

The economic actors and city governability: the example of urban regeneration policies in Milan, Naples and Paris.

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Summary

Introduction

A metropolitan context for urban regeneration

Different forms of participation of economic actors

Case studies: North Milan, West Naples and North Paris

Conclusion

References

Introduction

This paper discusses the role of the economic actors in urban regeneration, which is a critical factor of the city governability, by analyzing the urban regeneration experiences in formerly industrial areas of three European cities: Milan, Naples and Paris. The comparison of these three cases can help us to better understand the different ways to participate of the economic actors in the projects and policies of urban regeneration.

In the first part of the paper we introduce the metropolitan context of our case studies. One of the reasons of the magnitude of the urban regeneration process in these areas is the tertiarisation of big cities, that produces the expulsion of production activities and SMEs to the periphery of urban areas, among which the formerly industrial zones. These zones have to renew their economic functions (productive and tertiary activities).

The position of these areas near a city can have consequences on the regeneration process. For that reason, we are interested in the metropolization process. We define three dimensions of the metropolitan context: the demographic trends of the agglomeration, the structure of the economic and functional activities, and the political and institutional organizations of a metropolitan government. With respect to the economic and functional metropolitan context, the analysis of Bakouche and Damette (1993) seems a good instrument to define the degree of metropolization of a city: a metropolis is characterized by the large number of tertiary activities, specialized trade, research centers and a higher degree of skills.

With respect to the metropolitan government, we use the approach of Lefèvre and Jouve (1999), that has analyzed the situation in a sample of European cities.

In the second part of the paper we classify the forms of participation of the economic actors, from the punctual participation, to the regular participation, and from a punctual engagement in some particular project of urban regeneration to a continuous partnership with the public actors to define and realize the urban regeneration policies. We advance some hypotheses about the degree of the participation of the economic actors in the urban regeneration projects or policies, and the forms of participation chosen by local firms, as explained by the sector in which they operate, their size and their degree of decision autonomy.

A metropolitan context for urban regeneration

Milan, Naples and Paris are three metropolises of different size. Between 1980 and 1990, their functional areas targeted to production have had a common feature: the closure of the industrial sites. But Milan and Paris have for a long time dominated the economic development in their countries, which is not the case of Naples. A confrontation among these cases can help us to understand the role of a metropolitan context, characterized by three dimensions: demographic, economic and functionalist, and political and institutional. We consider that the stage of metropolization and economic development can influence the ways of the participation of the firms in the urban regeneration projects or policies. With this purpose, we will analyze three heuristic cases: three metropolises with some of their former industrial areas.

Milan metropolitan context

Milan experiences an initial metropolization process, in the demographic sense, in the 1950s and the 1960s, when it becomes one of the protagonists of the industrial Italian revolution, by attracting an immigration flow from the South of Italy. At present, Milan assists to a demographic consolidation stage, as shown by the present demographic trends.

Table 1: Demographic trends

	1993	1997
Milan municipality	1.304.000	1.342.000
Milan province	3.734.000	3.737.000
Lombardia region	8.856.074	8.958.670

Source: Chamber of Commerce

The process of an economic and functional metropolization (Beckouche and Damette, 1990), involves an evolution to the activities of social reproduction (universities, research centers, leisure, advanced services) and their concentration of in the center of Milan. It is a social and economic phenomenon of the 80s, even if a part of a functional distribution of the Milan region began in the 70s, by the expulsion of manufacturing to the periphery areas, called *hinterland*. However, the consolidation of this dimension of the metropolization process with a completely tertiarization of the city center and of some peripheral municipalities is a recent phenomenon. In fact, still today the president of the artisan enterprises tries to exercise a pressure over the municipality of Milan to save some SMEs, like the graphical laboratories or the multimedia activities in the periphery of the municipality of Milan.

In the case of the former industrial zones, the aspect of the economic and functional dimension of the metropolization process plays an important role on the forms of participation of enterprises in urban regeneration. In fact, the SMEs that cannot have a pecuniary access to the construction market of the Milan municipality localize their activities in the ex-brown field areas like the North of Milan, that can offer some accessible space. It is the example of the municipalities of the North of Milan that, thanks to a solid political purpose of the institutional local actors, is becoming a focal node of the metropolitan system of Milan. It is a successful example of urban regeneration policies. For the moment, the economy of the North of Milan represents 10% of the

provincial economic system (excluding the city of Milan) in terms of the number of firms, employment and activities. It is a large number if we think that four years ago, when the biggest iron and steel firm closed, the North of Milan offered a depressed economic situation with the highest unemployment rate within the province (12% versus 8%). The size of the enterprises that characterize the present economic structure of the North of Milan is very significant: 79.2% of a total of 15.542 enterprises are SMEs.

With respect to the political dimension of metropolisation, Milan, even if it was affected by the Law 142/1990 (hence by the institution of the metropolitan government) has not seen in practice the emergence of a metropolitan institution. Some research on the feasibility of a metropolitan government was realized on the Lombardie region (Lefèvre, 2000). However, this institutional project has not been realized. One reason of this failure it is the presence of two candidates for leading the metropolitan institution: the province of Milan and the municipality of Milan, that cannot get to an agreement, even when they are on the same political side. As example of this lack of agreement, it is the initial unavailability of the municipality of Milan to participate in the projects and in the policies of urban regeneration of the North of Milan. The trend of the present situation of the North of Milan shows the existence of a change in the former model of development of Milan city center-periphery. Actually, the former industrial area of the North of Milan is not anymore a periphery area, but it feels like an integrated part of a metropolitan system that exists in reference to the economic and functional dimension.

However, the political actors of the municipality of Milan behave as if the old metropolitan system of city center/marginal periphery was still working. In reference of that, the speeches of the deputy mayor of territorial marketing and internationalization of the municipality of Milan are very revealing. He says that the "inter-institutionalization" with the province of Milan is necessary because of the concentration of manufacturing activities in the provincial territory.

Naples metropolitan context

Demographic data of Naples between 1991 and 1998 show a net population loss for the central district, which changes from 1 068 927 inhabitants to 1020120 and an increase for the province of Naples (from 3 015 195 to 3 110 970) and also for the region (from 5 628 393 to 5 792 580). This evolution is linked to a process of urban dispersion that usually characterizes demographic growth of any metropolis. In interviewing local economic actors, the metropolitan area corresponds to the province of Naples plus some parts of the provinces of Caserta and Salerno. The exchanges between the town centre and the periphery are represented by daily flows of people between Naples and external areas. Municipalities in the periphery of the Neapolitan area are being transformed in some sort of Neapolitan *banlieue*. This transformation is becoming clearer and clearer. Looking at the growth of flows of people who life in the periphery (in other municipalities of the province or even in the region) towards Naples, we can observe that for each person that leaves the town centre, 6.6 persons enter it. Different reasons explain this movement, especially work (mostly in the advanced tertiary sector) and university studies. Other activities attract this flow of people: specialized trade, training centres, cultural activities, leisure, all of them functions of the enlarged reproduction (*reproduction élargie*), typical of a metropolitan areas as characterized by functional analysis.

Looking at the Neapolitanian economy, it is apparent that the transition towards the typical functions of the enlarged reproduction is taken place at the moment. For example, 90% of university and private research institutes

in the region are being located in the metropolitan area, as for instance multinational enterprises like IBM, or Italian companies of mobile telephony like Wind. Moreover, metropolisation, understood as the internationalization of a town, is taken place through a high rate of exporting firms (87%).

Despite the economic growth of recent years, the economic emancipation of Naples is still dubious, as it is shown by the sources of capital that characterizes their economy. In fact, a large share of public and mixed capital (16%) and of external capital (25%) suggests that the local industry is still weak from the point of view of entrepreneurial independence.

Table 2: Origin and management of local firms

	entrepreneurs	property
Public-Private	9.3%	9.3%
Foreign	18.5%	25.9%
Public	7.4%	5.6%
Center and North of Italy	29.6%	24.1%
South of Italy	11.1%	13%
Neapolitan region (Campania)	24.1%	22.2%

Source: Cesvitec (1999) (of the Chamber of Commerce)

The political-institutional level is still the less visible element of the metropolisation process of Naples. Like Milan, the agglomeration of Naples was also affected by the Law 142/90 on institutions of metropolitan areas. In a first step, the two governing periods of Mr Bassolino as a major (1993-2000) did not have as a priority the construction of a metropolitan government. At the moment, his election as president of the region of Campania suggests that metropolitan policies of a regional dimension could be reinforced. In this domain falls to possibility to build an airport for the metropolitan area of Naples, even if located in the province of Caserta.

Marked by the “small things”, the first municipal government of Mr. Bassolino was centered on the urban rehabilitation of the city and the socioeconomic emancipation of its population. In this respect, he created the institution of the deputy major of dignity, in charge of the implementation of social, environmental and urban policies with the goal of raising the “dignity of being neapolitanians” to the inhabitants of Naples. In any case, not having created an inter-municipal institution does not mean that public policies were of a low profile; on the contrary, his government has attracted several international projects. The organization of the gathering of G7 leaders in 1994 was one of these. Furthermore, in 1996 a transport plan is approved, including the structuring and integration of transport systems in the urban area and later in the metropolitan area. In fact, the supply of more efficient municipal services is one of the first responses to demands of the population of urban regeneration.

The action of Mr. Bassolino as major was also centered in two other priorities: the approval by the municipal council of the regulatory plan of the town, which was due since 1972, and the attraction of foreign investors to help the economic development of Naples, making of it one of the centres of the new economy. Mr. Bassolino’s government took many initiatives to promote abroad the metropolitan area of Naples. In May 1999, for instance, a delegation including the major, the secretary general of the Chamber of Commerce and a representative of the industrial union of Naples defended the urban projects of Naples in the Netherlands (Der Hague) to attract new foreign investors. These operations of territorial marketing join to efforts to elaborate a regulatory plan agreed with the different economic actors, from construction companies to green movements.

Mr. Bassolino and the technicians of the department of urban planning (directed by Mr. Gianni) started a new type of territorial planning, the so-called *procedural* planning. The adjective *procedural* designs a regulatory plan built by small pieces. These small parts are approved at different points in time. The system of *varianti* is introduced. That favors the approval of priority areas of the regulatory plan by the municipal council, including opposition members. In this framework, in 1996 a plan to protect natural areas and a plan to reconvert the West area of Naples (i.e. the ex-industrial district of Bagnoli) are approved. In particular, we will focus on the reconversion of this industrial area to analyse the participation of firms in the urban regeneration of Naples.

Paris metropolitan context

At present, the agglomeration of Paris, like Milan, assists to a demographic consolidation stage, as shown by the present demographic trends.

Table 3: Demographic trends

	1990	1997
Paris municipality	2.152.329	2.128.000
Seine –St- Denis department	1.381.329	1.415.000
The region of Paris (Ile de France)	10.660.937	11.062.000

Source: INSEE

The socioeconomic geography of Ile de France, excluding the city of Paris which is devoted to business activities and services, is divided as follows: the Western area, which groups the departments of Hauts-de-Seine, Yvelines and Essonne, whose economy is characterized by activities intensive in human capital (Glaeser, 1992); an Eastern part, including the departments of Val-de-Marne and Seine-et-Marne, devoted to logistics (storage and wholesale distribution); and a Northern area, with the departments of Seine-Saint-Denis and Val d'Oise, which are characterized historically by a manufacturing sector and are now looking for a new economic identity.

Focusing on the socio-economic situation of Seine-Saint-Denis, we observe that the social profile is worse than that of the average in the Parisian area. The policies of attraction of managers of the new economy have not worked. Moreover, the territorial links of the North periphery with the West are under-developed: those managers who work in the area of the Roissy airport use the territory only for their professional activities, and not to live in or to shop.

The existence of a tri-partite division of the Parisian region (Beckouche and Damette, 1990) is confirmed by the data, that show in June 1998 similar unemployment rate: an average of 8.4% in the three Western departments, 9.6% for the East area and 12.5% for the North area. Also, school results in 1997 point to the same division with similar success rates for the *baccalauréat* exams: an average of 80.1% in the West, 73.8% in the East and 72.7% in the North. Some 45% of the industrial sites (equivalent to 108 ha) of Ile de France that have become brown fields are located in the North. A higher labor supply, due to an unemployment rate of 12.5%, and the presence of a considerable amount of brown fields has favored the use of innovative instruments in the implementation of territorial policies of economic development and urbanization.

Looking at the social agents that contribute to urban governability, we can find three main types of actors: local political actors, private enterprises in the area with their representatives (unions and chamber of commerce) and civil society, which groups associations and other groups of citizens. In this

research on the degree of implication of private economic actors in urban regeneration policies, linked to the problem of city governability, we will present the case of the creation of an inter-communal institution: the *Plaine Commune*.

For the moment, in the case of Paris any metropolitan government reform is in the agenda frame. However, we assist to the emergency of this kind of inter-communal institution.

Plaine Saint-Denis, Plaine de France and Plaine Commune are three initiatives that are located in the department of Seine-Saint-Denis, in the area of the Parisian region. They are a response of the political sphere to the demands of economic transformation of this area, which is no longer identified with manufacturing.

Different forms of participation of economic actors

By comparing the three cases of North Milan, West Naples and North Paris we can define two order of hypothesis on the participation of economic actors to the urban regeneration :

1. first, is based on some external condition: a regulation of economic participation is the credibility of the political sphere.

This hypothesis follows the neokeynesian theory, that explains some behavior of the economic actors by the credibility and reputation mechanisms (Thevenot, 1989). In addition, the concept of the *ideological adjustment* (Hebbert, 1999) between the political and economic sphere, like enhanced in the cases presentation, can be an other explanatory factor, in particular for the North of Milan and for the North of Paris. A variant of the *ideological adjustment* is the *civil adjustment* that we find in the case of Naples, passed from a clientelist system to a more modern political system.

The participation of the economic actors can be just in one specific project, i.e. punctual if that is in different urban regeneration projects we call this participation continuous. The participation can take the form of a financing engagement by the economic actors. Only in this case we consider assisting to a public-private partnership. It is interesting to see that the intensification of the economic participation in the urban regeneration is linked to the results of the political sphere. Hence, we can say that the credibility is linked to the capacity of the political sphere to realize the urban regeneration projects purposed and to arrive at the definition of a coherent urban regeneration policy. Our three cases present this characteristic.

2. second, is founded on the endogenous characteristics of the firms: the sectors, the size and the degree of financial and the entrepreneurial autonomy;

The economic actors, i. e. representatives of the local economic structure, can be classified in four types: chambers of commerce, business associations, public-private associations for local economic development and the firms.

The attitude of the firms in face of the urban regeneration is characterized by a variable geometry. Generally, the firms delegate their participation to the local policies to the sector-based business association or to a chamber of commerce. However, it is more frequent, even in Europe, the direct involvement of some firm in the urban regeneration projects or the constitution of a territorial business association. In our cases, this kind of the association is a very new entry in the organized economic actor sphere and often it is linked to the local political sphere.

The definition of a behavioral model of the firms

Type of participation of the firms	sector	size	Degree of entrepreneurial autonomy	Result/ hypothesis
Direct participation in the urban regeneration	New technology public sector enterprises	The big firms	The local capital firms	The type of participation depends on the sector, the size and the degree of entrepreneurial and financial autonomy
Delegation to a traditional sector-based business association or to chamber of commerce	Traditional sector (iron and steel, textile) Commerce	SMEs	The external capital firm or firm controlled by the external capital	
Institution of a territorial business association	New technology The construction	SMEs (if this kind of enterprise was big, it should participate directly)	Innovator entrepreneur Local interested entrepreneur	

The traditional organized economic actors like the Chamber of Commerce, that is an institution financed by public money in France and in Italy, is looking for a new territorial strategy because it doesn't feel like a potential of representativeness. The role of business associations is changing too in the sense that now it tries to link the local economic sphere with public authorities. Up to the mid-90s, business associations were used by entrepreneurs mainly to resolve classical firm-worker conflicts.

Since then, there has been a change in their role towards the provision of services for enterprises (like, for instance, the exchange of knowledge across firms) which responds in part to the process of economic transformation from labor intensive industries to new economy activities, and also to a change in the attitude of the local government.

Case studies: North Milan, West Naples and North Paris

The common elements of the three European areas are the following. First, the period of the de-industrialization process (1980-1995) coincides for the three ex-industrial zones considered. Second, the socioeconomic data, like the unemployment rate, were and in the Neapolitan and Parisian cases still are, higher than the national average (Naples) or the regional average (Paris). In contrast, the North of Milan presents at the moment an unemployment rate equal to the regional average, whereas five years ago it was higher. Thirdly, the different elements of the local political power (government organizations and their history and political party structure) are similar in the cases of Milan and Paris. Historically, the Communist Party (PCF) has governed the North of Paris (and because of that it is named "banlieue rouge"). The same applies to the North of Milan (it was called the "little Stalingrad"). The Neapolitan municipality along the last seven years has seen a durable government of the left party (the old communist party, PCI).

North of Milan: from a multitude of projects to the construction of a urban regeneration policies plan.

The development agency ASNM was launched in 1996, in a crisis area. Four municipalities of the North of Milan participate in ASNM: Sesto S. Giovanni (83,000 inhabitants), Cinisello Balsamo (75,000 inhabitants), Cologno Monzese (50,000 inhabitants) and Bresso (28,000 inhabitants). The closure of manufacturing industries, Falck, Marelli and Breda is at the origine of the local economic crisis. These social and territorial shocks persist during fifteen years (1980 –1995), and produce an unemployment rate of 12 percent, the highest in the province of Milan. The closure of these firms creates a brown field area extended for 10 hectares only in the municipality of Sesto S. Giovanni.

The North of Milan, where a strong working class lives, was governed by the communist party. However, the local communist party has been always characterized by two different tendencies. On the one hand, the traditional working class concentrated in a direct confrontation with the employers; on the other hand, a communist party was more open to involve the economic sphere in the urban regeneration and economic development initiatives. By the dialectic of these two political tendencies, the second one predominates. A new political elite has been constituted, and a period of collaboration with the economic actors on the urban regeneration initiatives seems to emerge.

The ASNM is a society with mixed private-public capital, with a majority of public capital. The private capital is constituted by the participation of the firms owning the local brown fields (Falck and EdilMarelli), some new industrial firms in the territory (like Marcegaglia and ABB) and the local co-operative credit bank. We can observe that the participation of private capital is reserved to the firms and not to the classical business associations, that are involved only in the Forum for development, a consultative instance. Apparently, this choice is justified by the President of the ASNM to avoid an excessive bureaucratization of the decisional process. In other terms, this choice can be seen like an effort to establish a direct link between the local institutions and the territorial firms. However, the function of this Forum has been reinforced during the last two years, when the trust of economic actors in the capacity of the political sphere to realize the economic development projects grows. This intensification of relationships (Pasqui, 2000) between the economic and the political sphere indicates a transformation of the participation of the economic actors in the urban regeneration projects and policies. We can observe this change in relationship in a direct engagement of business associations and big firms in different projects, including a wide range of actions in the field of human capital training and in the environment domain. This participation is a prelude to the engagement in the definition of a coordinate urban regeneration policy represented by an inter-municipal strategic plan, proposed by the ASNM. This evolution can change a punctual participation of the economic actors in a more stable partnership.

West of Naples: from the central *laissez-faire* to a urban regeneration project.

The project of the urban regeneration of Bagnoli area entries in the political agenda at the beginning of 90s when the closure of the iron and steel public companies (Ansaldo and Ilva) is decided. At the beginning it is a question treated by the national government because of the closing firms are the public capital companies. Hence, a company Bagnoli Spa that depends from the State industrial holding company, the Istituto per la Ricostruzione Italiana (IRI), does the initial management of the rehabilitation of this former industrial area. The experience of this public company, charged with the

improvement of the brown fields of Bagnoli results unsuccessful. Hence, the question of the creation of a municipal management company emerges. Finally, a new public company for managing the economic development of the brown fields of West Naples area, "Bagnoli Futura" is created in 2000.

For the moment, all capital of this public company is public but the participation of private capital is contemplated for the future. The president of "Bagnoli futura" is the ex-mayor of Naples and the actual president of region, M. Bassolino. The creation of "Bagnoli futura" is encouraged specially by the local industrial business association (*Associazione Industriali*). The beginning of this institution had some financial difficulties, so that for the moment, the central government finances this local structure. In the case of Naples, we observe only a punctual participation of the economic actors in the urban regeneration projects. At the present, we can say that this kind of participation is still far from be a public-private partnership between the classical business associations and the local institutions.

North of Paris: from a break-up to an unitary project

The association of municipalities "Plaine Commune" was launched in November 1999 through the constitution of a council and the approval of statutes and of internal ruling. Five municipalities of the Seine-St-Denis *département* participate in "Plaine Commune": St. Denis (86000 ha), Aubervilliers (63.000 ha), Epinay-sur- Seine (46.000 ha), Pierrefitte (26.000 ha) et Villetaneuse (11.000 ha).

The political decision to form this association between municipalities follows the old "Plaine Renaissance" agreement between the *communes* of St. Denis and Aubervilliers. The purpose of this agreement was to re-launch the area of Plaine Saint-Denis at the time when the Stade de France was built for the football World Cup in 1998. However, the association "Plaine Renaissance" did not have effective operational capacities, and the pace of economic development of Aubervilliers and St. Denis were different, being much faster for the later. In fact, while the fiscal revenues of Aubervilliers grew by only 10% between 1985 and 1998, those of St. Denis increased by about 40% in the same period. These different rhythms created a problem of fiscal inequality between both municipalities. The possibility to have a joint professional tax between both areas and to establish common fiscal revenues was implemented through reform laws of the inter-municipal system. Since the beginning of the 'Plaine Renaissance' agreement, there had been a political will by the councillors of these municipalities to share their project with neighbouring areas, and in the end those of Epinay-sur Seine, Pierrefitte and Villetaneuse joined the initiative.

There were two main objectives in this process since the beginning: the economic development of the former industrial area and the organisation of the territory (*aménagement du territoire*), responsibilities, which have been transferred by the municipalities to the new institution. With respect to economic development, employment and reallocation services were transferred, together with those services that deal with relationships with research and the academic world. As for the organisation of the territory, the only competencies of Plaine Commune are those activities corresponding to common sectors, like transport infrastructure and some aspects of the "policy for cities" programs, constrained by the global coherence of different city contracts (*contrats de ville*). Furthermore, most of the projects of St Denis area are incorporated in the State-Region plan (CPER 2000-2006).

These two main objectives are managed by two teams of civil servants of the Plaine Commune. The one in charge of economic development is formed by those civil servants that used to work on social and economic services in their respective municipalities. However, the one in charge of the

organisation of the territory is a new team with new members. This difference in organisation should be analysed further because it could hide a real transfer of competencies in the area of development, and only a partial transfer in the area of organisation of the territory. In this case there would be some room for duplication between the Plaine Commune and the municipalities.

On the area of economic development, the question of the relationships between the Plaine commune and economic actors arises. The person responsible for the development service in the Plaine Commune recognises that the institutional links with the Chamber of Commerce of Paris and with Professional Chambers have started.

We will focus on the organised economic actors, i.e. representatives of the local economic area. They can be classified in four types of actors: business associations (the local Medef, an enterprise union; CGPME, etc.), St Denis Promotion (an enterprise association for economic development or "agence de developement economique"), the Chamber of Commerce (the St. Denis delegation), the Comité d'Expansion (Comex).

Business associations have the role to link the local economic sphere and the political power. Up to the mid-90s, the business associations were used by entrepreneurs mainly to resolve classical firm-worker conflicts. Since then, there has been a change in their role towards the promotion of services for enterprises (like exchange of knowledge across firms), which responds in part to the economic transformation of these from labour intensive industries to "new economy" activities, and also to a change in the attitude of the local government, which remains communist but has evolved from the support to class demands to the promotion of local economic development. This change of attitude by local governments has been materialised, for instance, in the personal involvement of mayors in the search of direct links with local firms, which has resulted in the creation of an association of private units as a result of a public initiative, like St Denis Promotion. The Chamber of Commerce is a institution that represents private firms, but is financed by public money. Comex is the first experience that tries to overcome the atmosphere of distrust between economic actors and the political sphere. It was created in 1987 under the initiative of the prefect of the Seine de St Denis at the time, M Lebris, and of the ex-president of Medef at national level, M. Gatse. The founding members of Comex are the department of Seine St Denis, the Medef and the Chamber of Commerce. Some large private firms take part in the governing board, like Siemens, Citroën, Air France and Oreal. The main activity of Comex is the promotion of Seine St Denis area.

The four types of economic actors described above respond to different attitudes towards the creation of Plaine Commune. For instance, the two local branches of Medef in Seine-St Denis, Girnop and Giso, in the way to merge together in a unique branch West of Seine St Denis, participate in the meetings of Plaine St Denis. In particular, they are interested in the evolution of the professional tax in the area and in close municipalities. During a meeting organised by the Medef for local entrepreneurs and the president of the Plaine Commune, the most common question asked regarded the possible consequences of the creation of the new local institution for the professional tax. The ex-director of the local Medef, GISO, located at St Ouen (a municipality which does not participate in Plaine Commune) asks for instance for a common professional tax in all the region of Ile de France and, why not, in all the country. The Comex regards this new local initiative as a new way of injecting public funds (after Plaine St Denis and Plaine de France) to develop an area that has suffered a lot the past economic and industrial crisis.

Local branches of Medef organise jointly a meeting every month on a particular subject, where entrepreneurs and representatives of the local government (municipality, inter-communal structure, Seine-St Denis

department and sometimes the Ile-de-France region) meet together, trying to mediate between the public and private spheres. The Comex has a strategic role in the promotion of the local "brown fields". It tries to encourage the investment of the national and multinational enterprises to the area of Seine St Denis. A good example of this activity is the establishment of the call centres of multinational firms, like Air France. "St. Denis Promotion" is an instrument that has proved to be very useful since for the first time, after a long period of distrust between the communist mayor of Seine-St Denis and private enterprises, contacts have been re-established between private firms and the political sphere. However, up to now this association only includes firms from St Denis and Aubervilliers, although those firms of the other areas of the Plaine Commune have expressed their will to participate as well.

The case of "St Denis Promotion" results clearer than that of ASNM. Created during the first steps of the building of the "Stade de France" to encourage firms from the area of St Denis to participate in public procurement offers, St. Denis Promotion is close to the "Plaine Commune". In fact, it resides in the same building of "Plaine Commune". The present director of economic services of "Plaine Commune" was one of the first promoters of this public-private partnership. Actually, the President of the association is the mayor of the municipality of St Denis. Among the founding members there are some public companies like EDF (the French electrical national company) and some private companies like Siemens and Renault. In this case a more stable public-private partnership emerges, even if some critics came from the traditional business association that see reduction of their actions domain.

Conclusion

In our three case studies, the local government remains communist but has evolved from the support to class demands to the promotion of local economic development. This change of attitude by local governments has been materialized, for instance, in the personal involvement of mayors in search of direct links with local firms, which has resulted in the creation of the associations of firms and local institutions, like the agency for the development of north Milan, "ASNM", "St Denis promotion" (North of Paris) and the "Bagnoli Futura" (West of Naples). All these economic participation have one main objective: the urban regeneration of the formerly industrial zones, but their juridical status and their degree of partnership present some differences.

The paper points to the following conclusions. First, in Milan a solid economic structure explains a low involvement of organized economic actors, Second, a credible political sphere in an homogeneous territory, like the North of Milan, favors the emergency of a light public-private partnership like a direct link between the local institutions and the territorial firms (the Local development agency, ASNM). In contrast, in Naples, the lack of private capital and a low degree of autonomy of the local firms have induced the recent emergency of classical business associations like supporters of the urban regeneration project, for the re-dynamization of Bagnoli area. Finally, in the north of Paris the public-private partnership is a result of the initiative of the political sphere in collaboration with territorial firms, despite these ones distrusted the former because of its political affiliation (communist party).

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