

## **TORINO: A FUTURE OF KNOWLEDGE AND CREATIVITY**

### **FOCUS**

Torino is an innovative city that is always on the move. It has the capacity to mobilise tangible and intangible resources to mount an effective response to today's challenges. Once known as a one company town, Torino has become a knowledge city where the ideas, skills, and creativity inherited from its industrial past form the new locomotives of sustainable economic growth.

### **FROM ONE COMPANY TOWN TO KNOWLEDGE CITY**

Twentieth century Torino was a typical one company town, a factory town whose economy was markedly industrial, dominated by mechanical engineering and the motorcar. It was a fordist system dedicated to the mass production of standardised goods which relied on a rigid division of labour and an extreme concentration of industry. Although it was endowed with an immense capacity to plan and organise, it relied on a high proportion of deskilled labour. Mass migration to heavy industry significantly increased the city's population.

Fiat was based both on the principle that growth in production guaranteed increased profits and on the rule that production had to be both concentrated and vertically integrated.

Fiat's influence on Torino meant that the city became one "in which organisation rather than the market became the typical governing factor in the economy, and one in which the large fordist enterprise established itself at the centre of a markedly hierarchical structure organised on the principles of synoptic rationality and capable of exercising a rigid control over variables in its immediate context". During the eighties, the economy of Torino was almost completely dependent on Fiat. There was little room for the development of forms of collective organisation or mechanisms of social regulation outside the factory or the company in this monopolistic situation. Fiat exercised an almost direct power over the city through a network of social, cultural, sports, and pensioners' institutions under the company's control. Local political institutions were almost completely marginalised.

The end of fordism has made the company and the city face up to major reconstruction. As in many other European cities, Torino finds its economic system in transition from a quasi-single sector basis to a more complex one, in which the traditional local industry remains alongside new sectors, and the service and tertiary sectors have grown considerably.

The city has inherited major social and territorial issues as a result of the decreasing centrality of the car in the local economy and the crisis at Fiat itself. However, these changes have also released resources that can be used in other sectors. The local system is faced with the task of reconstructing its development plans: Torino is experiencing a historic change in direction, a dramatic break with the past, which will determine a new future for this industrial city.

During the nineties, Torino began a process of deliberation about its identity, new directions of growth, and a vision for the future. It was hoped to reposition the city both nationally and internationally, and to present it as a European regional capital.

Various factors made the phase of the planning possible, the foremost being the growth of the role of cities as collective agents in the management of the processes of local economic and social transformation. The type of policy that was created and developed to tackle these roles was essentially voluntary. Individual cities launched strategies and put forms of governance into place to structure the interplay of urban interests and present a united front to the outside world.

Local government has gained more freedom to intervene in the development of its own territory through the national process of political and administrative decentralisation, as well

as the direct election of city mayors (the Bassanini law of 1998 and subsequent reform of Chapter V of the Italian Constitution in 2001). This has led to the emergence of a political elite which is autonomous in respect of party political representation, and the formation of a stronger urban leadership.

The crisis gave the city of Torino and the regional institutions the chance to put themselves into the frame of EU intervention in favour of areas undergoing industrial decline, and draw on the financial resources and technical know how of the various co-operation programmes. The Objective 2 programmes of the Structural Funds have been particularly important for the Torino area, since their object is the recovery of old industrial zones of the sort forming a significant part of the Torino metropolitan area.

Local actors began to wonder about the future prospects for the city. Different ideas for the development and construction of a consensus around ideas for the renewal and relaunch of the city began to arise as early as the nineteen-eighties. The first big book fair, the Salone del Libro, took place in 1988, and in 1992, the Fiat building at Lingotto, traditionally the industrial heart of the city, was transformed into a centre for leisure, shopping, and innovative businesses.

The local authorities' growing independence culminated in the creation of agencies and organisations whose work in the territory is aimed at enabling and initiating new economic development processes. Thus ITP (Invest in Turin and Piedmont), the Fondazione Torino Wireless to create and support the ICT technological district to foster the synergy between public and private agencies in the worlds of research, enterprise, and finance, the Torino Internazionale association for the promotion of the Strategic Plan which involves the major economic, social, political, and cultural actors in defining the objectives and trends for the city and its metropolitan area for the near future. Torino was the first city in Italy to adopt a Strategic Plan. It defines the vision of a desirable future for the city in three complementary and evocative images: Torino the European metropolis, Torino the resourceful city that has the know-how to get things done, and Torino the city that knows how to make the right choices for an intelligent future and the quality of life.

The choice of Torino as the site of the Winter Olympics 2006 has given the city a unique opportunity for provincial and regional development. Alongside the economic changes, there are several major initiatives in urban planning and transformation of the fabric of the city, an important urban upgrading project, investments in advertising and developing tourism, all in the spirit of respect for sustainable development and dedication to the improvement of social cohesion.

Following its successful candidature at Seoul, Torino had further success in competing for other international events. The city will be joint World Capital of the Book in 2006 with Rome, and in 2007 it will host the Winter University Games and will be nominated World Design Capital by the International Council of Societies of Industrial Design (ICSID). In 2008 it will be the turn of the World Congress of Architects (UIA), and in 2011 the city will celebrate the 150<sup>th</sup> anniversary of the Reunification of Italy.

Hosting these attractive large events will confirm and reinforce Torino's capacity to organise and to look ahead, a capacity that unites and renews the city's industrial tradition without denying its past. It is no accident that the cinema, arts, culture, and fashion that were born in Torino in the twentieth century only to move swiftly to other Italian cities are now experiencing a true renaissance. Torino's future is strongly influenced by existing conditions that have their roots in the city's industrial past.

The de facto strategy created by a combination of various factors – participation, economic regeneration, urban transformation, social inclusion, and governance – also has an important role to play. Strategic thinking has allowed Torino to guide the transition from a natural system (i.e. fordism) to a system of governance that renews and re-invents the city's industrial heritage in an innovative and technological way.

The objective of the Second Strategic Plan is to respond to the ever-increasing need to place Torino on the international stage in the best position to garner the abundant opportunities offered by the new economic phase, making the best use of the city's resources and the specific and characteristic competencies that it has acquired over the years. This is the only

basis upon which the city can organise itself on the model of a knowledge economy, relying on intangibles and the elaboration and diffusion of knowledge, while ensuring that the model is at the same time a tool for social integration and for improving the quality of life.

Creativity and knowledge are the fundamental inputs of today's economy, since they are the factors adding value and significance to manufactured goods. It is clear in this context that the production of goods and services is preceded and followed by a great many activities connected to design, planning and marketing that interact while integrating the client's needs with the technological opportunities provided by research. The Torino area will maintain its position by accelerating the transformation from fordist material production systems based on manufacturing to intangible production systems based on knowledge where innovation has an essential role.

The city is exerting itself to become a structure based on an organisation capable of fostering and growing the interrelationships between the various collective and individual actors which are participants, albeit at different levels, in the production process and form a network, which is the most effective model for the diffusion of knowledge. The objective is to create an environment in which innovation far from being an exception is a constant force for renewal and economic progress.

The equilibriums and bearing structures of the economy of Torino have entered a period of rapid change. Torino is certainly one of the Italian and European areas most involved in the processes of international labour redistribution, which have so dramatically highlighted the role the city played in the last century, chiefly dependent on the city's mission as a producer of mass goods. Far from turning its back upon its historic industrial character, Torino wishes to exploit its competencies to the utmost, so that change is evolutionary rather than a break in historical continuity. A measure of the vitality of Torino's industrial specialisation is its readiness to engage with different sectors across the board and transfer know-how and competencies to them. Torino's industrial heritage is impressive, it comprises wide-ranging competencies and attitudes, organising capabilities, and a dense sub-stratum of applied knowledge, as well as physical spaces and places. Correctly valued and recovered, it has an immense potential as a privileged territory for constructing clusters where research, operations, and business can live side by side.

Design is the pre-eminent example. Torino's competencies in the field of design certainly derive from the local tradition of car design, but fit in with other industries in the region. The design of homeware, handles, jewellery, food and drink, transport in general, communications, and ICT uphold the reputation of "Made in Italy" quality. Even the First Strategic Plan had indicated that design was a potential cluster to be developed and promoted. Measures to strengthen the education system were taken, co-operative relations with many other cities interested in discussing the theme of design were established, and a round table to identify the requirements of the companies in the sector and establish a design centre was opened.

The City of Torino was encouraged by its awareness of the excellent design resources on its territory, in particular the network of design companies, professional training facilities, fairs and exhibitions as well as promotional structures, to take part in the competition to decide who would host the offices of ICSID and ICOGRADA (respectively the World Industrial Design Association and the World Graphic Design Association) held in Essen in August 2004.

The result of the work put into the presentation of the Sistema del Design Torinese e Piemontese at the end of the candidacy was that Torino was awarded the title of World Capital of Design for 2007/2008. This title does not represent an acknowledgement of characteristics similar to those of an indisputable champion in the field of design, such as London or Milan, but rather refers to the work put into identifying the new image that Torino is attempting to create with the aid, among other factors, of the Strategic Plan.

Starting in 2007 and lasting for the whole of 2008, Torino and its region will become an international showcase for national and international design. There will be exhibitions, conferences, and educational activities involving national and international designers, public bodies, cultural operators, educational institutes, and enterprises.

## CONCLUSIONS

Three important questions arise from these considerations:

1. The role of Europe: during the 1990s, the European Union strongly encouraged competition between European regions as a mechanism to favour economic and regional development (Europe of the Regions) using incentives such as direct access to community funds and financing. In this context it is worth remembering that European funds formed 10% of Piedmont's GDP at the time.  
The economic and political responsibilities of the European Union within the international community have certainly increased in consequence of recent international events such as terrorism, the economic power of emerging countries like China and India, the debate on poverty and the environment, and the enlargement of the EU to take in central and eastern European countries. However, member states have become immobile in respect of new efforts to bring forward European integration, which has provoked a severe crisis of internal and external legitimacy beginning with the Nice Treaty of 2001 and continuing with the present struggle to ratify the European Constitutional Treaty. One wonders what role Europe will play in the future of regional politics.
2. The role of national governments: the tense competition between cities and regions and the necessity of achieving socio-economic development objectives simultaneously compels local areas to think and act strategically. Torino has had to compete with other international cities to win the Winter Olympics and the World Architects' Congress, and is competing for the future on the European Hydro-Com project which anticipates the identification from 2011 of European areas where hydrogen can be used as a clean source of energy for research facilities and housing. One wonders how national governments should intervene in these competitions. Should they be good regulators or competitors' aides?
3. Finally, in the light of recent national and international occurrences that suggest that socio-economic processes may also be retrogressive, it is important for Torino to ponder the real value which the strategic approach has represented up till now. Are strategies a one-way street or are they open to further discussion? The openness that economic, social, cultural, and political globalisation has imposed on territorial communities is now revealed in a negative light as a source of insecurity. How can new strategies that cope with tension about the future and provide a coherent set of responses to current needs be identified?