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Strategic alliances, public-private partnerships, multi-level governance

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Introduction

In my presentation I will explore the implications for strategic planning of the three basic concepts of the title:

- alliances
- partnerships
- governance

I will start from governance, moving toward partnerships and alliances

I will use a comparison between two cities (Turin and Milan), and the case of the Milan strategic plan

In the conclusions, I will try to draw some more general lessons for strategic planning

Governance

The paper *Urban Development Strategies in the Mediterranean* (March 2011) states that there are 3 phases of UDS.

The current phase, starting in 1997, is that of "Promoting urban governance".

"Good governance is at the heart of economic and social development in all countries around the world" (p. 8).

Good governance

Urban governance is "the sum of many ways individual citizens and institutions, public and private, plan and manage the common affairs of the city. It is a continuing process through which conflicting or diverse interests may be accommodated and cooperative action can be taken. It includes formal institutions as well as informal arrangements and the social capital of citizen" (HABITAT 2001)
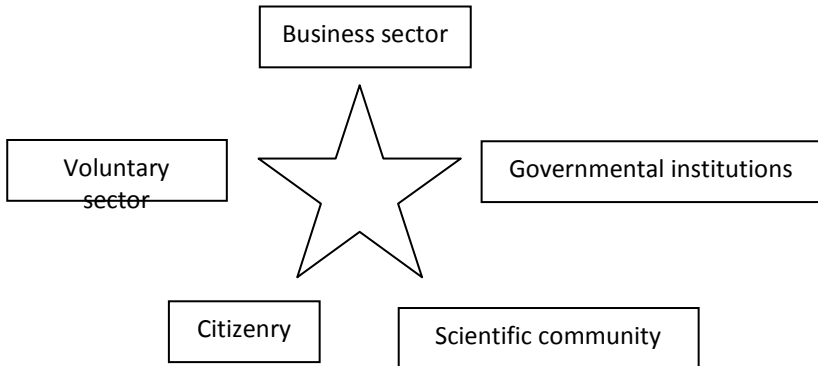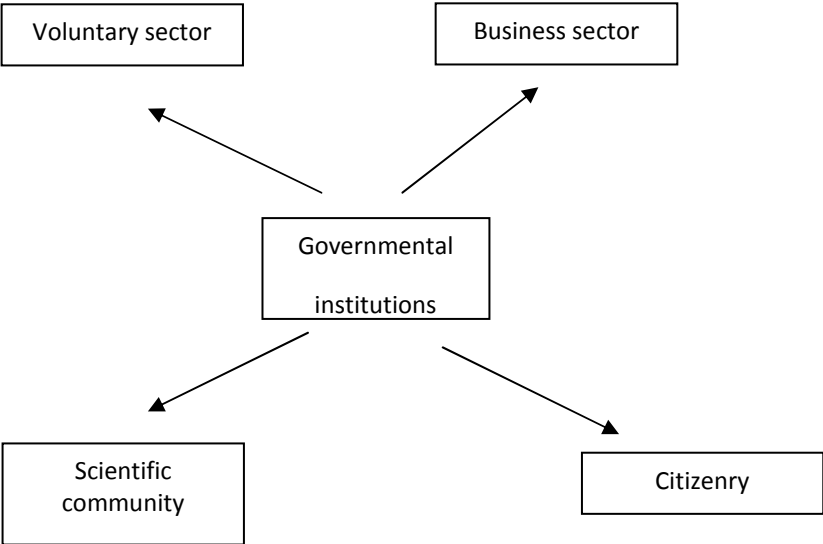
Governance and partnerships

The central idea is that "good governance" implies inclusiveness of social and economic actors in the political system.

Social and economic actors should cooperate:

- with the local authority, and above all

- between them (business community, NGOs, local communities, scientific community, ...)

Two elements are implied here:

- various types of actors

- in tight interactions between them

Voluntary sector	Business sector

Governmental institutions

Scientific community

Citizenry

Business sector

Voluntary sector

Governmental institutions

Citizenry

Scientific community

Governance, for doing what?

In sum, two factors are crucial for good governance:

- diversity of actors
- density of the interactions

But, good governance for doing what?

For producing innovation, both in terms of product and process innovation (Dente, Bobbio, Spada 2004)

Hypothesis: If governance *works*, one should expect that the level of innovation in a given political system is associated with a more complex and compact network of actors.
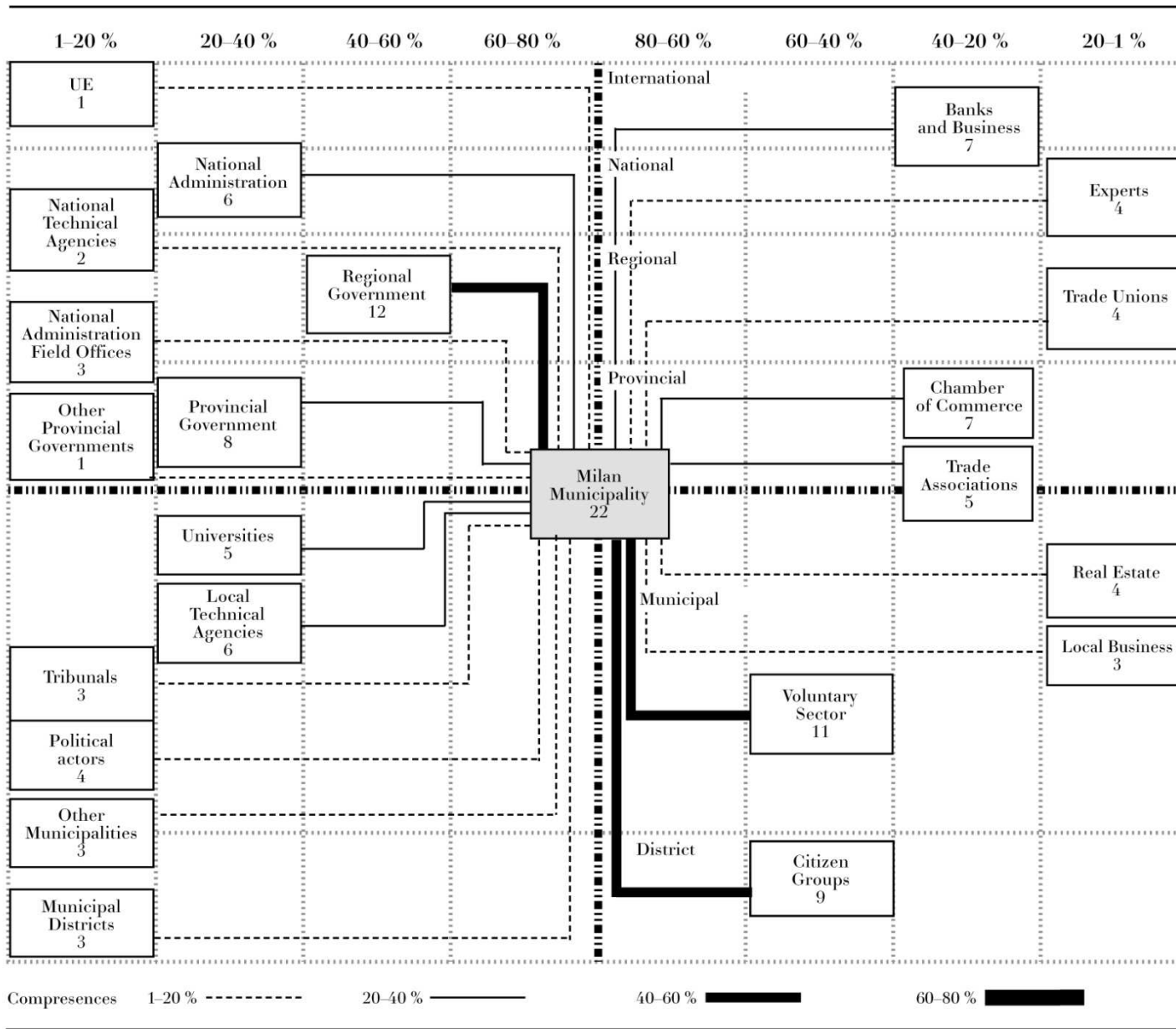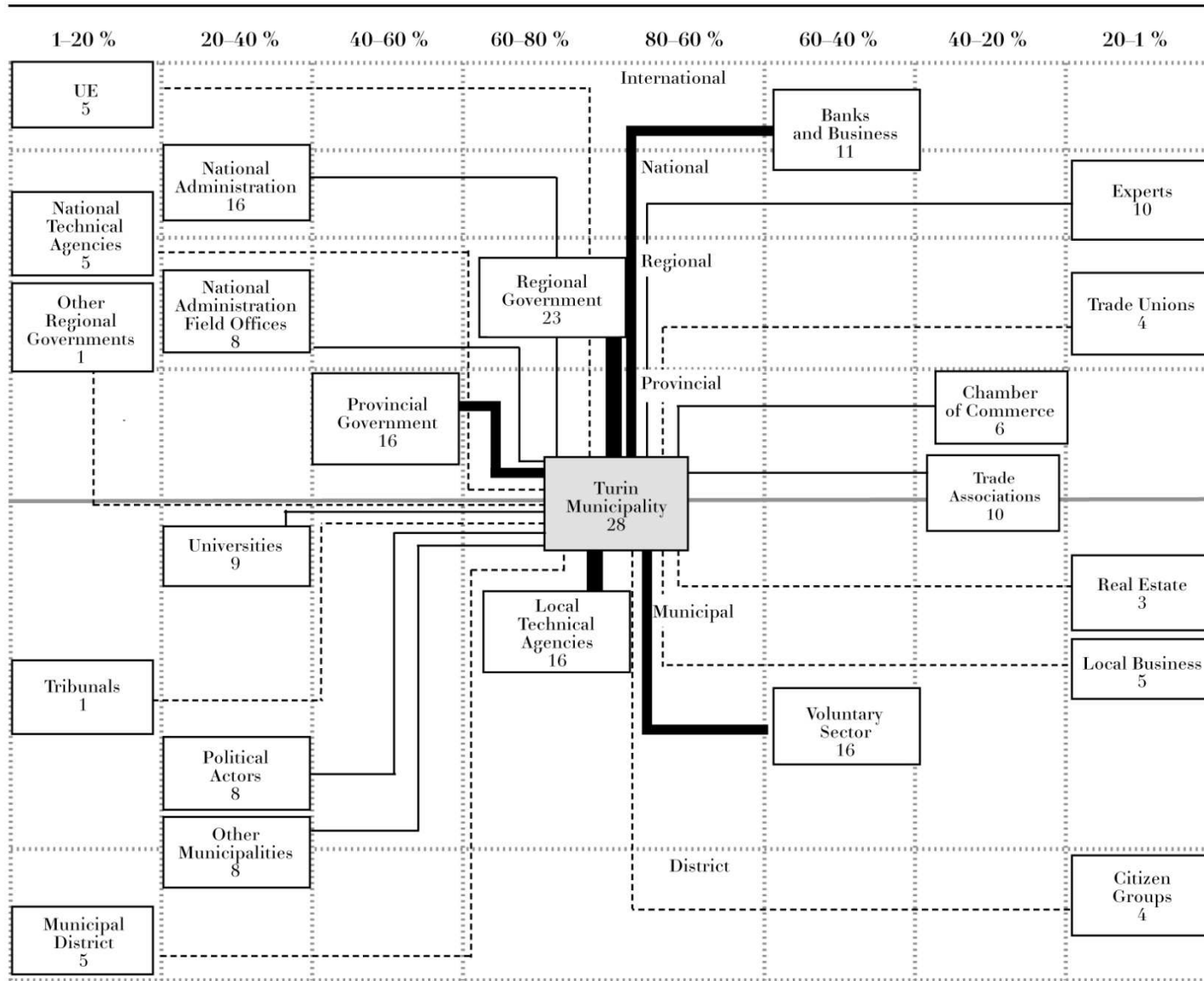
Two cities: Turin and Milan

The research compared two cities: Turin and Milan, choosing a sample of 30 case studies.

The level of innovation has been found much higher in Turin than in Milan.

	AGENDA new issues and new problems	PRODUCT new solutions to old problems	PROCESS new methods for solving old and new problems	SYMBOLIC new forms of communication	TOTAL
Turin	+++	++	+++	++	10
Milan	+	+++	+	+	6

	1–20 %	20–40 %	40–60 %	60–80 %	80–60 %	60–40 %	40–20 %	20–1 %

UE
1

National
Administration
6

International

Banks
and Business
7

National

Experts
4

National
Technical
Agencies
2

National
Administration
Field Offices
3

Regional
Government
12

Regional

Trade Unions
4

Other
Provincial
Governments
1

Provincial
Government
8

Provincial

Chamber
of Commerce
7

Milan
Municipality
22

Trade
Associations
5

Universities
5

Local
Technical
Agencies
6

Real Estate
4

Municipal

Tribunals
3

Local Business
3

Political
actors
4

Voluntary
Sector
11

Other
Municipalities
3

District

Municipal
Districts
3

Citizen
Groups
9

Compresences   1–20 % – – – – –   20–40 % ——————   40–60 % ▬▬▬▬   60–80 % ████

| 1–20 % | 20–40 % | 40–60 % | 60–80 % | 80–60 % | 60–40 % | 40–20 % | 20–1 % |

International

UE
5

Banks
and Business
11

National

National
Administration
16

Experts
10

National
Technical
Agencies
5

Regional

National
Administration
Field Offices
8

Regional
Government
23

Trade Unions
4

Other
Regional
Governments
1

Provincial

Chamber
of Commerce
6

Provincial
Government
16

Trade
Associations
10

Turin
Municipality
28

Universities
9

Real Estate
3

Municipal

Local
Technical
Agencies
16

Tribunals
1

Local Business
5

Voluntary
Sector
16

Political
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8

Other
Municipalities
8

District

Municipal
District
5

Citizen
Groups
4

Compresences   1–20 % - - - - -   20–40 % ———   40–60 % ▬▬▬   60–80 % ███

Innovation and complexity

The fundamental hypothesis of the research has been confirmed.

"The complexity of the policy network is actually higher in Turin. This means that the ability to involve a wide range of actors is certainly there.

In Milan, despite the fact that the economic and societal actors are stronger, the institutional actors were either not interested in, or unable to create larger and integrated networks of governance".

Turin and Milan: Which differences?

Turin	Milan
pressure of a dramaticproblem: the economic decline of the "company town"	a smooth economic transition: the loss of 200,000 blue collar jobs absorbed by the increase of new sectors: media, industrial design, fashion, consultancies, ...
strong political leadership	weak political leadership
intensehorizontal cooperation between Turin and surrounding municipalities of the metropolitan area	horizontal cooperation between Milan and surrounding municipalities of the metropolitan area almost non-existent
significant "tradition" of strategic planning	attempts of strategic planning failed

Milan: a challenging case

In sum Milan is:

- reluctant to innovation
- with fragmented networks
- with a very vital civil society
- with a very rich private sector

So, in the short run …

the role of strong leadership is an important condition to promote innovation.

But, in the long run perhaps …

a larger set of active participants in the life of a city can mean more innovation, more creativity and more robust development

A strategic plan for Milan?

"Città di Città", a strategic planning process promoted by Milan Provincial Government in 2004, developed by DIAP-Milan Polytechnic

Two main problems to be addressed:

- Milan urban region has deeply changed in the last 30 years in its dimension, in its functions and in its spatial pattern

- This changes are linked to the great fragmentation of decision makers across the urban region

The outcome:

A conflict between the city as a place and the city as a node of the global network: while the economy is still performing (quite) well, the liveability of the urban region are at risk
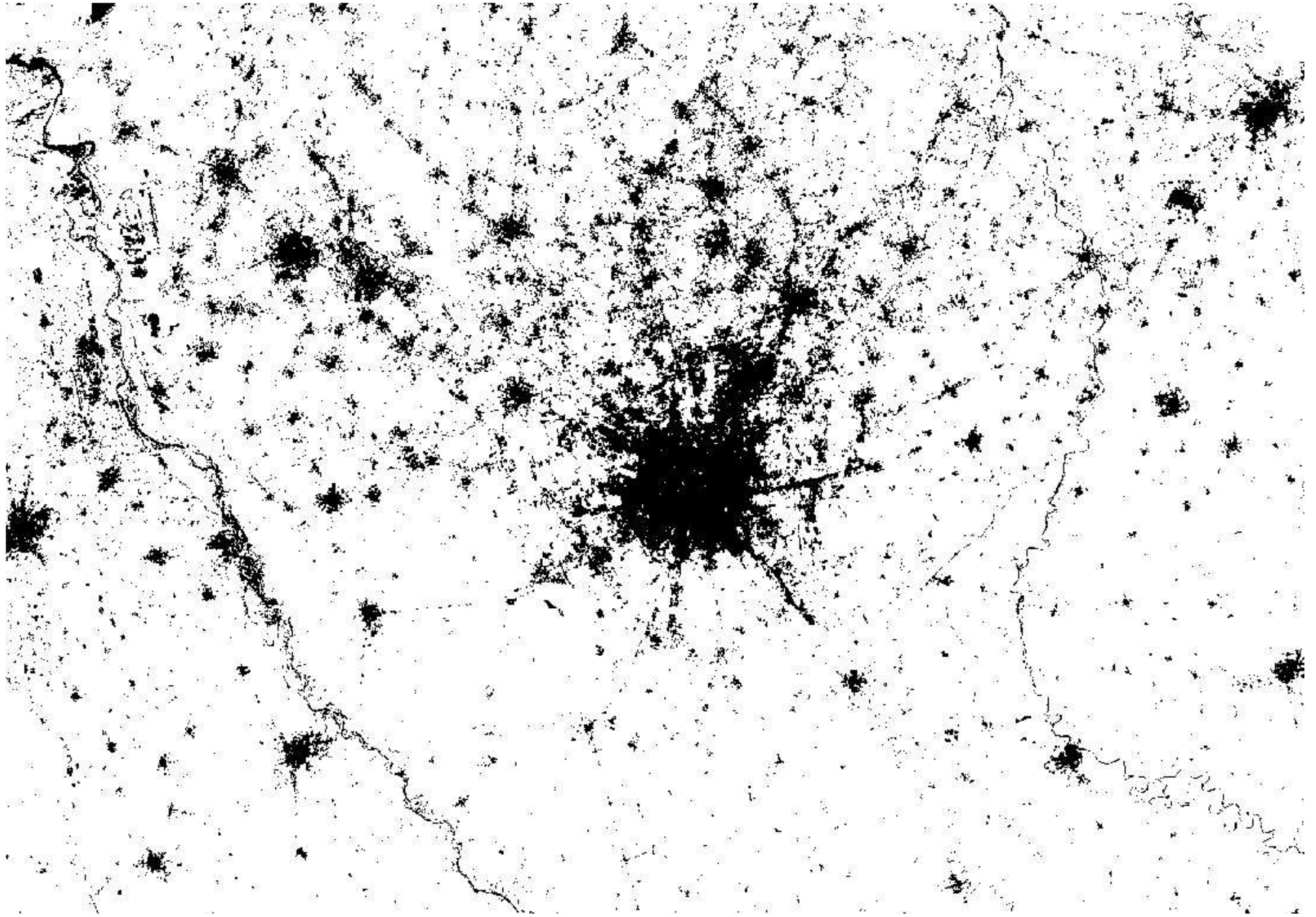
Milano: 1972 (Global Land Cover Facility)
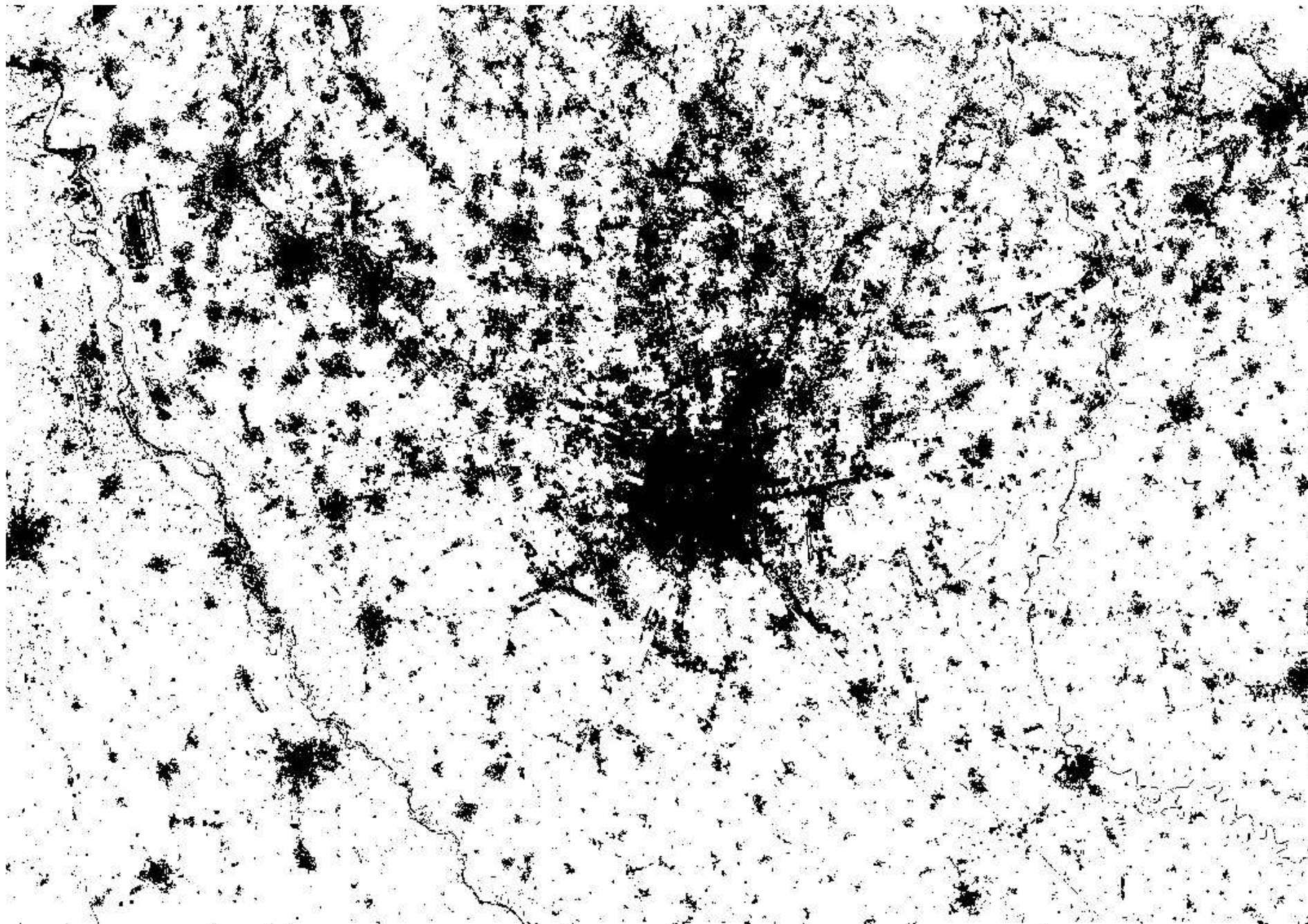
Milano: 2004 (ARPA Lombardia)

Dramatic phenomena

Housing crisis: an estimated need of 54.000 affordable housing units today and of 123.000 in the next 10 years in the Province

Environmental crisis: all the indicators about air, water, soil pollution are at worst; about 140 days of surpassing the EU limits for PM10

Congestion crisis: 700-900,000 cars enter every day in the core city and congestion is severe

Local welfare crisis due to the change in the population structure

Two pillars of the strategic plan

1) A better "habitability" for the urban region:

the poor quality of life is not any more a problem only for residents, it is becoming very important for economic attractiveness

the strategic plan aims at promoting a city region that is more comfortable, more environmentally sustainable and more friendly towards its inhabitants and businesses
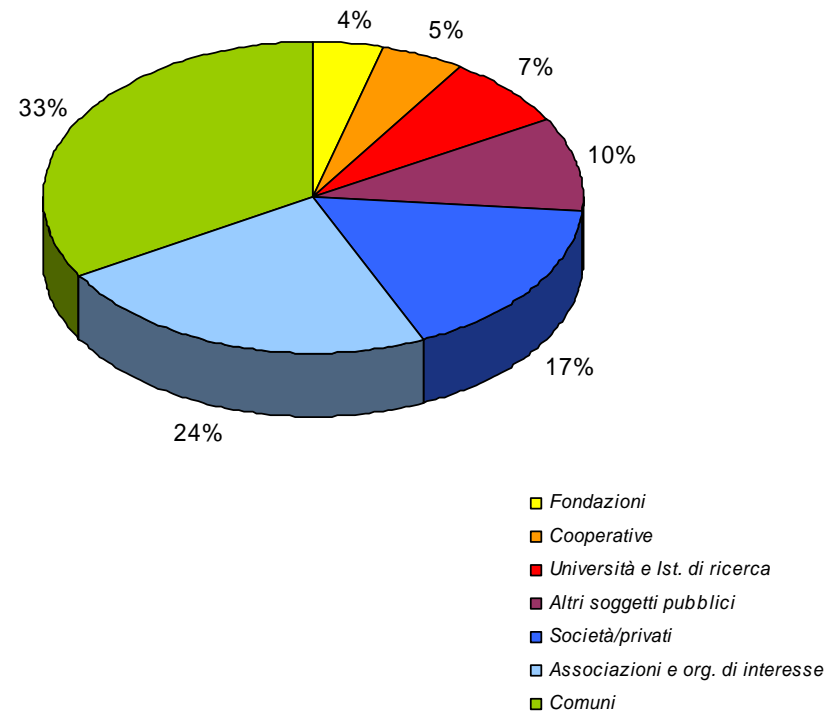
How to disseminate the idea of habitability?

A "call for ideas", addressed to any organized subjects of the Milan Province, in order to make proposals and good practices for habitability visible.

402 Ideas

249 Proposals

153 Good Practices

- ☐ *Fondazioni*
- ☐ *Cooperative*
- ☐ *Università e Ist. di ricerca*
- ☐ *Altri soggetti pubblici*
- ☐ *Società/privati*
- ☐ *Associazioni e org. di interesse*
- ☐ *Comuni*

4% 5% 7% 10% 17% 24% 33%

Two pillars of the strategic plan

2) "Città di Città": a city composed by various cities

Intermediate aggregations within the urban region, formed by spontaneous coalitions, give rise to new urban conditions and can be interpreted as a set of new "cities" which may represent a privileged field for developing new policies for "habitability".
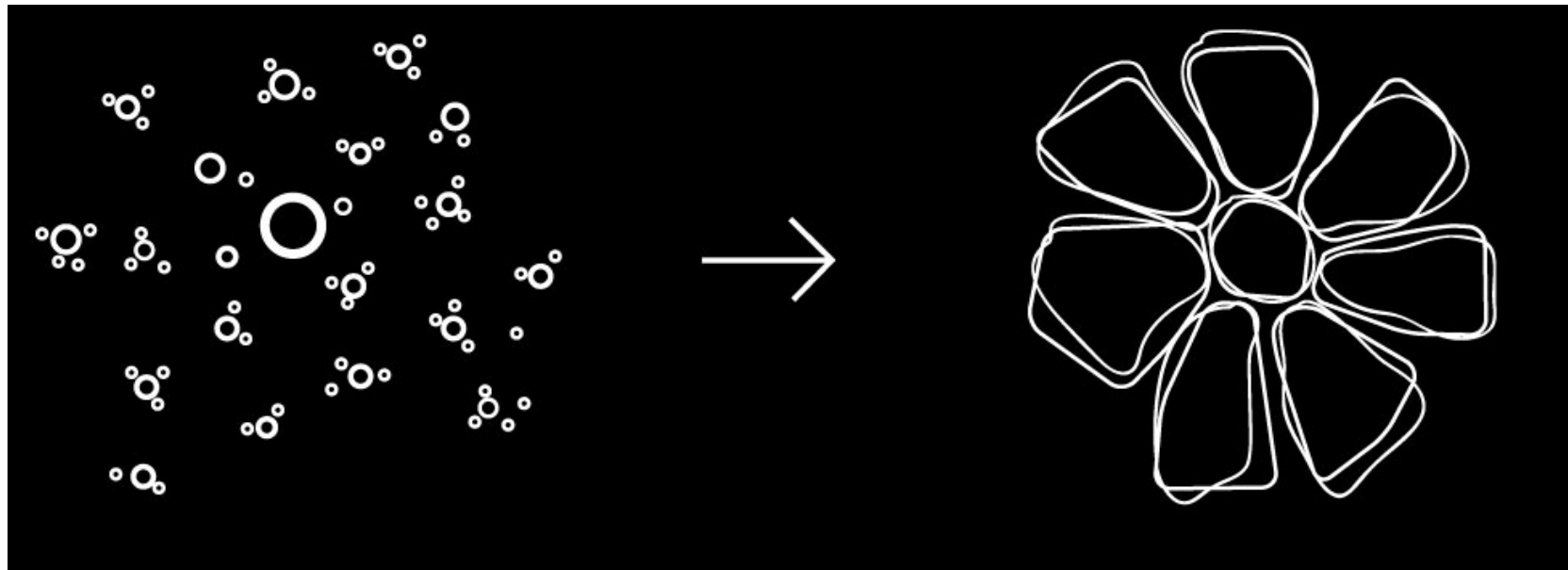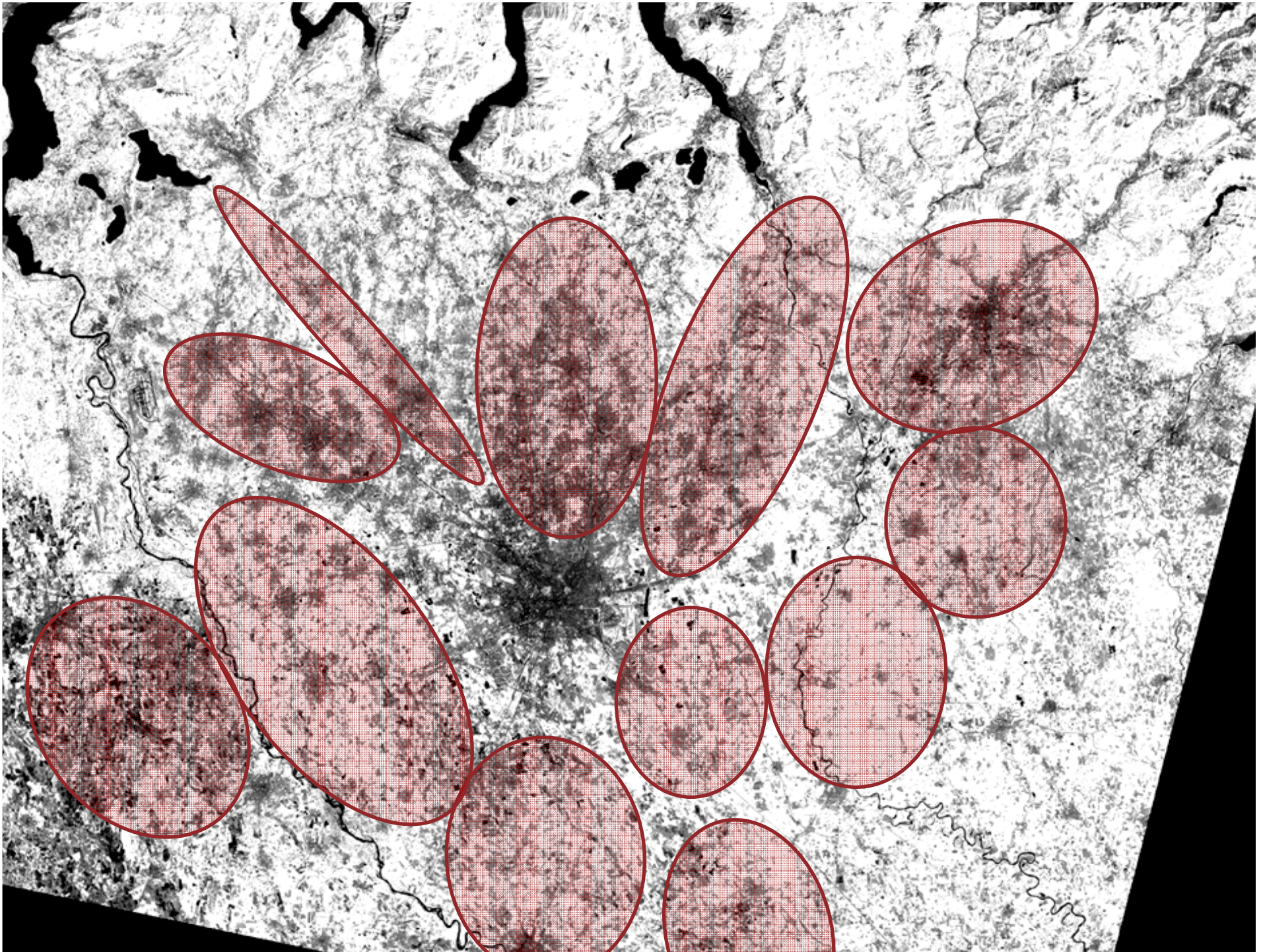
Results

Negative results:

Visibility in the media was fairly low

Ineffective in the capacity of coordinating provincial departments and of strengthening inter-municipal cooperation

The President of the Province did not support the project adequately. The strategic plan remained the Plan of a councillor

Positive results:

The idea of habitability has "travelled"

Some real cooperation and a positive climate

Some "quick-win" projects have been implemented

What we have learned about Milan

In the opinion of the promoters, the participatory character of the process and the strength of the arguments would have *naturally* supported the vision of "Città di Città".

It was not the case (Balducci forthcoming):

- Important actors were not interested in being involved in the planning process and they had other interests (among them, the President of the Provincial Government)

- The participation of some actors (e.g. grass roots organisations) was inevitably occasional

What we have learned about strategic planning

When there are situations of fragmented networks, weak political leadership, poor capacity to innovate and to promote ppp and alliances, rooted conflicts, it is naive to think that all this can be kept within a single universe of relationships in which a strong coalition, supported by a shared vision, can emerge.

In this cases, the approach to strategic planning must change:

- from a coalition strategy
- to an exploratory strategy

What we have learned about strategic planning

Strategic planning can become a "strategic navigation" instead of a "road map" (Hillier 2007).

Strategic planning can be politically relevant, if it helps specific episodes of social or institutional innovation to be transformed into more stable governance practices, eventually *travelling* into different contexts to re-shape the dominant governance culture (Healey 2007).

Strategic planning can become a "Trading Zone", where trade focuses on coordinated, local actions that are enabled by the thinness on interpretation rather than the thickness of consensus (Galison 2010)

What we have learned about strategic planning

According to these views, strategic planning does not necessarily entail a broad consensus among actors or a cooperation type of interaction.

It implies a potential for innovation that can be pursued also in situations of fragmented distribution of power or conflict types of interaction.

The actors can engage in locally coordinated interactions, find opportunities for their involvement and reach partial agreements, somehow innovative, despite the lack of afull consensus.