TERRITORIAL GOVERNANCE IN THE MAKING. APPROACHES, METHODOLOGIES, PRACTICES[1]

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I. INTRODUCTION

In the last two decades or so, the concept of governance has found a central place in social science debate, focusing in particular on the shift from government to governance. Here, government refers to the dominance of State power organised through formal and hierarchical public sector agencies and bureaucratic procedures, while governance refers to the emergence of overlapping and complex relationships, involving "new actors" external to the political arena (Painter and Goodwin, 1995).

Various theoretical perspectives have tried to conceptualise this transformation and its outcome (Pierre, 1999 & 2000a; Peters, 2000). For example, regulation theorists argue that the shift from government to governance is part of and a response to wider processes of socio-economic change manifested in a move away from a Fordist mass production system and an established Keynesian welfare State towards 'post-Fordist' flexible specialisation (Piore and Sabel, 1984). Fiscal crisis in western democracies, with the definition of new strategies for services production and distribution, the need for public-private coordination, economic globalisation and the growing importance of trans-national political institutions are elements of these processes, as underlined by Pierre (2000b). Jessop (1997) adds that central to these developments is the profound restructuring of the State and its changing role in governing the relationships between society and the economy. The so-called 'hollowing out' process of the State leads to a continuing loss of national level functions, while the local

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level seems to be more able to develop specific trajectories of economic development within this global system. However, as Pierre (2000b, p.3) points out, this "should not be intended as a proof of the decline of the State, but rather as the capacity and ability of the State to adapt to external changes". At the same time, local autonomy no longer refers to a purely autarkical process (Brown, 1992), but to a complex relationship between the local and the global levels, in which the local "plays" its self-representation capacity and, simultaneously, its external openness to take part in supra-local levels of network relations (from the regional to the global levels) (Stoker, 2000).

In this view, territories are not only considered as spaces for the localisation of business and global level functions. Global networks do not only operate in a de-territorialized "space of fluxes", but need to be rooted in specific places, being interested in local resources and competitive advantages deriving from local resources valorisation (Le Galès and Voelzkow, 2001). This can stimulate new territorial cohesion able to produce such advantages or to foster resisting and reinforced local identities (Castells, 1997). According to this interpretation, relations among local territories and other territorial levels are defined in a transcalar perspective that needs to adopt multi-level action forms to pursue the collective interest (Dematteis, 2001). The connection between the de-territorialisation process of globalisation and the territorial reconfiguration it determines, produces re-scaling processes (Brenner, 1999), that is, reorganisation, re-articulation, and re-definition of the territorial scales and the corresponding government levels implied in the transformations.

In this framework, it should be stressed that the shift to governance has not only led to changes in government, it has also led to disruption of established channels, networks and alliances through which (particularly local) government linked to citizens and businesses. Hence, the challenge of governance is how to create new forms of integration out of fragmentation, and new forms of coherence out of inconsistency. As Stoker points out, governance is "a concern with governing, achieving collective action in the realm of public affairs, in conditions where it is not possible to rest on recourse to the authority of the State" (Stoker, 2000, p.93). It is about how collective actors emerge from a diverse group of interests (Le Galès, 1998).

In the following paragraphs the territorial dimension of governance will be highlighted, firstly in relations to the actors involved and territorial capital (§ II.1, II.2), to obtain a definition of territorial governance and of territorial governance actions (§ II.3, II.4). An analysis of territorial governance processes is then proposed, through four substantial issues (§ III.1 to III.4), to define the central conditions for (good) territorial governance (§ III.5). The same issues are examined to analyse territorial governance according to the territorial level in which the action/process is taking place (§ IV.1 to IV. 4). Finally, some concluding remarks and possible future line of research and reflection are proposed (§ V).

II. A TERRITORIAL DIMENSION FOR GOVERNANCE

According to a wide international literature (for instance, Raffestin, 1981; Cox, 1997; Storper, 1997a; Scott, 1998; Scott and Storper, 2003; Amin, 2002; Santos, 1996), territory is a complex concept. It can be considered as a complex set of values and resources, a common good of fixed assets, material and immaterial, an exhaustible resource, a political

and economic "fact", or a "social construction" deriving from the collective action of groups, interests and institutions. Different definitions highlight different concepts of territory. Depending on which concept of territory is adopted, this leads to different concepts of governance that imply specific features and evaluations. Be that as it may, the main definitions of territory that allow us to deal with the issues highlighted in the international debate on governance are: the territory as a "social and political construction" and the territory as "territorial capital".

1. Territory as a set of actors: territorial governance as organisation and coordination

According to Bagnasco and Le Galès (2000), the concept of the territory as a "social and political construction" mainly stresses collective action, that is the actions undertaken by a set of actors that are related to the solution of a collective problem. The collective action springs from the mobilisation of groups, organised interests and territorial institutions, in a process in which actors' interactions can lead to different results (confrontation, cooperation, conflict). If we consider this interactive process in the urban sphere, here governance can be defined as a collective action mode in which "urban elites endeavour to make the city into a collective actor, a social and political actor possessing autonomy and strategies" (ibid, p.25). This concept of governance can be generally considered, not only at the urban level, but also taking into account the intentional function of macro-regional, regional and local level territories. In this perspective, territorial governance is what makes it possible for territories, at different levels (from the EU to the local level), to behave and act as "collective actors". In this context, governance is seen both as the capacity to integrate and shape organisations, social groups and different territorial interests in order to represent them to external actors, and to develop more or less unified (and unifying) strategies in relation to the market, the State, other cities and regions, and other levels of government (Le Galès, 2002). Governance, then, is the capacity of public and private actors to:

- build an organisational consensus involving different actors in order to define common objectives and tasks;
- agree on the contribution by each partner to attain the objectives previously defined;
- agree on a common vision for the future of their territory.

These issues are based on an "organisational" concept of the territory in which public and private actors and their relations are the key elements. Therefore, territorial governance is an organisational mode of territorial collective action, based on openness and transparency of the process itself, on cooperation/coordination among actors (horizontally and vertically), and in a framework of a more or less explicit subsidiarity. It implies relationships among actors and interests, agreement between stakeholders and different modalities of definition and implementation of policies. It is oriented towards a commonly defined aim of territorial development at different spatial scales in order to ensure the spatial coherence of the different actions. From this viewpoint, the key challenges for territorial governance are to create horizontal and vertical cooperation/coordination between (i) various levels of government (multi-level governance, vertical relations); (ii) sectoral policies with a territorial impact; and (iii)

governmental and non-governmental organizations and citizens (multi-channel governance, horizontal relations between actors and their territories). Vertical and horizontal coordination leads to integration and coherence between disparate responsibilities, competences and visions of territories.

2. Territory as territorial capital

The recent usage of the concept of 'territorial capital' stems from its inclusion in the OECD (2001) report, *Territorial Outlook 2001*, which argued that each region had its own specific territorial capital, i.e. path-dependent capital, which could be social, human or physical (Zonneveld and Waterhout, 2005). The factors that can be included in territorial capital range from the purely physical or spatial characteristics of a locality or region, such as its geographical location, its size, its natural resources, to more diverse characteristics, such as the quality of life, local and regional traditions and the quality of governance, to the more intangible factors facilitating creativity and innovation that make up what might be referred to as the 'quality of the milieu'. These factors could also be grouped, though to some extent overlapping, as: natural features, material and immaterial heritage, and fixed assets (Amin, 2000); as infrastructure, facilities and relational goods (Storper, 1997a); and as cognitive, social, cultural and institutional capital (Healey, 1997).

Applied particularly to the local or regional level the concept of territorial capital is similar to that of 'endogenous potential'. The presence of distinct territorial capital would make investment, for example, more effective in one region than in another. Zonneveld and Waterhout (2005) divide the elements that make up a region's territorial capital into a) structural characteristics, and b) characteristics associated with its spatial position. Dematteis and Governa (2005), meanwhile, identify these elements as:
- A localised set of common goods, producing non-divisible collective assets that cannot be privately owned;
- Immovable goods, that are a constant part of specific places;
- Place-specific, that is they are almost impossible to find elsewhere with the same features;
- Heritage goods, that is, they are produced and stored over a long period and cannot be produced easily in a short time.

Moreover, Waterhout (2007) sees territorial capital as the successor concept to the ESDP within an overarching 'storyline' of a 'competitive Europe'. In this discourse, territorial capital is strongly linked to the discourse of territorial cohesion that since the publication of the Third Report on Economic and Social Cohesion (CEC, 2004) has been a prominent feature of spatial development discourses at the European level. This can be seen particularly at the EU Ministerial Informal meeting on territorial cohesion in Rotterdam that year, for example, and in the subsequent scoping document produced for the Luxembourg Presidency Ministerial Informal meeting the following year (Ministers for Spatial Development and European Union, 2005).

The notion of territorial capital allows us to add a territorial dimension to the various forms of capital - intellectual, social, and political - identified by Innes et al. (1994) in a study

of growth management through consensus building, and subsequently developed by Davoudi and Evans (2005) and Davoudi (2005) with the addition of material capital. The notion of territorial capital, therefore, allows us to analyse the creation of new forms of governance with respect to territory.

3. A definition of territorial governance

The different objectives that characterize a governance process, and that come from the different roles played by the territory in the process, can be summarized by considering *territorial governance* as the process of territorial organisation of the multiplicity of relations that characterize interactions among actors and different, but non-conflictual, interests. This organisational dimension refers to the construction of a shared territorial vision, based on the recognition and valorisation of the territorial capital to create sustainable territorial cohesion at different levels. In other words, territorial governance is the *condicio sine qua non* to guarantee more balanced development across Europe and to achieve territorial cohesion.

In addition, according to Le Galès and Voelzkow (2001), the general objective of governance for local economies is to provide local collective competition goods, i.e. immovable local resources (tacit knowledge, specialised know-how, services, social and institutional capitals, etc.) that result in competitive assets to firms localised in a certain area. If we transfer this concept to governance in general, the objective of the governance process becomes to provide territorial collective goods, that is to maintain and reproduce the specific territorial capital of different places. In this sense, it is possible to speak of territorial governance as a process of the coordination of actors to promote territorial development at local-regional level through the sustainable exploitation of territorial capital, in order to reconstitute, at supra-local levels (i.e. the European level), territorial fragmentation by boosting voluntary forms of transnational cooperation and by referring to the principle of subsidiarity at subnational level.

In summary, territorial governance can be defined as the process of organization and coordination of actors to develop territorial capital in a non-destructive way in order to improve territorial cohesion at different levels.

4. Territorial governance actions: towards an operative definition

If the key challenge of territorial governance is to create the conditions that allow collective action to take place in order to create territorial cohesion at different spatial scales, the critical questions are: what are the key factors for creating such conditions? What are the key ingredients of a favourable climate in which territorial collective action can emerge? What relational qualities are required for creating a capacity to govern in the midst of diversity?

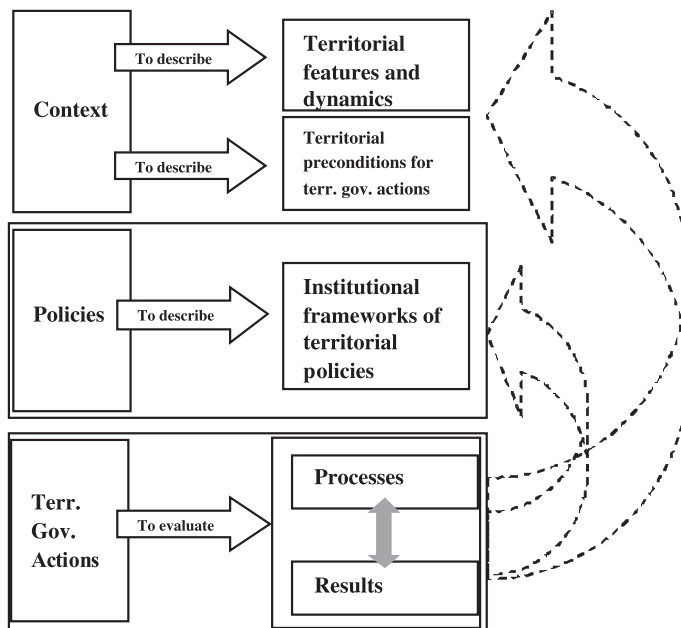To describe, analyse and evaluate territorial governance actions we can consider 3 types of factors (see Figure 1):
1. Context: to describe the general structural conditions, features and dynamics of the territory. Describing the favourable territorial preconditions for defining and implementing territorial governance actions (institutional thickness, innovative milieu, territorial capital, etc.);

2. Policies: to describe the institutional frameworks of territorial policies, instruments and procedures for governance (i.e. the "governing" of governance);

3. Territorial governance actions, defined as the experiences, projects, programmes, etc., that need or stimulate a territorial governance approach: to evaluate governance processes and results, at different levels, considering both process criteria and results criteria, and their interaction (does a good process always correspond to a good result?).

This framework is to be based on three assumptions that help to define a specific set of actions. According to the principle of subsidiarity, the first assumption is that the local-regional level can efficiently promote and develop policies, thus giving these levels the same capability to implement territorial governance actions as supra-local levels (seem to) do. The second assumption refers to what is written on territorial cohesion in the *Third report on economic and social cohesion*: "the objective is to help achieve a more balanced development by reducing existing disparities, avoiding territorial imbalances and by making both sectoral policies which have a spatial impact and regional policy more coherent" (CEC, 2004; p. 27). Territorial cohesion is then increased, at all territorial levels, by the implementation of inter-sectoral, integrated, policies. According to the international literature on regional and local development (e.g. Cox, 1997; Madanipour et al., 2001; Cars et al. 2002), the third assumption is that inter-sectoral policies, to be effective, need to be territorialized, i.e. to be based on the action of local actors and the valorisation of territorial resources.

Fig. 1
CONTEXT, POLICIES, ACTIONS

III. DIFFERENT ISSUES OF A TERRITORIAL GOVERNANCE PROCESS

Referring to the debate in the international literature referred to previously, territorial governance actions can be analysed and evaluated by examining four issues: vertical coordination, horizontal coordination, the participation and involvement of civil society and organised interests, and territorialized actions. The four issues have also been considered in the analysis of 54 case studies in the ESPON 2.3.2 project on the "Governance of territorial and urban policies from the EU to the local level". In the following paragraphs the main findings of the project will be presented, without making specific reference to the case studies (the complete analysis is available in the project final report: ESPON 2.3.2, 2006).

1. Vertical coordination

Vertical coordination refers to both actors and policies. It is linked to the principle of subsidiarity, and of the so-called re-scaling process (i.e. the reorganization and redefinition of the scales involved in territorial transformations and of the levels of government associated with them).

Coordination among actors mainly refers to public actors in the process of the "hollowing out" of the State. Phenomena associated with this process shape different interactions. One such interaction is where the central/federal level leaves power vacuums that can be filled by strong institutional actors (e.g. the process of strengthening of the regional level in Italy). Another interaction occurs when the central/federal level drives and controls the whole devolution process (as, to a certain extent, has been the case of United Kingdom since the 1997 devolution process). Devolution should be taken into account, almost everywhere in Europe, according to the proportionality between the transfer of competences and resources (i.e. is the central government devolving powers and competencies while providing infra-national levels with appropriate financial resources?). According to Hudson (2005), "what is claimed to be new and qualitatively different about more recent regional devolution is that it encompasses the power to decide, plus resources (even though sometimes not sufficient) to implement decisions, at the regional level. Others, however, dispute this, and argue that what has been devolved to the regional level is responsibility without authority, power and resources" (pp. 620-621).

Vertical coordination among policies can be seen as the political translation of the subsidiarity principle, i.e. of the constitutional European Union principle that, together with the proportionality and additionality principles, defines the ways through which is obtained the better allocation of powers to improve the efficiency and democratic basis of policies. Vertical subsidiarity refers to the criteria of competences distribution in the framework of the definition and implementation of policies among the EU, the central government and local authorities. Moreover, vertical coordination from the point of view of policies should be seen as the coordination of sectoral policies with a territorial impact, as in the case of infrastructural policies (e.g. the TEN-T, Trans European Network Transport Policy).

From this general perspective, vertical coordination concerns not only coordination problems between various administrative levels (from EU to local level), that we might consider as the first step, but also, following on from that, the quality of connections and relations to

be established between sectoral policies at different spatial levels to make them converge towards common objectives ('diagonal' relations).

In order to describe and evaluate the different modes through which the vertical coordination of predominantly public actors and policies can take place in territorial governance practices, certain criteria can be taken into account (tab. 2 and 3).

Tab. 2
VERTICAL COORDINATION AMONG (PUBLIC) ACTORS

Criteria	*Possible different contexts*
Difference between different processes of decentralisation	Hollowing out of the State, i.e. the process in which the State leaves power vacuums that can be filled by strong institutional actors
	State driving the devolution process
Difference between processes of devolution	Processes in which there are only competence transfers, i.e. devolution of responsibility without authority, power and resources
	Processes in which there are competence plus resource transfers, i.e. devolution of responsibility, authority, power and resources
Capacity, if it exists, of the different institutional levels taking part in the territorial governance action to interact with the European level	-

Tab. 3
VERTICAL COORDINATION AMONG POLICIES

Criteria	*Possible different contexts*
Capacity of the different institutional levels implied in territorial governance actions to coordinate sectoral policies at different levels	*A priori* inter-sectoral coordination, i.e. construction of a spatial vision that can be seen as a reference framework for policies at different levels
	A posteriori inter-sectoral coordination, i.e. creation of relations among policies after they have been elaborated as sectoral
Capacity of the different institutional levels to implement coherent policies at different levels	-

2. Horizontal coordination

Horizontal coordination among actors could refer to public actors or to public/private actors. The former refers to more or less institutionalised/formalised forms of cooperation among local authorities (as in the case of *intercommunalité* in France) in which voluntary participation is considered as added value. A distinction can be made between "management oriented" aggregations (e.g. aggregations of municipalities that are created for the joint management of public services, such as transport or waste management) and "proactive aggregations" (e.g. aggregations of municipalities that are created to promote a specific project, or to answer to a EU or national call for development programmes to define a strategic planning process). The capacity to produce and implement coordinated strategies and to reproduce them can then be considered as an added value of governance actions. The horizontal coordination of public and private actors is linked to the subsidiarity principle too, specifically to horizontal subsidiarity that defines regulative criteria for the relations between the State, civil society and citizens (multi-channel governance) (Faludi, 2005).

Tab. 4

HORIZONTAL COORDINATION AMONG PUBLIC ACTORS

Criteria	*Possible different contexts*
Different types of cooperation between public authorities (voluntary participation – in the sense that authorities are not obliged to cooperate – is considered as an added value)	Institutional, formalised cooperation among municipalities (or other same-level authorities), in specific inter-municipal cooperation modes suggested and/or imposed by laws and rules (defined at different levels: regional, national, European, etc.)
	Informal/non-institutional cooperation, for instance, inter-municipal cooperation that depends on the self-organizational capacity of local authorities
Difference between strategies and techniques	"Technical" horizontal cooperation, to implement or manage public services (management oriented cooperation)
	Strategic horizontal cooperation, to propose, define, elaborate or implement shared projects to strengthen administrative action and to promote territorial transformation and local development (proactive cooperation)
N.B.: "management oriented" forms of cooperation and "proactive" ones can have added value if there is capacity to reproduce cooperative relations among authorities (stability through time)	

The definition of policy packages refers also to horizontal coordination among policies and to two slightly different modes of coordination. The first is concerned with the coordination of policies that refers to three types:

– the first type is that of the integration of funds and resources that are already available and that can therefore be part of a coordinated strategy;
– the second type is that of specifically sectoral policies that are implemented in an integrated way through the setting out of a common framework;
– the third type is that of policies that are defined as inter-sectoral from the start, thus defining a coherent programme and a coordinated strategy.

The second mode of horizontal coordination is concerned with the *continuum* among the ex-ante coordination of policies, even though they have been developed sectorally without changing the administrative apparatus and policy packages, that also implies coordination in the implementation of policies with the same objective and spatial visions.

The criteria that should be taken into account when describing and evaluating horizontal coordination are displayed in tables 4 and 5.

Tab. 5
HORIZONTAL COORDINATION AMONG POLICIES

Criteria	*Possible different contexts*
Territorial governance action capacity to coordinate sectoral policies	Inter-sectoral coordination through the construction of a spatial vision that can represent a common framework for sectoral policies implemented by different actors
	Sectoral policy integration, i.e. the construction of relations among sectoral policies
	Financial integration, i.e. integration of funds and financial resources that are already available and can therefore become part of a coordinated strategy
Capacity to achieve coherence between policies, actions, and intentions of the different public and private actors	-

3. Participation and involvement of civil society and organised interests

Participative policies allow the inclusion of private actors in territorial governance processes. It is possible to say that there are two levels of participation. The first is concerned with the involvement of stakeholders and interests (public/private partnerships), whose participa-

tion is necessary for the design and implementation of the process. The second is concerned with the 'diffuse' participation of private actors (generally identified as "citizens"), which is desirable but which has limits in practice, especially if we take into account the object of participation. Are the actors involved in participation processes that are concerned with the core of the problem? Can they decide on real issues?

Another issue is what is the appropriate spatial level for participation? Is it true that participative policies are more effective, though not exclusively so, at the urban/local level than at supra-local levels? In addition, participation strategies need to distinguish between those who are able to represent their interests and those who are not, i.e. "joiners" and "non-joiners". The former include those who are members of organized groups and hence capable of making their voices heard in policy-making processes. The latter are those who are systematically excluded from participation (Davoudi and Petts, 2000).

The focus is on the differences between the involvement of organised interests and participation that is as wide as possible. These differences mainly refer to:

(i) involvement and/or participation of actors (for organised interests: entrepreneurial associations, firms, trade unions, mass-media, etc.; for wide participation: citizens, especially those who are less organised);
(ii) the objectives of involvement and/or participation
   – for organised interests: to promote consensus building, to increase resource availability, whether financial or political, etc.;
   – for widespread participation: to promote the construction of deliberative democracy arenas, to build forms of "active citizenship", etc.;
(iii) the modes through which involvement or participation is promoted (e.g. promoting public/private partnerships or implementing participative planning procedures, as in "planning for real").

To describe these aspects, two groups of criteria are proposed (tables 6 and 7).

Tab. 6
INVOLVEMENT OF ORGANISED INTERESTS

Criteria	*Different elements*
Plurality of interests involved, from the point of view of the actors and of the levels at which these interests are manifested	Typology of the actors involved. All, or most, of the actors that are likely to have an interest in the objective of the action should be involved in the territorial governance action
	Level of actors involved. Involved actors could represent supra-national, national, regional, and/or local interests
Character of the involvement of interests	Formal agreements
	Informal agreements

Tab. 7
WIDE PARTICIPATION

Criteria	Possible different contexts
Capacity to involve less organised and weak actors	Participative practices that address micro-decisions (limited/side issues)
	Participative practices that address the central/core problem or objective of the action
Object of the participation	Wide participation at the heart of the action
	Wide participation related to problems other than those representing the real objective of the action (side problems or issues)

4. Territory as a matrix for territorial governance actions

There is frequently a misunderstanding between territorialization and localization of an action. Territorialized actions are, in fact, not localized actions, since, as Storper points out (1997b), there is a difference between an action that simply occurs in a certain place and an action that is based on the shared valorisation of local specificities. Territorial governance actions are thus concerned with the latter and can be recognized by three characteristics: they refer to the territory as a common good; they are concerned with the identification and valorisation of territorial capital; and the territory itself is defined during the action (government actions apply to an administrative territory while governance actions do not necessarily do so).

To describe and evaluate different modes through which, in territorial governance practices, it is possible to territorialize actions, two groups of criteria are proposed, as displayed in tables 8 and 9.

Tab. 8
TERRITORY

Criteria	Possible different contexts
Territory in which the action is occurring	Territorial governance actions undertaken and implemented in pre-defined territorial framework, according to political and/or administrative competences
	Territorial governance actions undertaken and implemented in relation to the territorial framework of a project, defined during the action through negotiation of interests, the territorial vision and the construction of a shared objective for change
N.B.: added value is possible, in both cases, if the territory is considered as a common good and not only as a simple support or resource to exploit, apart from any evaluation of the results that this exploitation implies in the short, medium and, above all, long term	

Tab. 9
TERRITORIAL CAPITAL

Criteria	*Possible different contexts*
Acknowledgment and valorisation of territorial capital	Territorial governance actions that identify and valorise local specificities
	Territorial governance actions that do not take these potentialities into account

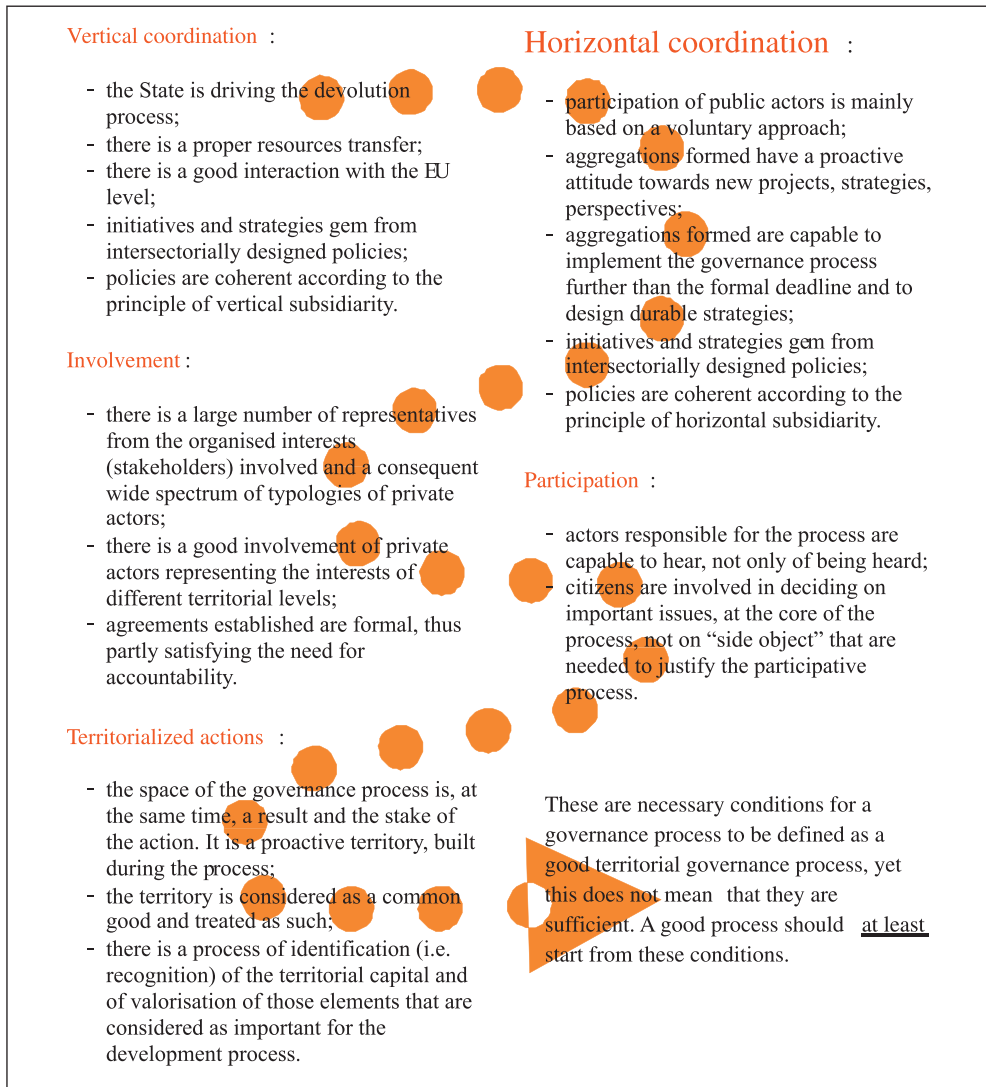## 5. Central conditions for territorial governance

The conditions defined above originate, as already stated, in issues that highlight the general characteristics of a territorial governance action and allow us to evaluate the ways in which the latter is implemented. Nevertheless, when considering the general objectives of a territorial governance action, that is to maximise vertical and horizontal coordination and cooperation, encourage participation and promote territorial development, some of these conditions seem to fit the definition more than others. In other words, a territorial governance action will be more effective in reaching its goal if some conditions, considered as priorities, are respected.

Differences of importance exist among the conditions: some of them can be considered as basic conditions, the *conditio sine qua non* without which the action that is being analysed cannot be qualified as a territorial governance action. Others are important in building a territorial governance action and in reaching its objectives. Still others, finally, are those that give added value by making the action more effective in achieving its intended results (fig. 10).

Conditions that are considered as central in giving added value to territorial governance actions can represent a benchmark for any process occurring in the territory, but, of course, they depend largely on the territorial level in which the action is implemented.

The scalar dimension should be taken into account in defining the conditions appropriate to the level. In addition, at each territorial level it is important to consider different conditions in order to improve the effectiveness of territorial governance actions. At the intra-urban level, for instance, conditions concerned with wide participation are fundamental, while they are less relevant at the national level, even if only for the difficulties in putting them into practice. At the national level, on the other hand, conditions that refer to the role of the State and to the devolution process have a specific importance, although these conditions are fundamental at all territorial levels. It is, then, possible to identify conditions that give added value to territorial governance actions on all levels, while others are characteristic of a specific level. In general terms, we can see that as we approach the local/regional levels, territorial governance actions become more complex. At transnational or national level, the degree of effectiveness of actions is mainly related to organizational dynamics (of the State, of vertical and horizontal subsidiarity, etc). In contrast, at the local/regional level it is not only related to organizational dynamics, but also to wide participation and territorialized actions.

Fig. 10
CENTRAL CONDITIONS FOR A TERRITORIALIZED GOVERNANCE ACTION

Vertical coordination :

- the State is driving the devolution process;
- there is a proper resources transfer;
- there is a good interaction with the EU level;
- initiatives and strategies gem from intersectorially designed policies;
- policies are coherent according to the principle of vertical subsidiarity.

Involvement :

- there is a large number of representatives from the organised interests (stakeholders) involved and a consequent wide spectrum of typologies of private actors;
- there is a good involvement of private actors representing the interests of different territorial levels;
- agreements established are formal, thus partly satisfying the need for accountability.

Territorialized actions :

- the space of the governance process is, at the same time, a result and the stake of the action. It is a proactive territory, built during the process;
- the territory is considered as a common good and treated as such;
- there is a process of identification (i.e. recognition) of the territorial capital and of valorisation of those elements that are considered as important for the development process.

Horizontal coordination :

- participation of public actors is mainly based on a voluntary approach;
- aggregations formed have a proactive attitude towards new projects, strategies, perspectives;
- aggregations formed are capable to implement the governance process further than the formal deadline and to design durable strategies;
- initiatives and strategies gem from intersectorially designed policies;
- policies are coherent according to the principle of horizontal subsidiarity.

Participation :

- actors responsible for the process are capable to hear, not only of being heard;
- citizens are involved in deciding on important issues, at the core of the process, not on "side object" that are needed to justify the participative process.

These are necessary conditions for a governance process to be defined as a good territorial governance process, yet this does not mean that they are sufficient. A good process should at least start from these conditions.

IV. TERRITORIAL GOVERNANCE AND TERRITORIAL LEVELS

If we take into account that there are different dimensions to a territorial governance process and if we accept that there are context and institutional framework specificities, it is possible to recognize territorial governance specificities for each territorial level or, at least, for three paradigmatic levels: a macro-level (from the global to the national level), a meso-

level (from the regional trans-border to the macro-urban network level), and a micro-level (or local level, from the metropolitan to the neighbourhood level). For each level some of the previously described dimensions are more relevant than others.

1. Vertical and horizontal coordination

Public authorities at all levels are still key actors and hierarchical relations determine many of the preconditions and parameters for decision-making, problem-solving, management and conflict resolution. Yet, while the role of the central government seems to have changed very little (except in countries that have undergone major structural changes, e.g. East European countries), it is possible to identify substantial changes at higher levels (the role of the EU), at lower levels (infra-national levels, whether regional or local), and at the same level (with an increasing threat of disparities among territories at the same spatial scale and the corresponding diversification of development strategies).

The national level is clearly recognized as the overall organisational / frameworking level in almost all European countries, the level where conflicts can be resolved. This is most evident in the case where the State is driving the devolution process (whether explicitly or implicitly), and, generally, where spatial plan issues are discussed. The national level is, of course, the level that usually allocates funds, for instance through the coordination of EU programmes or through the power to delegate competencies and financial resources to infra-national level authorities or agencies. Funding is usually a good incentive to cooperate and coordinate strategies, so that the role of the EU has greatly improved vertical coordination policies. This is clear in the case of trans-national and cross-border regions, where the formation of Euro-regions or the implementation of Interreg programmes have played an important role in strengthening inter-level relations. The national level, though, could decide to play a less important role as we move towards the regional and local levels. Where this occurs, it is mostly due to an explicit decision to hold back and merely facilitate strategies and processes that are decided at lower levels. In territorial governance actions, the national/central level has a stronger role as long as it is capable of giving coherent frameworks, in terms of policies and rules, and promoting infra-national or trans-national development strategies through the availability of financial resources. The issue of integration of policies and actions at the same level is also of great importance. This can be seen in examples (e.g. cross-border regions) where the basis for cooperation comes from networking and collaboration that can support projects and programmes often designed at the EU or national level. Moreover, integrated policy packages are often achieved through the horizontal coordination of public actors, thus recognizing that integrated frameworks are a matter of vertical coordination, while integrated policy packages owe more to horizontal relations among actors that need to give coherence to a multiplicity of ongoing processes. This also means that horizontal coordination will probably most frequently be achieved at levels from the regional to the urban.

2. Involvement and participation

As regards involvement and participation, new forms of governance are predominantly partnership-based and seldom oriented towards wide and comprehensive participatory

mechanisms. The most common form of participation involves, in fact, organised interests (whether public or private) and should rather be considered as "involvement", while the process of participation is often developed around a public consultation or, which is more problematic, by simply informing citizens of what is going on.

The need for effective participation should take into account the timeframes of the territorial governance action and of the elected representatives. If in governance processes the end is unknown because of the flexible nature of the process, this is a problem because of the need for concrete and effective outcomes in the short to medium term for politicians, and leaders in general. Moreover, the problem of policy coherence is more important for government actions than for governance ones if more attention is paid to the outcomes than to the process itself. This brings into question the effectiveness of the governance process, especially where the issue of accountability is considered. It is often the case that citizens and interest groups, whose active participation is desirable, are supposed to rely on a process that cannot guarantee effective, concrete results in a reasonable time and whose leading actors are often not clearly accountable. In other words, it could be counter-productive to involve actors in processes that are by definition open, negotiated and flexible if these words could be easily misunderstood as opaque, ill-defined or loose. What is more, the role of "resistance campaigns" against policies which have not been based on consensus building, proper information and consultation strategies and other forms of low-level participation should be further considered and analysed as a tool for redefining participative policies in a broader sense. Last, but not least, regarding "who" should be involved, the more the territorial governance action refers to regional and local levels, the more it makes sense to have a wide participation of different types of actors, including weakly represented actors or "un-organized" interests. Nevertheless, it can be seen that participation is mainly a matter of direct involvement on clear and often urgent issues. It is possible, then, to achieve a high degree of involvement of private actors and stakeholders at any level as long as the benefits are clearly recognizable. Less likely, however, is achieving wide participation in the core object of the territorial governance action. This is due mainly to the need for a "fast track" for decisions or, with similar results to the low level of participation, to an apparent participation on minor issues whose main reason is to justify the implementation of the process.

3. Territorialized actions

It is very difficult to define the role played by the territory and its territorial capital in territorial governance actions, mostly because it is seldom considered as an important issue that needs to be highlighted. The relationship of the governance process to the territory could be considered as the basis for any increase in territorial cohesion, yet most cases do not show any clear reference to specificities, characteristics or elements that have made a difference. This is the case, for example, for local development programming in Italy, which is apparently based on territorial specificities but actually does not have any concrete reference to the territory (Governa and Pasqui, 2007).

This deficiency is less problematic at higher territorial levels, since the framework definition is sufficiently general. At lower levels, however, this is more problematic, since this could be due to an incorrect delineation of the territory in which the action occurs (so that

the territory is unable to take a proactive attitude, is not considered as a common good, and cannot identify, and valorise, its potentialities), or to the fact that the action refers to a sectoral action (e.g. the realisation of a transport infrastructure plan). In both cases it will be less likely to result in a coherent strategy, good coordination (vertical and horizontal), the involvement of stakeholders and, above all, wide participation (except in the case in which the community resists against the non-territorialization of the action).

The reference to some issues is more obvious, as in the case of vertical coordination and of involvement of organised interests. We should, nevertheless, focus our attention on the issues that valorise the outcomes of the territorial governance action in terms of territorialization (at the different levels) as stated in the Third Report on Economic and Social Cohesion (CEC, 2004), since the attention paid to these issues can strengthen territorial cohesion in terms of economic and social cohesion, the protection and valorisation of natural and cultural patrimony, and the balanced competitiveness in/of European space. The territory is the key factor in linking territorial governance processes and territorial cohesion, since it *de facto* integrates policies through the coordination of actions and actors.

4. Grouping levels: macro, meso, micro

In the practice of territorial governance actions and processes, similar approaches can be observed across all the territorial levels to which we have previously referred. Among these, a frameworking level has been recognized, in which actors such as the EU and the national level are able to produce coherent sets of policies, rules, spatial visions, agendas. This role is fundamental, since from such coherence subsequently results the coherence of policies and actions tackled at infra-national levels. These frameworks define the general context and foster the territorial governance actions through inputs and, most importantly, funds. The EU and national levels could, then, be assigned to a "macro" level, in which it is also possible to place the trans-national level, which is distinguished from the cross-border level. This differentiation is due to the fact that trans-national policies operate at a macro-level, often in the direction of harmonization of characteristics, approaches and strategies that set a common framework for different national/regional policies.

Cross-border regions, on the other hand, tend to be closer to the territorialization of policies that characterizes regional and polycentric urban networks. This "meso" level has its specificity in the definition of spatial policies and in the redefinition of coherent and integrated policy packages, but still lacks a coherent approach to the issue of participation. This need not be considered as a failing, since at the meso level it is more important that organised interests and stakeholders are involved. It seems, in fact, that wider participation is more applicable to the "micro" level.

The micro level here refers to functional urban regions (FUA), metropolitan regions, urban-rural areas and intra-city levels. This is the level in which it is possible to analyse a territorial governance action that considers all the aspects that make up a good territorial governance process (see fig. 10), in particular those referring to participation and territorialization.

Macro, meso and micro thus define territorial levels, but more precisely they refer to spheres of intentions, behaviours, procedures and processes that are similar, but in which

there are conditions that filter up and down the levels (approaches, resources, knowledge, …), making possible a good, or bad, territorial governance action and thus territorial governance process.

Examples of the controversial filtering of intentions and approaches from a higher level to the local level are the European Investment Bank's local development policies and EU urban regeneration initiatives, in the way in which they are perceived, assimilated and grounded.

V. A PATH FOR UNDERSTANDING TERRITORIAL GOVERNANCE ACTIONS AND PROCESSES

The model of territorial governance outlined above has been partially tested during the implementation of the ESPON 2.3.2 project (www.espon.eu), where 54 case studies were analysed as territorial governance processes and their actions as territorial governance actions. For each case study reflections focused on the vertical and horizontal relations, on the capacity to involve members of the civil society or their degree of participation, and on how territorialized the process itself was.

The results of this analysis (ESPON 2.3.2, 2006), together with reference to the debate in the international literature, have highlighted two basic, yet fundamental, concepts:

1. territorial governance is different from governance because, in brief, its object is the territory, a complex object *per se*, and its aim is to regulate, to govern, to manage territorial dynamics through the *pilotage* of a multiplicity of actors;
2. the meaning, approaches and effects of territorial governance are different at different territorial levels, even if there are consistant issues that define territorial governance actions (vertical and horizontal relations, involvement and participation, territorialisation). The importance of these issues differs, depending on the territorial level in which the action is taking place.

Taking into account the specific features of territorial governance, there is a need to define the next possible steps for improving both the knowledge of territorial governance processes and actions and providing useful contributions to their implementation.

It is possible, at this stage, to consider two possible options for further reflections and research. The first is to continue to test the model defined above in a new empirical research analysis, that is, to try to interpret more and different experiences through the lens of a territorial governance action or process.

The second, and more challenging, option is the possibility of defining operative guidelines for the application of the model in support of the implementation of policies, in other words, to play an active role in the process itself.

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