience Plan (NRRP) is by far the largest national plan presented to EU Institutions totalling 194.4 billion euro[1] to which the national government has earmarked national resources worth €30.6 billion to further strengthen the vast programme of reforms and investments (EP, 2022).

One of the cross-cutting objectives of the Italian NRRP is the promotion of territorial convergence and the reduction of the long-lasting geography of territorial

[1] Initial allocation was 191.5 billion then revised following the approval of the REPowerEU plan amending NGEU

disparities that has been affecting the country. To do so, the Plan proposes to adopt "*a new territorial policy for proximity to places (….) trying to restore protagonism to areas marginalised by public policies, which require renewed attention to guarantee essential services and relaunch productive vocations*" (Italian NRRP, p.142) with the aim of reducing the impact of the crisis and creating the conditions for fair and resilient development in particularly fragile areas. As such, adopting the Inner areas territorial classification[2] Mission 5 of the Italian NRRP provides for a set of dedicated measures to support investments for the increase in the attractiveness of these places, reversing the declining trends affecting them (infrastructural, demographic, economic), and facilitate development mechanisms. In particular, measure "M5C3I1.1.1. Enhancement of community social services and infrastructures" aims at tackling the issues of social exclusion and marginalisation, by intensifying the provision of services through the increase of funds for public services delivered by the local authorities (EU Council, 2021).

A synthesis of these three levels of policy is provided in Table 1 whereas Table 2 summarises the main features of the call for project launched by the Italian Government in April 2022 for the implementation of Measure M5C3I1.1.1.

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[2] With the intention to move beyond the North-South divide storytelling, in 2012 the Italian Government launched a nation-wide support scheme for a limited number of territories promoting a fresh classification of all Italian Municipalities based on time travel distance from hubs providing essential services (education, health and mobility) identifying six classes: single "Urban Poles" or an aggregation of service provision centre municipalities, "Intermunicipal Poles", "Outlying/Belt Areas" (up to 27 minutes), "Intermediate Areas" (between 27 and 40 minutes), "Peripheral Areas" (between 40 and 67 minutes), "Ultra-peripheral Areas" (beyond 67 minutes). The last three classes are labelled as "Inner areas" (Barca *et al.*, 2014).

**Table 1**. Localising NGEU objectives

| Level of policy | Goal | Beneficiaries | Objective |
|---|---|---|---|
| European (Next Generation EU/ Recovery and Resilience Facility) | Temporary recovery instrument to support Europe's economic recovery from the coronavirus pandemic and build a greener, more digital and more resilient future | Member States | The Plan of interventions and reforms to be presented by each Member State should aim at targeting the six RRF pillars:<br>• green transition (pillar 1),<br>• digital transformation (pillar 2),<br>• smart, sustainable and inclusive growth (pillar 3),<br>• social and territorial cohesion (pillar 4),<br>• health, economic, social and institutional resilience (pillar 5), and<br>• policies for the next generation (pillar 6) |
| National (National Recovery and Resilience Plan) | Foster a strong recovery, while making Italy's economy and society more resilient and future ready | Public and private entities | The Italian NRRP involves 150 investment streams and 66 reforms addressing 7 missions:<br>• Digitalisation, innovation, competitiveness, culture and tourism (mission 1),<br>• Green revolution and ecological transition (mission 2),<br>• Infrastructures for sustainable mobility (mission 3),<br>• Education and research (mission 4),<br>• Inclusion and cohesion (mission 5),<br>• Health (mission 6),<br>• REPowerEU (mission 7) |
| Specific (Investment M5C3I1.1.1. Enhancement of community social services and infrastructures) | Revitalise and enhance target territories and communities by supporting investments that increase their attractiveness, while reversing their declining | Local institutions | Project proposals should aim at filling the following gaps affecting identified territories:<br>• "Demographic and services divide", directly linked to the divide between inner/rural, mountain, peripheral areas and urban areas, in order to ensure the same levels of essential |

| | | | |
|---|---|---|---|
| | trends (infrastructural, demographic and economic) | | services and the relaunch of specific productive vocations;<br>• "Skill development Divide", in an open innovation perspective involving businesses, research centres and public authorities;<br>• "Investment divide" a long-term trend for Southern areas, and<br>• "Social and economic divide" particularly in the South, where the economic crisis is affecting a weaker production chain, a more fragmented labour market and a less inclusive community. |

**Table 2.** Main feature of Measure "M5C3I1.1.1. Enhancement of community social services and infrastructures" call for projects

| | |
|---|---|
| Main challenge to be tackled | Despite the relevant investment supported in time by both European and national funds, the Italian Inner areas still face relevant development gaps |
| Main goal | Identifying organisational and innovative solutions that allow to adequately respond to the daily problems of people living in such particular contexts, in order to contrast the deterioration of the quality of life in these areas |
| Total budget | 500 million euro |
| Call details | A maximum of 3 projects per territory could be financed according to a maximum grant amount according to the size of territory in terms of resident population:<br>• up to 3 000 inhabitants: 300 000 euro<br>• between 3 001 and 10 000 inhabitants: 1 000 000 euro<br>• between 10 001 and 30 000 inhabitants: 2 000 000 euro<br>• over 30 001 inhabitants: 3 000 000 euro |
| Eligible areas | Municipalities classified as Inner areas according to the National classification (2020) |
| Eligible beneficiaries | Municipalities, Public entities in the healthcare sector, other public bodies operating in eligible areas (single or in association) |
| Eligible investments | Projects aiming at creating new services and infrastructures and/or improving existing ones, through an increase in the number of recipients or in the quality of supply of public services (transport or social infrastructures; : |
| Target population | At least 2 million inhabitants of Inner areas would be reached by developed or improved social services and infrastructures. |
| Selection criteria | • Project design level (for the subsequent launch of tender)<br>• Completion of unfinished works<br>• Projects addressing investments in: home care services for the elderly; community nurses and midwives; strengthening of small hospitals (those without first aid or some basic services (i.e. radiology, cardiology, gynaecology) and outpatient centres; infrastructures for helicopter rescue; strengthening centres for the disabled; counselling centres, cultural services, sports services and migrant reception and/or reception of refugees from conflict zone<br>• Municipality not part of a Strategy for Inner areas |

The outcomes of the call are provided in part.5. Results.

## 4. METHOD AND DATA

In the understanding of territorial development dynamics, success of local development depends on the quality of partnerships and collective learning experiences among local agents, that Angeon and Callois (2005) in the theoretical frameworks of social capital and proximity regarding, respectively, the state and the dimension across space and time of individual interactions. Building on these, Torre (2023; 2025) refines the idea that differentiated trajectories and performance may be explained not simply by improvement in production dynamics but also, and mainly, driven by the collective behaviour of individual actors: the network of relationships that these players maintain and mobilise, the time they invest and its implications in terms of collective learning.
Likewise, Chapple and Montero remark that these "*networks of trust and collaboration not only facilitate joint action but can also span private and public worlds to bring the state and society into a synergy that can then become a developmental asset*" (2016, p.145).

Following these suggestions, we decided to investigate whether and to what extent a more robust set of different types of networks among different types of local actors and their tighter linkages improves the chances of grasping opportunities for initiating and managing development projects. To do so, we developed our conceptual framework based on the idea that networks (along a social capital standpoint) play a key role in explaining local economic performances particularly through the externalities they produce corroborating and encouraging successful territorial governance arrangements.

### *4.1 Data description*

To account for the richness of typologies of actors involved and the different 'directions' of cooperation (either vertical or horizontal'), the analysis focusses on different arrangements moving from the more interpersonal/societally driven (governance) to the more institutions driven (government). In addition, it takes into account the prescriptive power binding the interaction among involved actors with regards to soft (legally non-binding recommendations, guidelines, norms, standards and accords) or hard (legally binding) territorial governance arrangements (Torfing & Sørensen, 2014).

### *4.1.1 Society*

To account for territorial endowments in terms of actors and institutions (Hodgson, 2006) as bearers of specific and general interests through associations (both formal and informal) of citizens able to play as partners in a development process rather than as passive recipients of benefits and services (Mangone, 2012), we relied on the theoretical framework of social capital.
The concept of social capital was first investigated by Coleman (1988) focussing on its function to facilitate action and interaction among individuals, and later evolved by other scholars to include the social characteristics that enable cooperation and coordination features, such as networks, norms and trust Putnam (1993) embedded in the social structure that may (or may not) be activated in case of need (Lin, 1999).

Social capital literature (Patulny, 2009; Putnam, 2000) hence distinguishes three types (termed "capabilities" by the OECD in 2014) of social capital: "bonding", "bridging" and "linking". *Bonding* refers to the capability of moving information into the local network (OECD, 2014), and represents the close ties characterized by strong bonds between relatively homogenous, like-minded people in close groups (Crescenzi *et al.*, 2011). *Bridging* represents the loose ties (Granovetter, 1973), less dense but more cross-cutting (van der Ploeg & Marsden, 2008), that allows interaction among heterogeneous groups with different backgrounds (Woodhouse, 2006), people that otherwise would not get in connection with other organisations or communities (Emery & Flora, 2006). Finally *linking*, refers to vertical connections among different hierarchical groups and becomes particularly relevant in communities with scarce resources as this can increase their access to power and wealth (Arnott *et al.*, 2021; Magis, 2010).

We, thus, instrumented these concepts by means of a set of variables to represent societal collaborative arrangements characterised by strong bonds to account for:

- the capability of moving information into the local network (OECD, 2014), the close ties characterized by strong bonds between relatively homogenous, like-minded people in close groups (Crescenzi *et al.*, 2013) – recalling the concept of *bonding* social capital:
    - the number of *Agricultural cooperatives* registred in 2022 to account for both the role of cooperative forms among similar actors, as well

as the importance – also political – of agriculture and related economy in peripheral areas (Saz-Gil *et al*., 2021; Vollet & Torre, 2016);

- the loose ties (Granovetter, 1973), less dense but more cross-cutting (van der Ploeg and Marsden, 2008), that allows interaction among heterogeneous groups with different backgrounds (Woodhouse, 2006), people that otherwise would not get in connection with other organisations or communities (Emery and Flora, 2006) – recalling the concept of *bridging* social capital – facilitating open dialogue and ensuring that diverse perspectives are acknowledged to help transforming potential conflicts into opportunities for creative solutions:
    - the number of *Third Sector Institutions* registred in 2022, i.e. voluntary or community organisations that are neither for-profit nor state-run organisations that act for social and collective needs (Birch & Whittam, 2008; Mangone, 2012);
    - the number of *Third places* (Oldenburg, 1989), i.e. those informal public gathering places with respect to first places (home) and second places (work), and in particular: the number of bars (e.g. cafes, coffee shops), small retail local shops (e.g. small supermarket, small shops, bookstores), hair salons and public libraries (Jeffres *et al.*, 2009; Wretling, & Balfors, 2021) registred in 2022, to account not only of actors, but also of the role of places where interactions between different people and interests may take place and foster knowledge exchange;
- the vertical connections among different hierarchical groups and becomes particularly relevant in communities with scarce resources as this can increase their access to power and wealth (Arnott *et al.*, 2021; Magis, 2010) – recalling the concept of *linking* social capital:
    - the number of *Public-Private Partnership* contracts awarded in 2022 for the financing, building and managing of infrastructures or providing services of public interest, as although they start as market relationships, they may become sources of new relation and knowledge spillovers (Mazzola *et al.*, 2019).

*4.1.2 Public institutions*

Institutionally-wise, we focussed our attention on three types of public-public or public-private partnership thoroughly present in Italian peripheral areas formally established in the view of a particular common goal, being a development strategy supported by public resources or for the deployment of public services: Inter-municipal cooperation, Inner areas strategy, LAG.

We defined as '*Governance thickness*' the simultaneous belonging of the Municipality to the three aforementioned forms.

***Inter-municipal cooperation***

The Italian Constitution recognises four levels of government: Regions, Provinces, Metropolitan cities and Municipality. In 1990, though, the Law 142 on the reform of local governments, introduced the opportunity – and the financial incentives – for small Municipalities[3] (less than 5,000 inhabitants) to join together in so called Municipal Unions, as aform of inter-municipal cooperation to provide local public services on behalf of the single municipalities part of it (Ferraresi *et al.*, 2018; Vidoli *et al.*, 2023). Municipal Unions are essentially a type of second tier of local government, whose governing bodies are elected by the member municipalities, enjoying budgetary autonomy. As a result of subsequent administrative reforms, in particular on the role and competences of Provinces, Municipal Unions are at present the only formal structured inter-municipal arrangement existing in Italy.

Considering the nature of the actors involved, all Municipalities, it could be said that this arrangement somehow recalls the concept of *bonding* social capital.

***National Strategy for Inner areas***

The Italian National Strategy for Inner areas (NSIA) is a multi-fund strategy involving all government levels (National, Regional and Local authorities) for the definition of a territorial development strategy. Launched in 2012 by the Italian Government, NSIA is a nation-wide support scheme for a limited number of territories (see footnote 1) and their territorial development strategies focussing on inter-Municipality association. Its main goal is to grant support to the improvement of essential services, triggering territorial development projects and stressing the

[3] Article 26 of Law 142/1990, states that "with a view to their subsequent merger, two or more neighbouring municipalities lying within the same province [i.e., county] and having each no more than 5,000 inhabitants, can constitute a Union to carry out a plurality of services".

need to tackle the implication of peripherality from service provision centres especially in terms of negative demographic effects. Municipalities intending to participate to NSIA were required to design and implement a strategy engaging local actors and stakeholders and establish permanent inter-municipal associations for its deployment as a condition to access the financial resources for the National Strategy (Barca et al., 2014; Monturano *et al.*, 2023; Servillo *et al.*, 2016; Urso, 2016).

As deployment of local strategy involved mainly different tiers of government, within a social capital framework NSIA may relate to the concept of *bridging* social capital.

***Local Action Groups***

The LEADER approach (Liaison Entre Actions de Développement de l'Économie Rurale, e.g., Links between activities for the development of rural economy) was originally established as part of the reform of the European Structural Funds (1989-1993) with the aim of fostering a new approach to territorial development in rural areas relying on local assets and resources. Since then, moving from being a Community Initiative, the programme has been mainstreamed in the Common Agricultural Policy, and later also in the European Cohesion Policy, becoming a modus operandi generally referred as "Community-Led Local Development" (CLLD) (Chevalier & Vollet, 2019; Aubert *et al.*, 2022). The main actors entrusted of designing and implementing a territorial development strategy are Local Action Groups (LAGs), i.e., public–private partnerships composed of stakeholders from local government, civil society and economic sectors, where the private counterpart should account for the majority of the partners.

As the expression of multi-level governance par excellence, LAGs incarnate the concept of *linking* social capital.

The table below summarises the main characteristics of each arrangement starting (upside) with the most institutional (government), and we end (downside) by the most interpersonal (governance).


| | **Elements of governance** | **Main characteristics** |
|---|---|---|
| Municipal Union | *Composition*: Local authorities (intra-organisational)<br>*Origin*: initiated from above | *Legal basis*: legislative<br>*Form*: Government<br>*Binding power:* Hard<br>*Objective*: service provision<br>*Direction of relationship:* Horizontal<br>*Social capital type*: Bonding |
| Inner areas strategy | *Composition*: Public authorities (national, regional and local) (intra-organisational)<br>*Origin*: intermediary/initiated from above, public authorities engage collaborative strategic design with local stakeholders | *Legal basis*: formal (national)<br>*Form*: Government<br>*Binding power:* Hard<br>*Objective*: strategic alliances for territorial development project<br>*Direction of relationship:* Horizontal<br>*Social capital type*: |
| Local Action Groups | *Composition*: Public-private-civil society (inter-organisational)<br>*Origin*: self-grown/bottom up, the initiatives stem locally, then are harmonised by local governments and finally financed by the European Union | *Legal basis*: formal (European)<br>*Form*: Governance<br>*Binding power:* Hard<br>*Objective*: strategic alliances for territorial development project<br>*Direction of relationship:* Vertical<br>*Social capital type*: Linking |
| Agricultural cooperatives | *Composition*: Private and social (intra-organisational)<br>*Origin*: self-grown/bottom up | *Legal basis*: voluntary<br>*Form*: Governance<br>*Binding power:* Soft<br>*Objective*: quasi-markets for marketing and processing<br>*Direction of relationship:* Horizontal<br>*Social capital type*: Bonding |

| | **Elements of governance** | **Main characteristics** |
|---|---|---|
| Third Sector Institutions | *Composition*: Civil society (intra-organisational)<br>*Origin*: self-grown/bottom up | *Legal basis*: voluntary<br>*Form*: Governance<br>*Binding power:* Soft<br>*Objective*: quasi-markets for public service delivery<br>*Direction of relationship:* Horizontal<br>*Social capital type*: Bridging |
| Third places | *Composition*: Civil society (intra-organisational)<br>*Origin*: self-grown | *Legal basis*: voluntary<br>*Form*: Governance<br>*Binding power:* Soft<br>*Objective*: market<br>*Direction of relationship:* Horizontal<br>*Social capital type*: Bridging |
| Public-Private Partnership | *Composition*: Public-private (inter-organisational)<br>*Origin*: initiated from above | *Legal basis*: formal (national)<br>*Form*: Governance<br>*Binding power:* Hard<br>*Objective*: joint venture projects (eg. public transport and infrastructure provision)<br>*Direction of relationship:* Vertical<br>*Social capital type*: Linking |

*4.1.3 Peripherality*

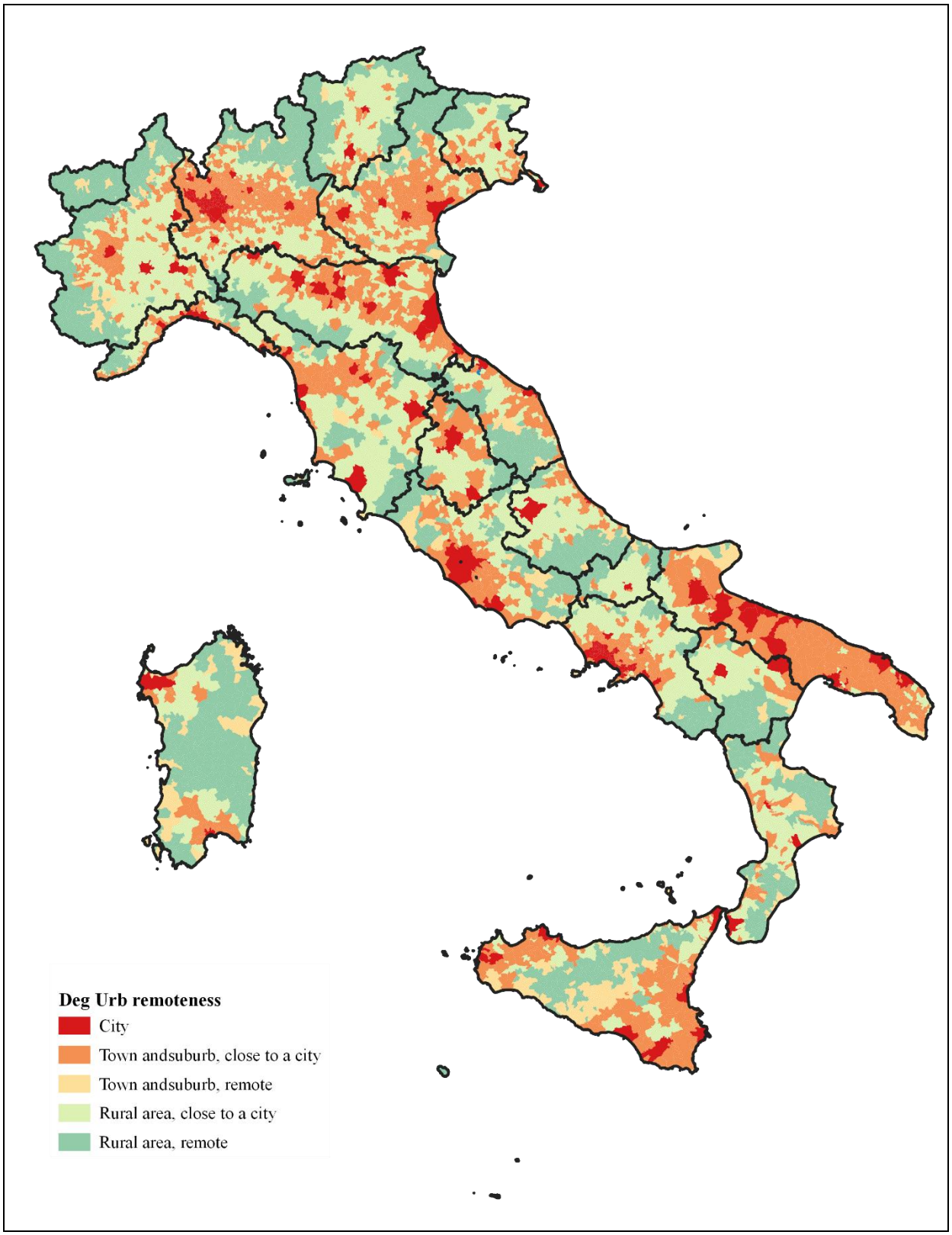
To account for a comparable measure of the challenges associated with distance from main core territories, we followed the suggestion of the European Commission in the recent Communication "Long-Term Vision for the EU's Rural Areas". To this end the paper adopts the European degree of urbanisation[4] classification (Dijkstra *et al.*, 2021) exploiting its recent extension including a dimension of remoteness, where territories are classified as either "close to a city" or "remote"[5] (European Commission, 2021; Perpiña Castillo *et al.*, 2024).

Descriptive statistics are provided for in the Annex.

[4] The degree of urbanisation was developed by six international organisations and agencies to facilitate international comparisons and endorsed by the UN Statistical Commission. It consists in the classification of local administrative units (LAUs) as cities, towns and suburbs or rural areas based on a combination of geographical contiguity and population density, measured by minimum population thresholds applied to 1 km² population grid cells.

[5] The criterion used relies on travel-time distances: if the majority of the population in an area or a region live more than a 45-minute drive by car from the nearest city, it is classified as remote. Other areas and regions are classified as close to a city.

Figure 1. Geographical distribution of Degree of urbanisation with remoteness classes



*4.2 Empirical strategy*

The implementation of the Italian NRRP as a source to support territorial development strategies, provides an interesting opportunity to test the role of territorial governance.

Assuming the ability to come out as winners in grant selection procedures as a proxy of the goodness and effectiveness of territorial governance arrangements to achieve its main objective, i.e., that of supporting territorial development actions, we took advantage of the opportunity of observing the implementation of the NRRP in Italy – as a source of financial support to territorial development strategies – with a specific focus on peripheral areas.

To try to disentangle the effectiveness of different territorial governance arrangements in peripheral territories, we focussed our investigation addressing a specific measure of the Italian NRRP where only municipalities (single or in association) classified as Inner areas were allowed to participate, namely measure "M5C3I1.1.1. Enhancement of community social services and infrastructures". We then identified three categories of municipalities according to the results of the call: 'Not participating', 'Not selected participants' and 'Successful participants'

As the dependent variable is categorical, as it may assume a different value according to the participation and the outcome to the call, in order to simultaneously consider the factors affecting the probability of belonging to one of the categories, we used a Multinomial Logit model (MNL) (as in Train 2003) to estimate the likelihood of belonging to one of the three types of participants to the measure "M5C3I1.1.1. Enhancement of community social services and infrastructures" call: 'Not participating', 'Not selected participants' and 'Successful participants'.

## 5. RESULTS AND DISCUSSION

The measure "M5C3I1.1.1. Enhancement of community social services and infrastructures" associated 500million euro selection procedure was launched in April 2022. Project proposals, with a maximum of 3 projects per Municipality, were required to aim either at creating new services and infrastructures or at improving the existing ones through an increase in the number of recipients or in the quality of supply.
As can be seen in Table 2, the call did not foresee any specific criteria to allow a qualitative ranking of received proposals, rather a series of "in-out" conditions mainly connected to the level of design of public works (granting a higher score for executive projects, up to 40 points) or "other rewarding topics" regarding an elusive degree of consistency of the proposal vis-à-vis the overall objective of the Italian NRRP measure (20 points) or of the call (10 points).

Nevertheless, the final ranking saw the selection, out of a total of over 2,300 proposals received, of 803 projects presented by 703 different applicants absorbing all available resources[6].

Tables 4 and 5 show respectively the overall results of the call in terms of projects presented by a single Municipality, and a general overview per urbanisation class and its regional distribution.

**Table 4.** Results of the M5C3I1.1.1 call (only applications presented by a single Municipality are shown)

| | **N. applications submitted in the procedure** | **N. single Municipality participating in the procedure** |
|---|---|---|
| Eligible for funding | **715** | **604** |
| Eligible but not financed (lack of funding) | **1,215** | **1,047** |
| Excluded (merit assessment) | **446** | **374** |
| **Total** | **2,376** | **2,025** |

[6] As the call allowed proposals coming from single or associated Municipalities, for the sake of our analysis we chose to limit our attention only to those presented by a single Municipality. The final figures used in the paper are thus 715 projects presented by 604 single Municipalities (as can be seen in Table 4 and 5).

**Table 5.** Results of the M5C3I1.1.1 call per urbanisation class – only non-urban Municipalities are shown

| Degree of Urbanisation with remoteness | Not participating | Not selected participants | Successful participants | Total |
|---|---|---|---|---|
| Town and suburb, close to a city | 2,030 | 197 | 119 | 2,346 |
| Town and suburb, remote | 174 | 47 | 43 | 264 |
| Rural area, close to a city | 2,524 | 484 | 223 | 3,231 |
| Rural area, remote | 1,125 | 465 | 217 | 1,807 |
| **Total** | **6,103** | **1,196** | **604** | **7,648** |

Consistent with the rationale of the National Strategy for Inner areas recalled in the national selection procedure and its aim of going beyond the longstanding Italian North-South dichotomy (Barca *et al.*, 2014; Urso, 2016), no regional dummy were included in the model. Rather, as we believe that governance, as the ability of different parties working together, is an incremental feature to be developed over the years in participating in mutual projects, we included the number of LEADER programming periods[7] in which the Municipality has been involved.

The results are presented in Table 6[8]

[7] Established in 1989, the LEADER approach has been operating for five programming periods: LEADER I (1989-1993), LEADER II (1994-1999), LEADER + (2000-2006), mainstreamed as Axis IV in Rural Development Programmes (2007-2013) and more generally as a funding approach for all European structural and investment funds under the name of Community-led local development (CLLD) (2014-2020/2022).

[8] Complete results are provided for in the Annex

**Table 6.** Multinomial Logit estimations. Dependent variable: Results of the Italian NRRP M5C3I1.1.1 "Enhancement of community social services and infrastructures" call (base category: Not participating)

| | Not selected participants | Successful participants |
|---|---|---|
| Municipal Union | -0.94*** | -1.09*** |
| | (0.07) | (0.09) |
| NSIA 2014-2020 strategy | 0.40*** | 0.25** |
| | (0.09) | (0.12) |
| LAGs 2014-2022 area | 0.38** | 1.14*** |
| | (0.17) | (0.27) |
| Agricultural cooperatives (2022) | 0.05** | 0.05** |
| | (0.02) | (0.02) |
| Third sector institutions | -0.00 | -0.01 |
| | (0.01) | (0.01) |
| Thirdplaces | 0.00*** | 0.00*** |
| | (0.00) | (0.00) |
| Public Private Partnerships (2022) | 0.04* | 0.03 |
| | (0.02) | (0.02) |
| **Degree of urbanisation with remoteness** | | |
| *Town and suburb, close to a city* | (baseoutcome) | |
| *Town and suburb, remote* | 0.29 | 0.69*** |
| | (0.20) | (0.21) |
| *Rural area, close to a city* | 0.24* | -0.13 |
| | (0.12) | (0.15) |
| *Rural area, remote* | 0.43*** | 0.06 |
| | (0.13) | (0.16) |
| **N. of LEADER programming periods** | | |
| *None* | (baseoutcome) | |
| *1* | 0.27 | 0.07 |
| | (0.20) | (0.34) |
| *2* | 0.33 | 0.22 |
| | (0.21) | (0.32) |
| *3* | 0.58*** | 0.28 |
| | (0.22) | (0.35) |
| *4* | 0.90*** | 0.80** |
| | (0.22) | (0.35) |
| *5* | 1.26*** | 1.15*** |
| | (0.25) | (0.38) |
| Constant | -1.98*** | -2.81*** |
| | (0.16) | (0.23) |
| Obs | | 5,232 |
| Pseudo r-squared | | 0.087 |

Generally, comparing the individual characteristics of 'Not selected participants' and 'Successful participants' with respect to the base category ('Not participating') the results of our analysis confirm the hypothesis that a thick set of territorial governance arrangements involving different types of public and private relations is crucial when the quest of resources for development is at stake.
Moreover, when observing the temporal lag-term (expressed by the number of programming period in which the Municipality has taken part in a LAG), it can be noted that the longer the actors have been working together and participating in common projects, strengthening a linking social capital, the higher will be the probability of them having developed a mutual and consensual approach to design strategies for territorial development in a spirit of learning by interacting. This result is very much in line with the outcomes of that growing literature showing the importance of supporting long-lasting local synergies and the work of internal brokers in the development and the maintaining of local dynamics (Polge & Torre, 2018; Niang *et al.*, 2022) and of the consultation conducted by the European Commission in support of the Communication 'A long-term Vision for EU's Rural Areas'. When asked to suggest specific measures to tackle rural areas challenges, actors pointed to the key role that local innovation brokers/animators (such as LAGs) can play to create the seeds of change resting on the conviction that the potential for innovation in rural areas is often collective.

Regarding the relation endowments present in the territory a mix of cooperation and confrontation appears. From an institutional point of view, it is the role played by multi-level arrangements (NSIA and particularly LAGs) that appears to be important, suggesting that the key to overcome divergent and competing interests seems to be the presence of formal places of synthesis for the combination of the different dimensions, economic, social, public and private, e.g. the institutional thickness.
On the one side the role played by an environment rich in cooperatives forms (especially linked to the primary sector so very important in peripheral areas) as well as places of opportunity for meeting other people and shaping community cohesion are always positively related to the successful participation to selective procedures. This positive relationship is undoubtedly due to the very important role played by agricultural cooperatives in rural areas and their unifying role (Gava *et al.*, 2021; Tortia *et al*., 2013) especially when it comes to represent needs and requests for the economic development of their associates. Similarly, Third places as social environments help to facilitate and shape collective knowledge and resources required to facilitate change (Arnott *et al*., 2021)

The same cannot be said for Municipal Unions. Their negative significance asks questions and may be linked to the level of cooperation and collaboration at the local scale when competition is at stake (as Municipal Unions were also enlisted as potential beneficiaries of the call). As suggested by the literature (Bel (Bel & Warner, 2015) despite the many positive externalities resulting from coordinated actions of individual jurisdictions, inter-municipal cooperation introduces principal-

agent dilemmas, as local governments act on behalf of residents and delegate responsibilities to new governance bodies. The establishment of cooperative arrangements often entails the creation of new governance structures tasked with overseeing collaborative functions introducing a second-order dynamic. It is much easier to collaborate within a single municipality than to agree as actors belonging to different components of a municipal union, which are more numerous, with their own histories, habits and internal alliances. As a result, we can think that the projects presented are less well developed and above all lack the focus that we will find in those carried by the single municipalities.
Likewise, the results of third sectors institutions, with a negative impact although not significative may be ascribed to a logic of "appropriation of spaces and positions" (Mangone, 2012, p.21), whereas third sectors institutions ― usually exclusive responsible for public service delivery on behalf of municipalities particularly in peripheral areas ― may fear to lose their negotiating power whether the Local Authorities are entrusted with additional resources enabling them to turn elsewhere. The high number of third sectors institutions may reveal an intensive use by Local Authority of commissioning public service delivery from organisations in the third sector. As a consequence, on the one side the public body might not feel the need to broaden the services provided as it is costly, on the other this feeling might be guided by the very same institutions that, fearing to be substituted, hamper the emergence of new needs.

Finally, the small significance (and solely in the case of 'Not selected participant') of PPP as a sign of the trust attributed by private investors to local development projects (Mazzola et al., 2019), might be due to the novelty of the instrument and the scarce presence of available counterparts, as also suggested by limited number of contracts awarded in peripheral territories over time compared to core areas (see Annex). For example, in many rural areas, PPP agreements do not exist at all due to several causes: the small size of private enterprises, the dominance of service activities, and the role played by cooperative structures in the farming sector.
Though, as suggested above, linking social capital does take time to set in, and the positive relationship seems already to indicate the path to follow.

## 6. CONCLUSIONS

Important recent seminal works (Torre, 2018, 2023, 2025; Rodríguez-Pose, 2020 among others) have started questioning the key elements of growth moving beyond simple production-related development of industries and firms, to embrace governance and the role of territory ― seen as an ecosystem of institution and citizens and their networks to deploy actions, conflicts, and collaborations ― to support the evolution from one state to another through the implementation of collective projects and ensure a thriving future.

With the aim of empirically contributing to this latter line of research, using the aftermath of the Covid-19 pandemic as an interest window through which investigate the effectiveness of territorial governance vis-à-vis a massive injection of resources deployed by European Institutions, the paper explores the role of socio-economic and institutional factors in enhancing, boosting or simply supporting territorial development processes and puts the stress in particular on the role of territorial governance relationships. Within a social capital framework (Coleman, 1998; Patulny, 2009; Putnam, 2000) we investigated the main features of territorial governance in territories challenged by an endured geographical distance from services and decision-centres, in their quest of resources to develop a solution for collective development.
Adopting the Degree of Urbanisation with remoteness classification (Dijkstra *et al.*, 2021) as the geographical unit of investigation, the paper moves from the identification of collaboration and cooperation arrangements to test whether the strength and heterogeneity of such links – representing the threads of a relational local web corroborating an institutional thickness (Amin & Thrift, 1995) – may be accounted for designing successful projects to respond to an Italian NRRP call. For the particular case of Italy, we relied on three types of public-public or public-private partnership thoroughly present in peripheral areas: Inter-municipal cooperation, Inner areas strategy and Local Action Group, to which we added a set of variables to represent local endowments in terms of actors and institutions.

Analysing the results of a specific call of the Italian NRRP exclusively destined to peripheral areas, we found a mix of confrontation and cooperation behaviours, very much in line with the idea that governance is not always pacific.

What appears to be a crucial element to overcome divergent and competing interests seems to be the length of time in which the process of construction of an institutional legacy has taken place. The longer the actors have been working together and participating in common projects, the higher will be the probability of them having developed a mutual and consensual approach to design strategies for territorial development in a spirit of learning by interacting.

The outcomes of this work, although limited to the analysis of a single Member State and with the focus on a specific aspect of its National plan, may still provide some useful and general insights for future research wanting to investigate the role of territorial and institutional networks to support development on the one side, while on the other represent a theoretical yet empirical background to proactively support policy design to build resilient communities.

*Note: at the time of finally drafting this paper, the Italian Government had decided to expunge "M5C3I1.1.1. Enhancement of community social services and infrastructures" from the National Recovery and Resilience Plan.*

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**Annex A. Data description**

| Name of the variable | Description | Source* |
|---|---|---|
| NSIA 2014-2020 strategy | The Municipality is part of one of the selected National Strategy for Inner area project areas<br>(dummy) | Department for the Cohesion policy and the South<br>https://politichecoesione.governo.it |
| LAGs 2014-2022 area | The Municipality is part of Local Action Group strategic area<br>(dummy) | National Rural Network<br>https://www.reterurale.it |
| Municipal Union | The Municipality is part of a Municipal union<br>(dummy) | Italian Ministry of Interior<br>https://www.interno.gov.it |
| Public Private Partnerships (2022) | Number of awarded Public Private Partnerships by the Municipality<br>(2022) | Italian National Anti-Corruption Authority (ANAC)<br>https://www.anticorruzione.it |
| Agricultural cooperatives (2022) | Number of registered Agricultural cooperatives<br>(2022) | Italian National Institute of Statistics (ISTAT)<br>https://esploradati.istat.it |
| Third Sector Institutions | Number of registered Third Sector Institutions<br>(2022) | Italian National Institute of Statistics (ISTAT)<br>https://esploradati.istat.it |
| Third places | Number of registered bars (e.g. cafes, coffee shops), small retail local shops (e.g. small supermarket, small shops, bookstores), hair salons and public libraries<br>(2022) | Italian National Institute of Statistics (ISTAT)<br>https://esploradati.istat.it |

## Appendix B. Descriptive Statistics and multi-collinearity diagnostic

**Descriptive Statistics**

| Variable | Obs | Mean | Std. Dev. | Min | Max |
|---|---|---|---|---|---|
| NSIA 2014-2020 strategy | 7903 | .13 | .34 | 0 | 1 |
| LAGs 2014-2022 area | 7903 | .63 | .48 | 0 | 1 |
| Municipal Union | 7903 | .39 | .49 | 0 | 1 |
| Public Private Partnerships (2022) | 7903 | .10 | 0.93 | 0 | 48 |
| Agricultural cooperatives (2022) | 7903 | 1.04 | 4.06 | 0 | 172 |
| Third sector institutions | 7903 | 14.49 | 86.9 | 0 | 5604 |
| Thirdplaces | 7903 | 145.39 | 891.92 | 0 | 57911 |

**Tabulation of Degree of urbanisation with remoteness**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| City | 255 | 3.23 | 3.23 |
| Town and suburb, close to a city | 2346 | 29.68 | 32.91 |
| Town and suburb, remote | 264 | 3.34 | 36.25 |
| Rural area, close to a city | 3231 | 40.88 | 77.14 |
| Rural area, remote | 1807 | 22.86 | 100.00 |
| Total | 7903 | 100.00 | |

**Tabulation of N. of LEADER programming periods**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| None | 2364 | 29.93 | 29.93 |
| 1 | 899 | 11.38 | 41.31 |
| 2 | 1146 | 14.50 | 55.81 |
| 3 | 1393 | 17.63 | 73.44 |
| 4 | 1746 | 22.10 | 95.53 |
| 5 | 353 | 4.47 | 100.00 |
| Total | 7903 | 100.00 | |

**Tabulation of Inner Areas classification**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| Inner areas | 3834 | 48.51 | 48.51 |
| Centers | 4069 | 51.49 | 100.00 |
| Total | 7903 | 100.00 | |

**Tabulation of NSIA 2014-2020 strategy**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| 0 | 2916 | 36.90 | 36.90 |
| 1 | 4987 | 63.10 | 100.00 |
| Total | 7903 | 100.00 | |

**Tabulation of NSIA 2014-2020 strategy in non urban territories**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| 0 | 6588 | 86.14 | 86.14 |
| 1 | 1060 | 13.86 | 100.00 |
| Total | 7648 | 100.00 | |

**Tabulation of LAGs 2014-2022 area**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| 0 | 6843 | 86.59 | 86.59 |
| 1 | 1060 | 13.41 | 100.00 |
| Total | 7903 | 100.00 | |

**Tabulation of LAGs 2014-2022 area in non urban territories**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| 0 | 2687 | 35.13 | 35.13 |
| 1 | 4961 | 64.87 | 100.00 |
| Total | 7648 | 100.00 | |

**Tabulation of Municipality union**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| 0 | 4808 | 60.84 | 60.84 |
| 1 | 3095 | 39.16 | 100.00 |
| Total | 7903 | 100.00 | |

**Tabulation of Municipality union in non-urban territories**

| | Freq. | Percent | Cum. |
|---|---|---|---|
| 0 | 4575 | 59.82 | 59.82 |
| 1 | 3073 | 40.18 | 100.00 |
| Total | 7648 | 100.00 | |

Table 1. Descriptive statistics per urbanisation class – only non-urban territories are shown

| | variable | N | mean | min | max | sd | per 1,000 inhab |
|---|---|---|---|---|---|---|---|
| **n. of PPP (2022)** | Town and suburb, close to a city | 2,346 | 0.10 | 0.45 | 0 | 9 | |
| | Town and suburb, remote | 264 | 0.13 | 0.49 | 0 | 5 | |
| | Rural area, close to a city | 3,231 | 0.05 | 0.35 | 0 | 10 | |
| | Rural area, remote | 1,807 | 0.08 | 1.13 | 0 | 46 | |
| | **Total** | **7,648** | **4.83** | **0** | **67.50** | **3.15** | |
| **Agricultural cooperatives (2022)** | Town and suburb, close to a city | 2,346 | 0.54 | 0 | 27 | 1.40 | |
| | Town and suburb, remote | 264 | 0.87 | 0 | 14 | 1.93 | |
| | Rural area, close to a city | 3,231 | 0.25 | 0 | 26 | 0.97 | |
| | Rural area, remote | 1,807 | 0.35 | 0 | 55 | 1.96 | |
| | **Total** | **7,648** | **0.50** | **0** | **30.50** | **1.56** | |
| **n. of Third Sector Institutions (2022)** | Town and suburb, close to a city | 2,346 | 201.55 | 2.00 | 1,970 | 239.42 | 2.09 |
| | Town and suburb, remote | 264 | 248.94 | 4.00 | 1,504 | 269.69 | 2.02 |
| | Rural area, close to a city | 3,231 | 38.65 | 0 | 579 | 46.44 | 2.29 |
| | Rural area, remote | 1,807 | 35.06 | 0 | 414 | 40.73 | 1.72 |
| | **Total** | **7,648** | **131.05** | **1.50** | **1,116.75** | **149.07** | **2.12** |
| **n. of Third places (2022)** | Town and suburb, close to a city | 2,346 | 18.57 | 0 | 350 | 26.42 | 20.22 |
| | Town and suburb, remote | 264 | 23.08 | 0 | 229 | 31.93 | 17.37 |
| | Rural area, close to a city | 3,231 | 4.49 | 0 | 56 | 5.42 | 21.95 |
| | Rural area, remote | 1,807 | 3.66 | 0 | 30 | 4.04 | 18.61 |
| | **Total** | **7,648** | **12.45** | **0** | **166.25** | **16.95** | **22.85** |

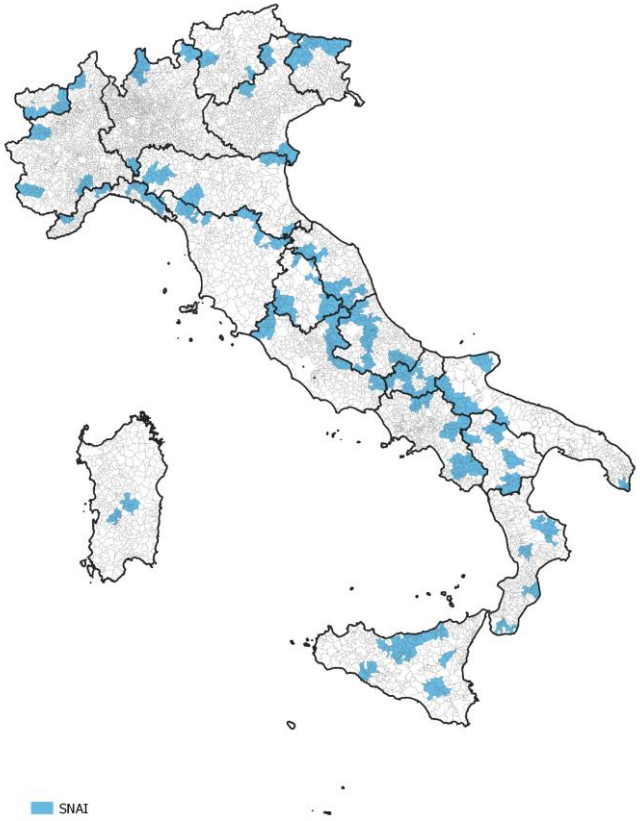
Table 2. Geographical distribution of Degree of urbanisation with remoteness classes

| Region | City | | Town and suburb, close to a city | | Town and suburb, remote | | Rural area, close to a city | | Rural area, remote | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | N | % IT | N | % IT | N | % IT | N | % IT | N | % IT | |
| Abruzzo | 2 | 0,78% | 35 | 1,49% | 9 | 3,41% | 151 | 4,67% | 108 | 5,98% | **305** |
| Basilicata | 2 | 0,78% | 11 | 0,47% | 4 | 1,52% | 56 | 1,73% | 58 | 3,21% | **131** |
| Calabria | 3 | 1,18% | 55 | 2,34% | 28 | 10,61% | 163 | 5,04% | 155 | 8,58% | **404** |
| Campania | 77 | 30,20% | 159 | 6,78% | 12 | 4,55% | 219 | 6,78% | 83 | 4,59% | **550** |
| Emilia-Romagna | 11 | 4,31% | 119 | 5,07% | 0 | - | 158 | 4,89% | 40 | 2,21% | **328** |
| Friuli-Venezia Giulia | 3 | 1,18% | 61 | 2,60% | 0 | - | 126 | 3,90% | 25 | 1,38% | **215** |
| Lazio | 3 | 1,18% | 77 | 3,28% | 26 | 9,85% | 149 | 4,61% | 123 | 6,81% | **378** |
| Liguria | 3 | 1,18% | 77 | 3,28% | 4 | 1,52% | 108 | 3,34% | 42 | 2,32% | **234** |
| Lombardia | 104 | 40,78% | 738 | 31,46% | 24 | 9,09% | 510 | 15,78% | 130 | 7,19% | **1.506** |
| Marche | 2 | 0,78% | 54 | 2,30% | 7 | 2,65% | 69 | 2,14% | 95 | 5,26% | **227** |
| Molise | 1 | 0,39% | 5 | 0,21% | 2 | 0,76% | 75 | 2,32% | 53 | 2,93% | **136** |
| Piemonte | 4 | 1,57% | 196 | 8,35% | 37 | 14,02% | 694 | 21,48% | 250 | 13,84% | **1.181** |
| Puglia | 13 | 5,10% | 167 | 7,12% | 14 | 5,30% | 52 | 1,61% | 11 | 0,61% | **257** |
| Sardegna | 2 | 0,78% | 29 | 1,24% | 26 | 9,85% | 83 | 2,57% | 237 | 13,12% | **377** |
| Sicilia | 9 | 3,53% | 140 | 5,97% | 40 | 15,15% | 88 | 2,72% | 113 | 6,25% | **390** |
| Toscana | 7 | 2,75% | 92 | 3,92% | 7 | 2,65% | 113 | 3,50% | 54 | 2,99% | **273** |
| Trentino-Alto Adige/Südtirol | 2 | 0,78% | 44 | 1,88% | 2 | 0,76% | 155 | 4,80% | 79 | 4,37% | **282** |
| Umbria | 2 | 0,78% | 16 | 0,68% | 0 | - | 58 | 1,80% | 16 | 0,89% | **92** |
| Valle d'Aosta/Vallée d'Aoste | 0 | - | 1 | 0,04% | 10 | 3,79% | 1 | 0,03% | 62 | 3,43% | **74** |
| Veneto | 5 | 1,96% | 270 | 11,51% | 12 | 4,55% | 203 | 6,28% | 73 | 4,04% | **563** |
| **Total Italy** | **255** | **100,00%** | **2,346** | **100,00%** | **264** | **100,00%** | **3,231** | **100,00%** | **1,807** | **100,00%** | **7.903** |

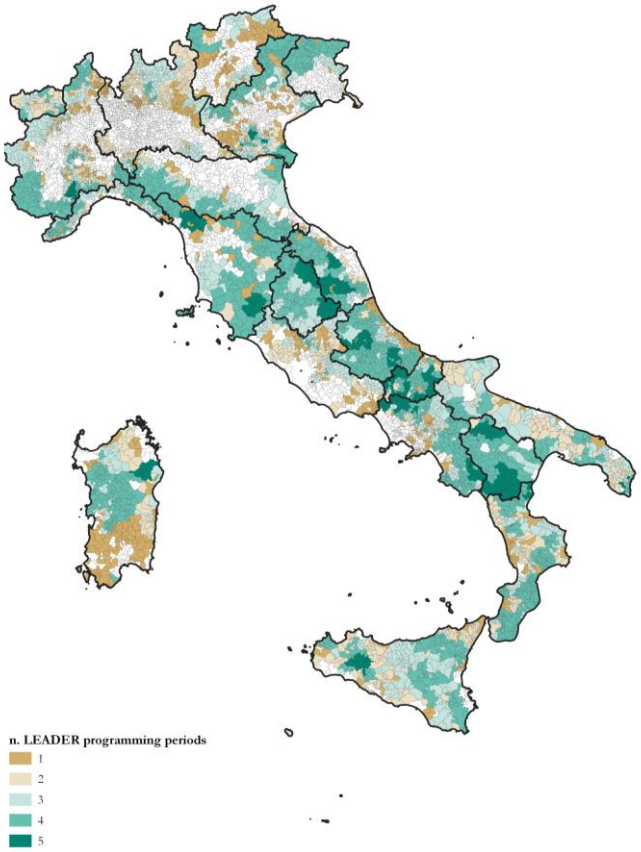
Table 3. Geographical distribution of successful projects in M5C3I1.1.1 call – only non-urban territories are shown

| Region | Not participating | | | | Not selected participants | | | | Successful participants | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | TCC | TSR | RCC | RAR | TCC | TSR | RCC | RAR | TCC | TSR | RCC | RAR | **Total** |
| Abruzzo | 26 | 4 | 106 | 54 | 4 | 1 | 36 | 28 | 5 | 4 | 9 | 26 | **44** |
| Basilicata | 4 | 2 | 24 | 16 | 4 | | 20 | 27 | 3 | 2 | 12 | 15 | **32** |
| Calabria | 36 | 15 | 81 | 66 | 12 | 10 | 45 | 63 | 7 | 3 | 37 | 26 | **73** |
| Campania | 138 | 2 | 111 | 18 | 10 | 6 | 61 | 32 | 11 | 4 | 47 | 33 | **95** |
| Emilia-Romagna | 98 | | 102 | 15 | 15 | | 48 | 21 | 6 | | 8 | 4 | **18** |
| Friuli-Venezia Giulia | 58 | | 118 | 17 | 2 | | 5 | 7 | 1 | | 3 | 1 | **5** |
| Lazio | 63 | 20 | 98 | 82 | 10 | 4 | 42 | 36 | 4 | 2 | 9 | 5 | **20** |
| Liguria | 67 | 4 | 89 | 33 | 7 | | 16 | 5 | 3 | | 3 | 4 | **10** |
| Lombardia | 707 | 23 | 478 | 108 | 25 | | 26 | 21 | 6 | 1 | 6 | 1 | **14** |
| Marche | 50 | 6 | 56 | 49 | 2 | | 7 | 26 | 2 | 1 | 6 | 20 | **29** |
| Molise | 3 | | 44 | 18 | | | 22 | 25 | 2 | 2 | 9 | 10 | **23** |
| Piemonte | 181 | 35 | 633 | 207 | 12 | 2 | 44 | 35 | 3 | | 17 | 8 | **28** |
| Puglia | 110 | 2 | 23 | 5 | 35 | 6 | 16 | 5 | 22 | 6 | 13 | 1 | **42** |
| Sardegna | 27 | 18 | 56 | 159 | 2 | 7 | 20 | 57 | | 1 | 7 | 21 | **29** |
| Sicilia | 71 | 19 | 48 | 60 | 37 | 5 | 21 | 24 | 32 | 16 | 19 | 29 | **96** |
| Toscana | 76 | 3 | 74 | 33 | 9 | 3 | 28 | 17 | 7 | 1 | 11 | 4 | **23** |
| Trentino-Alto Adige/Südtirol | 39 | 1 | 144 | 63 | 4 | 1 | 11 | 12 | 1 | | | 4 | **5** |
| Umbria | 14 | | 50 | 9 | 2 | | 5 | 5 | | | 3 | 2 | **5** |
| Valle d'Aosta/Vallée d'Aoste | 1 | 10 | 1 | 57 | | | | 4 | | | | 1 | **1** |
| Veneto | 261 | 10 | 188 | 56 | 5 | 2 | 11 | 15 | 4 | | 4 | 2 | **10** |
| **Totale complessivo** | **2,030** | **174** | **2,524** | **1,125** | **197** | **47** | **484** | **465** | **119** | **43** | **223** | **217** | **602** |

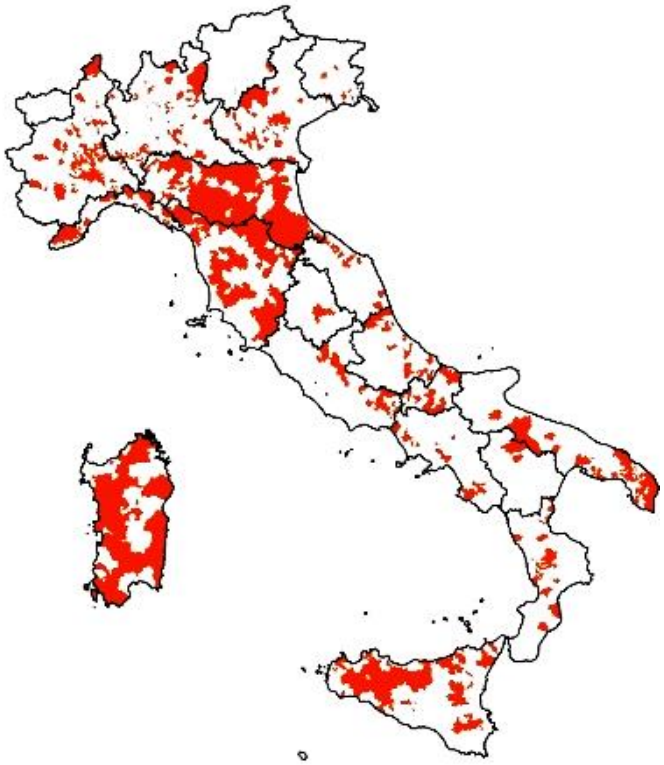
**Legend**: Town and suburb, close to a city (TCC), Town and suburb, remote (TSR), Rural area, close to a city (RCC), Rural area, remote (RAR)



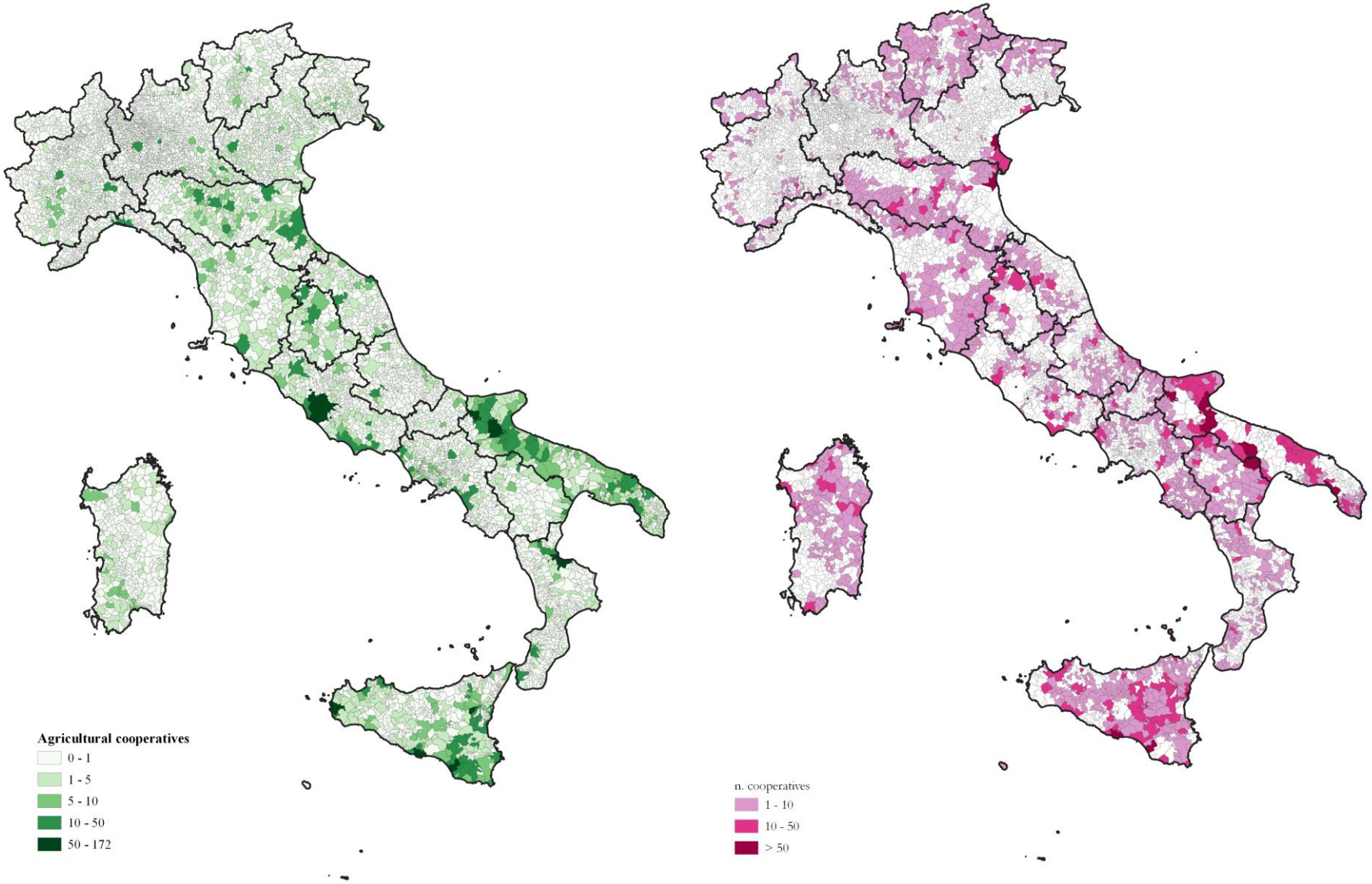

Inner Areas strategies



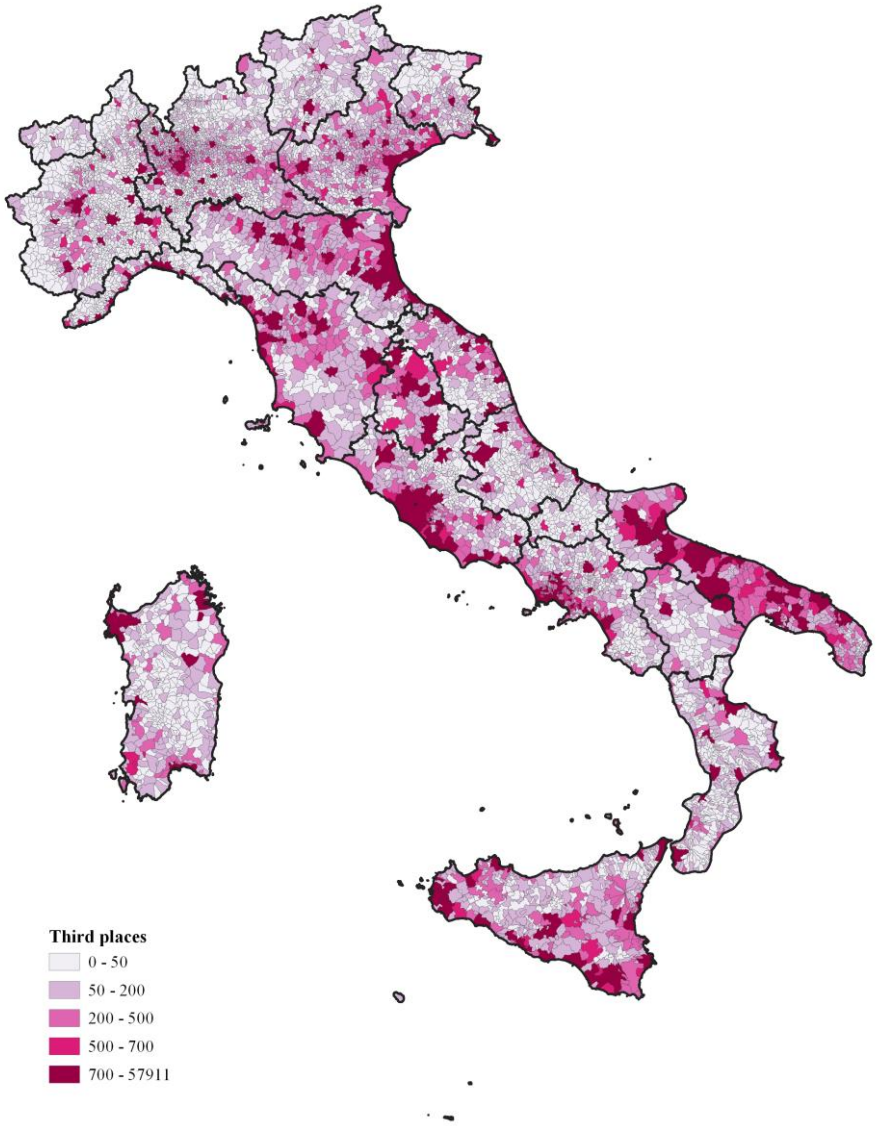

LEADER

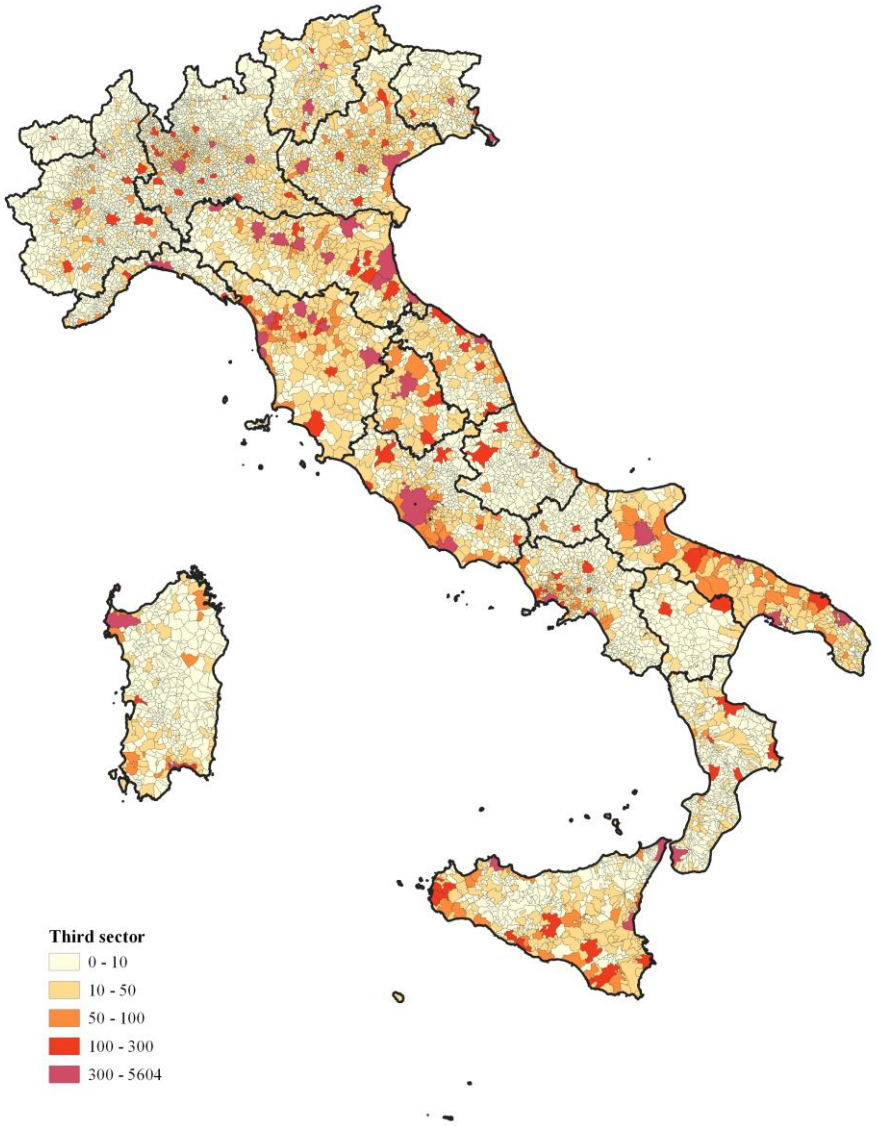


Municipal unions


Agricultural cooperatives
0 - 1
1 - 5
5 - 10
10 - 50
50 - 172
n. cooperatives
1 - 10
10 - 50
> 50


Total PPP 2016-2022
0 - 1
1 - 10
10 - 30
30 - 63
63 - 248


Third places
0 - 50
50 - 200
200 - 500
500 - 700
700 - 57911


Third sector
0 - 10
10 - 50
50 - 100
100 - 300
300 - 5604

## Heteroskedasticity test

```
Breusch-Pagan / Cook-Weisberg test for heteroskedasticity
         Ho: Constant variance
         Variables: fitted values of M5c3i1111

         chi2(1)      =   318.42
         Prob > chi2  =   0.0000
```

## Variance inflation factor

| Variable | VIF | 1/VIF |
|---|---|---|
| NSIA 2014-2020 strategy | 1.18 | 0.850148 |
| LAGs 2014-2022 area | 3.41 | 0.293349 |
| Municipal Union | 1.03 | 0.967441 |
| Public Private Partnerships (2022) | 1.02 | 0.980142 |
| Agricultural cooperatives (2022) | 1.16 | 0.861777 |
| Third Sector Institutions (2022) | 3.91 | 0.255773 |
| Third places (2022) | 4.56 | 0.219219 |
| **Degree of urbanisation with remoteness** | | |
| *Rural area, remote* | 1.17 | 0.855706 |
| *Town and suburb, close to a city* | 2.44 | 0.410234 |
| *Town and suburb, remote* | 2.6 | 0.385195 |
| **N. of LEADER programming periods** | | |
| *1* | 2.49 | 0.401248 |
| *2* | 3.63 | 0.275128 |
| *3* | 5.05 | 0.197833 |
| *4* | 6.65 | 0.150324 |
| *5* | 2.68 | 0.373015 |
| Mean VIF | 2.87 | |

## Variables pairwise correlation

| Variables | -1 | -2 | -3 | -4 | -5 | -6 | -7 | -8 |
|---|---|---|---|---|---|---|---|---|
| (1) Govenance thickness | 1 | | | | | | | |
| (2) NSIA 2014-2020 strategy | 0.663* | 1 | | | | | | |
| (3) LAGs 2014-2022 area | 0.200* | 0.235* | 1 | | | | | |
| (4) Municipal Union | 0.325* | 0.082* | 0.196* | 1 | | | | |
| (5) Public Private Parterships (2016-2022) | -0.013 | -0.017 | -0.050* | -0.039* | 1 | | | |
| (6) Agricultural cooperatives (2022) | -0.024 | -0.028 | -0.024 | -0.057* | 0.151* | 1 | | |
| (7) Third Sector Institutions (2022) | -0.031* | -0.046* | -0.100* | -0.065* | 0.465* | 0.349* | 1 | |
| (8) Third places (2022) | -0.032* | -0.047* | -0.096* | -0.067* | 0.478* | 0.332* | 0.979* | 1 |

*** p<0.01, ** p<0.05, * p<0.1

## Annex C. Robustness checks

### Independence of irrelevant alternative tests

In order to assses the model fit and its assumptions we check if the choice model satisfies the Independence of Irrelevant Alternatives (IIA), and hence the robustness and reliability of our prediction. To do so we performed the two most known tests for this purpose, namely **Hausman-McFadden Test** and the **Small-Hsiao Test.**

**Hausman tests of IIA assumption (N=7903)**

Ho: Odds(Outcome-J vs Outcome-K) are independent of other alternatives

| | chi2 | df | P>chi2 |
|---|---|---|---|
| Participants | 4.552 | 8 | 0.804 |
| Winners | 5.185 | 8 | 0.738 |
| Not participants | -16.702 | 8 | . |

Note: A significant test is evidence against Ho.
Note: If chi2<0, the estimated model does not meet asymptotic assumptions.

**Small-Hsiao tests of IIA assumption (N=7903)**

Ho: Odds(Outcome-J vs Outcome-K) are independent of other alternatives

| | lnL(full) | lnL(omit) | chi2 | df | |
|---|---|---|---|---|---|
| Participants | -566.866 | -562.151 | 9.429 | 8 | 0.307 |
| Winners | -890.074 | -883.327 | 13.495 | 8 | 0.096 |
| Not participants | -1513.307 | -1511.647 | 3.321 | 8 | 0.913 |

Note: A significant test is evidence against Ho.

**Post-estimation**

As a further robustness check we tested the fitness of our R2 using three most popular of the many alternative measures.

| R2 | |
|---|---|
| McFadden | 0.087 |
| Cox-Snell/ML | 0.139 |
| Cragg-Uhler/Nagelkerke | 0.169 |
| Count | 0.664 |

Although the outcomes are not very high, the MNL model fits 66.4% hence proving the goodness of fit measures.

**Marginal effects**

| | Delta-method | | | | | |
|---|---|---|---|---|---|---|
| | dy/dx | z | z | P>z | [95% Conf. | Interval] |
| NSIA 2014-2020 strategy | | | | | | |
| _predict | | | | | | |
| 1 | -0.068 | 0.016 | -4.36 | 0 | -0.099 | -0.037 |
| 2 | 0.057 | 0.014 | 4.09 | 0 | 0.03 | 0.085 |
| 3 | 0.011 | 0.011 | 1 | 0.317 | -0.01 | 0.032 |
| LAGs 2014-2022 area | | | | | | |
| _predict | | | | | | |
| 1 | -0.123 | 0.03 | -4.16 | 0 | -0.181 | -0.065 |
| 2 | 0.025 | 0.027 | 0.93 | 0.355 | -0.028 | 0.078 |
| 3 | 0.098 | 0.026 | 3.77 | 0 | 0.047 | 0.148 |
| Municipal Union | | | | | | |
| _predict | | | | | | |
| 1 | 0.192 | 0.011 | 16.94 | 0 | 0.169 | 0.214 |
| 2 | -0.117 | 0.011 | -10.74 | 0 | -0.139 | -0.096 |
| 3 | -0.074 | 0.009 | -8.6 | 0 | -0.091 | -0.057 |
| Public Private Partnerships (2022) | | | | | | |
| _predict | | | | | | |
| 1 | -0.024 | 0.014 | -1.69 | 0.091 | -0.053 | 0.004 |
| 2 | 0.02 | 0.01 | 2.1 | 0.036 | 0.001 | 0.039 |
| 3 | 0.004 | 0.008 | 0.55 | 0.583 | -0.011 | 0.019 |
| Agricultural cooperatives (2022) | | | | | | |
| _predict | | | | | | |
| 1 | -0.009 | 0.004 | -2.11 | 0.035 | -0.018 | -0.001 |
| 2 | 0.006 | 0.003 | 2.04 | 0.042 | 0 | 0.012 |
| 3 | 0.003 | 0.002 | 2.03 | 0.043 | 0 | 0.006 |
| Third Sector Institutions (2022) | | | | | | |
| _predict | | | | | | |
| 1 | 0.001 | 0.001 | 1.01 | 0.311 | -0.001 | 0.004 |
| 2 | 0 | 0.001 | -0.21 | 0.837 | -0.002 | 0.002 |
| 3 | -0.001 | 0.001 | -1.61 | 0.108 | -0.002 | 0 |
| Third places (2022) | | | | | | |
| _predict | | | | | | |
| 1 | 0 | 0 | -4.03 | 0 | -0.001 | 0 |
| 2 | 0 | 0 | 3.18 | 0.001 | 0 | 0 |
| 3 | 0 | 0 | 3.09 | 0.002 | 0 | 0 |
| Town and suburb, close to a city | (base outcome) | | | | | |

| | Delta-method | | | | | |
|---|---|---|---|---|---|---|
| | dy/dx | z | z | P>z | [95% Conf. | Interval] |
| Town and suburb, remote | | | | | | |
| _predict | | | | | | |
| 1 | -0.093 | 0.033 | -2.79 | 0.005 | -0.159 | -0.028 |
| 2 | 0.018 | 0.029 | 0.63 | 0.528 | -0.039 | 0.075 |
| 3 | 0.075 | 0.028 | 2.7 | 0.007 | 0.021 | 0.13 |
| Rural area, close to a city | | | | | | |
| _predict | | | | | | |
| 1 | -0.02 | 0.02 | -1.02 | 0.306 | -0.06 | 0.019 |
| 2 | 0.04 | 0.018 | 2.23 | 0.026 | 0.005 | 0.075 |
| 3 | -0.019 | 0.015 | -1.31 | 0.19 | -0.048 | 0.01 |
| Rural area, remote | | | | | | |
| _predict | | | | | | |
| 1 | -0.06 | 0.022 | -2.75 | 0.006 | -0.103 | -0.017 |
| 2 | 0.068 | 0.019 | 3.49 | 0 | 0.03 | 0.106 |
| 3 | -0.008 | 0.016 | -0.5 | 0.615 | -0.039 | 0.023 |
| N. of LEADER programming periods (None) | (baseoutcome) | | | | | |
| 1 LEADER programming periods | | | | | | |
| _predict | | | | | | |
| 1 | -0.034 | 0.032 | -1.06 | 0.288 | -0.097 | 0.029 |
| 2 | 0.034 | 0.026 | 1.32 | 0.187 | -0.016 | 0.085 |
| 3 | 0 | 0.026 | 0.01 | 0.994 | -0.051 | 0.052 |
| 2 LEADER programming periods | | | | | | |
| _predict | | | | | | |
| 1 | -0.051 | 0.032 | -1.57 | 0.117 | -0.115 | 0.013 |
| 2 | 0.04 | 0.027 | 1.49 | 0.136 | -0.013 | 0.093 |
| 3 | 0.011 | 0.025 | 0.43 | 0.666 | -0.038 | 0.06 |
| 3 LEADER programming periods | | | | | | |
| _predict | | | | | | |
| 1 | -0.088 | 0.035 | -2.5 | 0.012 | -0.157 | -0.019 |
| 2 | 0.078 | 0.029 | 2.68 | 0.007 | 0.021 | 0.135 |
| 3 | 0.01 | 0.027 | 0.37 | 0.713 | -0.044 | 0.064 |
| 4 LEADER programming periods | | | | | | |
| _predict | | | | | | |
| 1 | -0.167 | 0.037 | -4.57 | 0 | -0.239 | -0.096 |
| 2 | 0.117 | 0.03 | 3.83 | 0 | 0.057 | 0.176 |
| 3 | 0.051 | 0.029 | 1.79 | 0.074 | -0.005 | 0.107 |
| 5 LEADER programming periods | | | | | | |
| _predict | | | | | | |
| 1 | -0.247 | 0.045 | -5.53 | 0 | -0.335 | -0.16 |
| 2 | 0.172 | 0.039 | 4.42 | 0 | 0.096 | 0.249 |
| 3 | 0.075 | 0.035 | 2.15 | 0.031 | 0.007 | 0.143 |

| | Delta-method | | | | | |
|---|---|---|---|---|---|---|
| | dy/dx | z | z | P>z | [95% Conf. | Interval] |

Note: dy/dx for factor levels is the discrete change from the base level.

## Annex D. Complete regressions

**Table.** Multinomial Logit estimations. Dependent variable: Results of the Italian NRRP M5C3I1.1.1 "Enhancement of community social services and infrastructures" call (base category: Not participating) – only non-urban territories are shown

| | Not selected participants | Successful participants |
|---|---|---|
| NSIA 2014-2020 strategy | 0.40*** | 0.25** |
| | (0.09) | (0.12) |
| LAGs 2014-2022 area | 0.38** | 1.14*** |
| | (0.17) | (0.27) |
| Municipal Union | -0.94*** | -1.09*** |
| | (0.07) | (0.09) |
| Public Private Partnerships (2022) | 0.04* | 0.03 |
| | (0.02) | (0.02) |
| Agricultural cooperatives (2022) | 0.05** | 0.05** |
| | (0.02) | (0.02) |
| Third sector institutions | -0.00 | -0.01 |
| | (0.01) | (0.01) |
| Thirdplaces | 0.00*** | 0.00*** |
| | (0.00) | (0.00) |
| **Degree of urbanisation with remoteness** | | |
| *Town and suburb, close to a city* | (baseoutcome) | |
| *Town and suburb, remote* | 0.29 | 0.69*** |
| | (0.20) | (0.21) |
| *Rural area, close to a city* | 0.24* | -0.13 |
| | (0.12) | (0.15) |
| *Rural area, remote* | 0.43*** | 0.06 |
| | (0.13) | (0.16) |
| **N. of LEADER programming periods** | | |
| *None* | (baseoutcome) | |
| *1* | 0.27 | 0.07 |
| | (0.20) | (0.34) |
| *2* | 0.33 | 0.22 |
| | (0.21) | (0.32) |
| *3* | 0.58*** | 0.28 |
| | (0.22) | (0.35) |
| *4* | 0.90*** | 0.80** |
| | (0.22) | (0.35) |
| *5* | 1.26*** | 1.15*** |
| | (0.25) | (0.38) |
| Constant | -1.98*** | -2.81*** |
| | (0.16) | (0.23) |

| | | | |
|---|---|---|---|
| Mean dependent var | 0.457 | SD dependent var | 0.691 |
| Pseudo r-squared | 0.087 | Number of obs | 5232 |
| Chi-square | 783.127 | Prob > chi2 | 0.000 |
| Akaike crit. (AIC) | 8286.629 | Bayesian crit. (BIC) | 8496.630 |

*** p<.01, ** p<.05, * p<.1

Chapter 6

# Conclusions

Recent seminal contributions have tried to shed some light on the evolution and possible characterisation of the varieties of peripheries (Nilsen *et al*., 2023) and of left-behind places (Pike *et al*., 2024) as the outcomes of the burgeoning phenomenon of "*metrophilia*" (Waite & Morgan, 2019) that has pervaded territorial policy interventions over the last decades (Rodríguez-Pose, 2018). Within such framework, public policies have fostered city-centred interventions seen as nodes of development and innovation from which growth and development should 'trickle down' to the most disadvantaged and lagging regions, as postulated by some prominent explanations (Myrdal 1957, Hirschman 1958, Perroux 1955).
And still, asymmetric growth and disparities increase (European Commission, 2024; OECD, 2024), so do grievance and resentment towards those held responsible for lacking opportunities and hindered future prospects (Los *et al.*, 2017; Essletzbichler, 2018; Rodríguez-Pose, 2018), as well as a sense of dispossession and loss particularly among older residents (MacKinnon *et al.*, 2022).

Against this background and conscious of the relevance of this notion for policy purposes in the search of a balance between efficiency and equity, the present study poses itself in the wake of important suggestions coming from the academic community calling for fresh evidence and further research to truly unpack core-periphery dynamics to prove that peripherality is not "*a 'problem' to overcome*" (Pugh & Dubois, 2021, p. 274).

In the wake of Rodríguez-Pose (2020) reflections regarding the missing something in economic development and growth analyses, and Goodwing (1998) suggestions on furthering research on the ways in which local governance responds to, and augments, the unevenness of development and different geographical trajectories, this work intended to show that whether given an opportunity space, peripheral territories will show their potential and prove not to doomed to decline (Nilsen *et al*., 2022).

To do so, the thesis approached the quest for the determinants of territorial development by investigating the causes and effects of geographical and political remoteness to re-interpreted them in light of the strategies that territories and communities have put in place to step up their voices along vertical (towards higher tiers of government) or horizontal (among similar) trajectories to reaffirm their uniqueness, role and importance.
Peripherality goes beyond simple geography (distance) as it also entails a relational dimension with respect to decision making centres (or compared to other territories that display differentiated positions in the spatial configuration of regional socio-economic development), leading to a sense of exclusion.

As a consequence, territories and their community may grow a sense of disconnection, both physical and relational, from the dynamic growth of other centres. This, in turn, nourishes two types of effects.: a geographical-physical abandonment (depopulation), igniting a self-feeding downwards loop of deterioration of public goods and services and a decrease in occupation and economic opportunities (lacking the necessary workforce). But also a relational-institutional one, driving discontent and resentments towards socio-economic polarisation and ineffective development interventions, fuelling a sense of social and spatial injustice.

The solution proposed, as recalled also in the Introduction (Torre, 2018; 2025), is to acknowledge that territorial development and growth are complex processes that require an integrated analysis from both production and governance perspectives. Production processes have traditionally been viewed as the primary engine of territorial development. Economic growth in regions is closely linked to the capacity of local production systems to innovate technologically and to develop systemic relations among firms, institutions, and knowledge networks. These local production

systems are embedded in specific territorial contexts, which shape their dynamics and potential for innovation.
While production drives economic output, governance constitutes the other critical dimension influencing territorial development. Governance refers to the modes of coordination, decision-making, and stakeholder participation that shape the territorial development process. It encompasses the roles of local authorities, public institutions, private actors, and civil society in defining strategic visions, mobilizing resources, and implementing policies tailored to territorial needs. Such governance arrangements facilitate the mobilisation of social capital and private sector involvement, which are essential for inclusive growth and the delivery of social services.

Understanding this dual perspective is crucial to create new development pathways and address emerging challenges in regional economies and for designing effective regional policies that promote inclusive, resilient, and sustainable economic development.

The main *contributions* of the present thesis to expand on previous work on peripherality and its consequences may then be summarised as follows:
1) Peripherality is a concept (and a perception) that evolves dynamically both in time and space.
Particularly in paper 1, we demonstrated that a fixed approach to peripherality as a state – in terms of features and characteristics that are (not) present or as the (opposite of a) main focus or, again, in terms of their relationship with a centre (Ferrão & Lopes, 2004) – does not allow to fully appreciate the multi-faceted aspects of peripheries, nor that distance in itself hinders growth and development. This is essential for understanding that an adaptability capacity can be acquired to respond to enduring long-term processes of natural, physical, human resources depletion – known in literature as slow-burning processes (Pendall *et al*., 2010) – and chronic disturbances particularly challenging for weaker territories. Rather, especially from a policy perspective, it is crucial to address (and invest to contrast) "peripheralisation" processes and dynamics through which peripheries are formed (Kühn, 2015) as they may endanger growth and social stability.

2) Peripheralisation (whether real or perceived, whether actual or dread) is the outcome of social and economic processes with a political twist.
As technology and new lifestyles are closing the geographical gap between cities and their surroundings, and development is no longer based only on a stable territorial hierarchy of large towns, medium-sized towns and rural areas, the actual or perceived distance from development opportunities is not only widening the fracture within territories but also between citizens and politics.
Moreover, for peripheral areas lacking basic structural endowments and attractiveness appeal, "distance-based spatial edgeness" from central core (Herrschel, 2011) often overlaps a "communicative, participative distance to functional networks between policy-making actors" (p.88) challenging their ability to keep up the speed and pace of development with respect to core areas.

Consistent with the discourse about the "geography of discontent" (Los *et al*., 2017; Essletzbichler, 2018) paper 2 proposes a correlation between anti-establishment responses expressed though political voting, and the declining economic conditions combined with the feeling of lacking political attention to own future perspectives experienced by territories and their communities (Algan *et al.*, 2017; Broz *et al.*, 2021).

In this regard, paper 3 demonstrated that the game is open for all provided that territories are put in a position to seize development opportunities (Behar, 2017). As recalled by Görmar & Lang (2019) powerlessness is a fundamental component of peripheralisation processes, hence the ability to challenge, reject or even reverse this discourse lies in the ability of local stakeholders to behave and act as a "collective actor" (Davoudi *et al*., 2018; Faludi, 2016; Leloup *et al*, 2005) building a common learning – by means of interaction – to initiate and support shared development projects.
Though as proved in the same last chapter, networking and trust need time, the right timing and (place-specific) setting to unfold their potential and an economic, institutional and political context willing to invest in a 'space of possibility' for all.

Many may be the *policy take-aways* arising from this study.

On the one side implying a direct relationship between geographical distance from core areas and development opportunities does not suffice to frame all the challenges hampering development. The first two papers aimed at showing that despite a general association of peripheral territories as places doomed to demographic and economic decline, and home of resentment linked to the feeling of being left out of development opportunities, not all of them fit the stereotype. On the contrary whether they are encouraged (and be financially supported, see paper 3) to mark their own unique development path, leveraging on their set of assets and resources (hence the use of a very rich array of variables employed in the two papers), not only they do not fall in downwards spirals but they also manage to thrive.

It is though true that failing to address the material symptoms of peripherality drives discontent and a demand for recognition among segments of the population that perceive themselves as neglected or misrepresented by mainstream political and economic systems. This demand for recognition is not merely symbolic; it is rooted in tangible experiences of economic insecurity, declining social status and perceived marginalisation. Economic shocks, such as those triggered by globalisation, technological change, or the 2008 financial crisis, have disproportionately affected certain regions and social groups, eroding trust in traditional parties and institutions.

For this reason, each piece of this thesis has been designed having in mind specific support opportunities (in particular European Union funding instruments) to propose a path to follow. The contribution of the new knowledge produced will result useful and directly applicable to promote place-specific tailor-made development strategies requiring a unique mix of interventions going beyond mere resource redistribution to include mechanisms for recognition and empowerment, ensuring that voices arising from these territories are meaningfully integrated into the policy arena.
Promisingly, two of the most recent important contributions in the European policy context – each in its peculiar way – seem to go in this direction.
Both the Letta and Draghi's (2024) reports are in fact calling for policymakers to strive to provide "opportunities for individuals who wish to contribute to the development of their local communities" (Letta, 2024, p.91) recognising the importance of community involvement and engagement as central elements to fine

tune policies by defining objectives and actions for the transformation of Europe's economy and building the consensus needed to drive the changes (Draghi, 2024).

In order to ensure this 'freedom to stay' it is then up to the academic community to continue providing policy makers, practitioners and planners with the right concepts, tools and knowledge to design sustainable economic development policies in a more nuanced and holistic manner (Pugh & Dubois, 2021).

Within an understanding of development as a dynamic and evolutionary process (Torre, 2025) of a "*future oriented process that creates narratives of 'becoming'*" (Görmar & Lang, 2019, p. 491), the research undertaken for this PhD-project, although *limited* to a single country and its specific history and socio-economic conditions, corroborates the idea that provided the right instruments and a supportive institutional environment, development paths are not perpetual and may be changed. However, there is no clear-cut relationship that this may apply to all territories or of an incontestable association between growth and place-specific conditions: place does matter, but so does carrying out a self-examination and the will of all local actors to improve a common awareness of own strengths and weaknesses.

What this thesis aimed to do was to provide an initial set of evidence (and some replicable tools) to encourage future researches on the one side to continue challenging the narrative of peripheries as remote, socially and economically irrelevant as well as powerlessness territories, while on the other acknowledging the specific spatial and temporal contexts in which peripheralisation processes may occur, even in cosmopolitan superstar cities.

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