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Social Capital, Urban Regeneration and Local Governance. A Comparison between Bristol and Naples.

In the industrial growth era of 1950-1980, urban and industrial planning tended to be centralised and dirigiste though tempered by corporatist interest representation. National and local governments would try to foster or renew investments in mass industrial plants or similar types of employment. In cases of local economic decline or the closure of a manufacturing operation or a steelworks corporatist actors would lobby and campaign to induce new investments to replace the jobs lost. The ascendency of neo-liberal economic policies national governments has reduced direct involvement and interventions such as financial subsidies. Neo-liberal doctrines and the related decline of corporatist politics has also lessened the direct influence of trade unions and business organisations’ in state interventions. However, the subsequent mutations of neo-liberal politics have led to a different kind of state interventionism, in which new planning approaches and policies are deployed to foster combined social and economic development. Along the way these perspectives have come to overlap the more academic ideas of ‘social capital’. Social capital ideas have become implicated in urban and economic regeneration in two ways.

1) On the presumption that local complexes of voluntary and civic activities promote the social conditions for successful economic relations and

2) On the policy premise that successful implementation of programmes requires the active participation of genuine representatives of local communities in the ‘governance’ of programmes.

State promotion of local economic development in many western societies has increasingly become identified with broader urban regeneration policies (Davies 2002: 301). The implementation of these has, in turn, begun to emphasise the combination of market forces and participation of local associations and representatives of civil society. But how authentic is this participation and how effective are these decentralised processes in achieving satisfactory outcomes?

Measures to replace the loss of jobs and trade from the decline of manufacturing and primary industry have increasingly been rolled into broader programmes to invigorate the urban and social environment. The improvement of health-standards,
educational achievements and community resources has come to be seen as equally important - indeed potential conditions for – the re-creation of jobs and business. This new approach retains the neo-liberal assumption that local prosperity depends on the ‘effective competition for industry, jobs, and investments in a dynamic national economy that is largely shaped by the spatial and sectoral needs of private enterprise’ (Barnekov, Boyle and Rich, 1989, pp. 5-6). However, its Third Way ideology re-emphasises ‘governance’ rather than ‘government’. It recommends consultation and participation, public-private collaboration, so-called community partnerships, and involvement of the Voluntary or Third sector. In short the so-called ‘social capital’ of a locality is deemed to be a crucial condition for successful regeneration. In addition the aims of economic development/growth are tempered, at least ostensibly, by new attention to environmental issues and sustainable development (Allmendinger & Tewdwr-Jones, 2000).

What is, perhaps, not quite so widely appreciated is the cross-national diffusion of much of this approach. Despite originating in the USA such a paradigm is easily recognisable in Britain and the cross-national influence of such Third Way policies is also reflected in other European states. Of considerable importance has also been the 1988 EU reform of the structural funds, which led to the involvement of sub-national levels of government in the design and implementation of cohesion and development programmes and established the principle of partnership, extending to social and economic, as well as institutional, actors. Italian political opinion, especially on the Right, sees statist command-and control planning tools as in need of replacement. Such an approach has also been partially welcomed among the more moderate left, leading to left-leaning local administrations making use of ‘innovative planning tools […] that do not replace the market (as command-and-control tools do), but are limited to correcting its failures’ (Micelli, 2002, p. 143).

The rest of this article analyses these processes in order to assess the strength and scale of Third Way governance of local economic development involving the mobilisation of social capital. To assess the fine grain of the social and political differences we compare the detail of two significant cases of urban regeneration: South Bristol in Britain and the Bagnoli district of Naples in Italy. The article describes in some detail the differences between Bagnoli and south Bristol in order to answer the following questions:
1) In the current climate of more decentralised planning, what differences result from variations in the levels of government controls and activity for effective regeneration policies in different European countries?

2) How far and to what effect does the 'institutionalisation' of the networks and associations making up local 'social capital' in such schemes, either authenticate (institutional) representation by existing grass-roots associations and initiatives, or promote citizens' participation 'from above'?

3) To what extent and in whose interests are powers really being transferred to 'networks of governance' at local level in pursuit of urban and social regeneration - more successful outcomes or more or different conflicts?

**Social Capital**

Initially defined as citizens’ propensity to participate in voluntary associations and to engage in social networks aimed at the provision of collective goods, social capital also implies a propensity for trusting one’s own fellow-citizens. Such activism and collective trust has been judged to underpin economic prosperity and crime-free communal relations, as well as successful local government. Putnam’s (1993) seminal work on Italy argued that it sustains democracy. The higher the degree of social capital to be found in a region, a community, or a nation, the more stable and sustainable are its democratic institutions. A concomitant of this democratic vitality is the ease with which social and political actors can be mobilised for economic development and regeneration. Amongst the further implications is municipal and regional authorities’ engagement in networks of relationships with associations and other voluntary bodies. These latter may act as ‘gatekeepers’ or ‘brokers’ and their activities may in turn be influenced by the local ‘political opportunity structure’ (Maloney et al 2000). This factor links social capital theory to the everyday practice of many English local authorities in encouraging participation, (Lowndes et al 1998).

These considerations suggest a critical importance for national, regional and local conditions. Hence the need for a ‘more context-dependent approach to social capital analysis […] which is more sensitive to the different locations in which social capital is created or inhibited and the different ends to which it is deployed’ (Maloney et al 1999: 3). However, the putative influence of social capital theory on policy making
has also generated criticisms of its instrumental use for a de-politicising agenda. In particular it has been criticised for replacing any idea of conflict between capital and labour by an emphasis upon aggregation of different interests and class collaboration at local and regional levels.

Yet the idea that social capital can somehow transcend conflict and power relations arises more from its popularisation by Putnam (1993). As Foley and Edwards argue differential use of social capital is perfectly conceivable within a conflict of interests:

‘Social capital […] inevitably will be brought to bear in the service of one or another faction as long as interests differ and competing conceptions of the good life and the public good are allowed to express themselves. Conflict springs from such competition and when it reaches intractable proportions or touches on public resources or the public interest, it must be dealt with politically’ (Edwards and Foley, pp. 556-7)

Discussing the effects of urban development (suburbanisation and urban sprawl). Putnam himself (2000: 210) indirectly acknowledges that conflict is necessary for citizens’ engagement in the public sphere. Moreover there does seem to be considerable evidence that representative groupings are proliferating within the political systems of several countries, whatever the secular levels of civil society participation in western societies.

However, the authenticity of various ‘top down’ forms of involvement may be questioned. These have been described as ‘Institutional arrangements which recognise different interests and accommodate cultural diversity’ (Ranson & Stewart, 2000: 252). In Britain governmental organisations have used a range of vox populi devices to try to capture public involvement. Deliberative opinion polls, citizens’ panels, ‘juries’ and local youth councils, ‘one-stop shops, integrated neighbourhood offices and forums’ (Benington 2000) have all become features of policy making and implementation. But genuine participation in these methods is limited. As the late Paul Hirst has pointed out, they are ‘weakly inclusive’ and substitute the ‘voices of some of the people’ for the whole population. This is not genuine inclusion (Hirst 2002: 414). So the case for attempts at using social capital for citizen-centred local governance must be weighed against the potential dangers of division and
subordination in the broader context of the retreat of the state and the sharpening of social inequalities.

The Governance of Regeneration

The ambiguities surrounding the notion and use of social capital can also be found in the concepts of community and partnership, which are routinely invoked in recent approaches to urban governance and regeneration. Several European countries now predicate regeneration upon new forms of grass-roots participation and community involvement. These forms range from various forms of ‘consultation’ of local residents to collaborative ventures with civil society organisations: voluntary associations, private organisations as well as businesses. With an emphasis on ‘social diversity, different identities, and individual choice. At one level, the new approach to urban planning and regeneration reflects a shift from “modern to postmodern” principles. Trust in political and professional “experts” is displaced by a mixture of: faith in “evidence-based” policy-making, pragmatic managerialism (“what matters is what works”) and public participation or “consultation” (focus groups, residents’ groups, customers’ panels and citizens’ juries)” (Geddes and Martin, 2000, pp. 386-7). This shift is closely linked to the weakening of traditional forms of associations, primarily political parties and trade unions, and to the decline of class-based politics associated with the shrinking of the industrial working class. Advocates would no doubt justify this eclectic approach to urban planning as reflecting a genuine search for new forms of democratic accountability and responsiveness at a time when public apathy and alienation from politics are on the increase.

A crucial contextual factor in assessing these claims about the authenticity of local policy-making is the relationship between the different levels of government involved. In Britain, central government has stressed the crucial role of partnerships in urban regeneration, involving the private and public sectors as well as representatives of local community and voluntary organisations. Key initiatives have made partnership a pre-requisite for provision of central government funding. In England, the Single Regeneration Budget (SRB), formerly the Challenge Fund, provides grants for regeneration projects to local partnerships. As a result, there may be 70 or 80 local partnerships operating in a single local authority area (Carley et al, 2000). As has been pointed out, ‘urban regeneration policy, therefore, is as much about organisational structures as it is about the programmes of action themselves’ (Skeltcher et al, 1996).
In cases where voluntary associations are thin on the ground, local authorities often promote their creation and involvement, taking the initiative in setting up partnerships.

In Italy, central government has also promoted and facilitated the development of the voluntary sector, which is currently showing a healthy vitality, not least in the southern regions where its absence was often lamented in the past. However, unlike Britain a key difference is that there are fewer central constraints upon local governments. There are national, regional, provincial and local governments, with some overlapping in responsibilities and power in the case of the last three tiers. In 1993 a new law established City Mayors with new responsibilities and powers, followed by new administrative elections. Italian cities and provinces therefore enjoy a high degree of autonomy in terms of their preferred approaches to urban regeneration. Consequently although there may not be a typical Italian case for comparative analysis with other countries the variety of styles allows study of contrasts to the more standardised model found in countries such as the UK. Thus, in general, while various governments seem to expect wide consultation and cooperation at local level, in several countries there is much less uniformity on whether and how the private, corporate and voluntary sectors ought to participate in urban regeneration.

Not least in our choice of case studies, therefore, was the knowledge that they should cover a broad spectrum of current political thinking and practices in Europe in relation to issues of government versus governance, collaboration versus conflict and public versus private interests. The limits of any convergence were best illustrated in the Italian and British cities on which we now focus. For they had adopted varying and even divergent approaches to urban regeneration. Yet, as we shall see, problems of participation and involvement in planning and implementation arose despite contrasting assumptions and constraints in the governance of the schemes.

**The case-studies**

Our Bristol and Naples case studies are both large European cities that have been affected by processes of de-industrialisation, urban decay and social exclusion. They were chosen for comparison because of similarities in the economic and social problems that they faced. More particularly in both cases, attempts at urban regeneration involve the re-conversion of large disused industrial sites which had previously provided thousands of industrial jobs.
Bristol is, in several respects, a divided city. It has some central areas with typical inner city problems but is divided almost into two by the river Avon. Areas north of the river are on the whole more affluent than those to the south. They are well connected to the centre and to other cities, and have benefited from expanded tertiary sector employment. Several areas south of the river, by contrast, are relatively isolated from and poorly connected to the centre, have lost employment quite heavily, and are poorly served by the tertiary and commercial sectors. Large tracts of south Bristol consist of sprawling post-war public housing estates, but have few public or private amenities and limited employment opportunities. There was an important tobacco factory, Wills, which employed more than 6,000 workers. This closed in 1987, leaving an area of 30 square kilometres and a population of around 120,000 without any large, local employers. The largest employer in south Bristol today has only 150 employees. While areas to the north of the city thrive thanks to larger factories, warehouses and commercial centres, the south shows high indices of social deprivation, poor housing and low levels of education. Unemployment is only around 6% in the city, but in some southern areas it reaches 20%. There is a high incidence of teenage pregnancies and lower than average levels of life expectancy. In the words of one of our sources South Bristol is: ‘a dormitory area for the more affluent and a ghetto for the poor’.

In Naples, Bagnoli had for years been the only area of the city in which an industrial working class predominated, but lost its steelworks in the late 1980s, after repeated struggles against its closure. The factory employed roughly 10,000 workers in the 1970s and about 6,000 in the 1980s. The large area previously occupied by the steel plants included a naturally beautiful coastline overlooking the island of Nisida and the council’s plans proposed a reconversion of the area from industrial to tourist and leisure activities, with the mooted creation of 15,000 jobs. Unemployment in Bagnoli is about 20%, rising to 40% among the young, even though the family acts as a buffer against social marginalisation and disintegration (Sviluppo Italia, 2001). Despite similarities in the problems facing these cities, there were very substantial differences in the types and levels of social capital present and in the role played by state and political institutions. In the following sections we trace the development of the re-generation projects and the accompanying trajectories of grass-roots involvement and the role of social capital formation.
**Bristol**

*Political Background*

In south Bristol, there were very high levels of social capital: a myriad of local residents’ associations, self-help networks, church organisations, community schemes and other initiatives operate in the area. There is an extensive ‘social economy’ with many different organisations, primarily community businesses and cooperatives, the biggest employing 80 people. There are also various charities. In the words of a representative of a local Community Partnership: ‘in south Bristol there are tons and tons of groups – a massive web of people’. These associations are combined into influential second-tier networks. They are linked to one or more of five Trusts working closely together, and forming Network South Bristol. There is also an umbrella organisation, VOSCA – Voluntary Organisations Standing Council Association – which was set up to put together all these different organisations and to represent the Third Sector vis-à-vis state and political institutions.

At the time of our investigations, the Bristol council, predominantly Labour, was a strong advocate of participative democracy at local level, in line with national government guidelines. In their scheme for regenerating the area south of the river Avon, local voluntary and neighbourhood associations were regularly consulted and their representatives sat on local committees together with representatives of the local council, regional development bodies and the private sector. Some of these networks were involved in city-wide participation in EU programmes. However, the Regional Development Agency administered government and EU-sponsored projects of social regeneration. Working to government criteria, it also sought deliberately to promote the formation of wide community partnerships involving third sector groups. Thus the Bristol case could be said to possess high levels of social capital and political institutions which were openly committed to community involvement in decision-making and in participative democracy. How was this achieved and how well did it work in practice? More importantly perhaps, for theories of local governance and social capital, how effectively were different interests represented in the new, ‘post-modern’ model?

*Plans and Realities*

In south Bristol regeneration has been delayed for some time. The crisis was in evidence by the end of the 1980s but, for a variety of reasons, it took until the middle
of the 1990s before regeneration plans started to be put into effect. According to local
government officers there was, firstly, not a coherent response from local
organisations. Secondly, local government reorganisation caused delays. Third, there
was said to be a ‘dispersed’ approach to urban planning. However, finally, in 1999 the
South Bristol Regeneration Scheme (SRB) was set up to be run by the Bristol
Regeneration Partnership (BRP), made up of the local authority, Chamber of
Commerce, the Regional Development Agency, and residents’ and other local
associations.

This formation was seen as a major change. As a councillor explained to us,
‘this was more than a consultation process. It was a new way of doing things’.
Similarly to Naples environmental qualities were seen as resources that would
generate economic and social opportunities. The Local Plan for South Bristol refers
to: ‘neighbourhoods where the physical environment is used to enhance quality of
life, promote employment and social inclusion.’ (BCC, 2003: 462). Elsewhere the
document refers to the ‘significant landscape, archaeological and nature conservation
value’ of certain areas. Two sites in particular have been seen as critical locations for
stimulating regeneration. One is the derelict former tobacco factory referred to above.
The other is a disused World War II airfield, about one kilometre further south, most
of which is owned by the city council.

This site, known as Hengrove Park, consists of over 200 acres. The majority of
the Park is used as informal open space although a local sports centre makes use of a
converted hangar and there a few rugby pitches, a cycle track and Bristol’s only
public athletics track. Housing developments have been considered for this land in the
past, but it has now been identified as a location for a variety of formal and informal
leisure uses. Adjacent to the site the Council sanctioned a ‘commercial leisure park’
with multi-screen cinema, bingo hall, ten-pin bowling, a hotel and restaurants which
is now complete. Other uses either begun or in planning include: a new play ground
and, from 2002, a ‘teenage area’, potential industrial land (15 acres 6 ha), housing
with community facilities, a new swimming pool, sports/leisure centre and some
space for commercial leisure.

In addition to all of this:
‘The intention is to create an attractive, high quality, multi-use open space which will be a unique asset to the people of South Bristol. The park is likely to contain formal gardens, improved sports pitches, an ecological area and a lake.’

(BCC 2003: 468-469)

This attractive vision is not however, matched by the development of the old tobacco factory site. The Council was unable to prevent developers selling this land for use by a mix of retail and warehousing businesses, few of which have yielded well-paid jobs in significant numbers. Further commercial leisure and housing developments are being proposed for the site. But local association representatives are sceptical about the contribution such low-wage and ‘drive-by’ activities can make to the reduction of social exclusion. The contrast between the wide scope of the Hengrove Park, airfield site, and the limited commercial focus of the factory site illustrates the economic weakness of the Council’s powers and their dependence on external public authorities.

**Governance through Social Capital**

In 1998 a one-day consultation process was carried out with grass-roots groups, followed by organised events, meetings, workshops, etc., run by local professionals, supported by council officers but with equal number of local residents. Conflicts with local government representatives arose because the local groups rejected key government objectives and replaced them with others in their bid for government funding. From the start the council stipulated that all groups had to have 50 per cent of local residents, including the steering group, otherwise council officers would abstain from voting. As a council representative explained, a wide representation was needed on the SRB schemes because the local community handles SRB money and there was a need to ensure accountability. In general, however, key councillors saw the local government role as having changed more to one of ‘holding the ring’, rather than directing the implementation of plans.

A number of reasons were given for the change in approach. At local level there was felt to be a need to overcome a widespread attitude of cynicism and mistrust among the poorer neighbourhoods. The local council was concerned about its failure to improve various indices of deprivation despite numerous attempts in the past. The new local approach was also influenced by national events. Local government recognised the impact of the new Labour Government in 1997 in creating Regional
Development Agencies with the accompanying change of emphasis to more ‘bottom-up’ approaches. Together these developments had, in the view of one councillor, led to a change in the local political culture: ‘Communities now expect to be consulted more – the Government is also pushing it, also the need to overcome mistrust was an important one in Bristol’.

The local council representatives interviewed were, in general, quite positive and optimistic about the new approach to community involvement. Councillors emphasised that there are now specific targets for deprived communities that local councils have to meet in conjunction with community representatives. The emphasis on this type of participation was seen as justified because many past schemes had not improved indices of deprivation. In the past local communities had not been directly involved; neither in changing their own lives, nor in taking independent decisions. Although the SRB programme was still in its infancy, councillors were confident that grassroots involvement and the greater credence given to the voice of each neighbourhood would lead to better results this time. The strength, robustness, and independence of the third sector in south Bristol, was an important factor.

These views would suggest a minor triumph for the new pluralistic model of governance and an endorsement of the powers of active social capital. However, council representatives also recognised negative aspects to the new order of things. The practice of consultation was often problematic. Consultation processes could be difficult to organise. There was a persistent risk that the groups consulted would express diverging opinions and so slow down progress. Even more critical was the risk of selfish behaviour on the part of one or more of the participating groups. In separate interviews two council representatives spontaneously commented on conflicts over one of the schemes to regenerate open land on the disused local airfield. A major house building development was viewed with favour by the residents of a poor neighbourhood located at one side of the site, but was strongly opposed by the residents of the more affluent area located at the opposite side. The latter group feared closer contact with the poorer and more disreputable neighbourhoods with the loss of the natural border of vacant land.

Significantly, voluntary organisations were also cautious in their assessment of the new bottom-up approaches. Despite the creation of VOSCA, said one representative of a local community partnership, the influence of the voluntary sector in the decision-making process is still limited. As this representative said:
‘There is consultation, we need participation. In the [ruling group on] Bristol council there are many councillors from South Bristol, so at present relations are good but this is by accident mainly’.

It was also claimed that this strategic deficit was reflected in VOSCA’s tactics. Rather than simply fighting for a specific outcome on a particular decision the grouping consults with all types of associations via the Internet and also fights to make sure that certain procedures are introduced and followed. VOSCA acknowledged improvement in the council’s involvement of the voluntary sector but thought that more was needed. Another significant weakness for the theory of governance through the involvement of voluntary association’s social capital was bureaucratic fatigue among members of the community partnerships. (Cf also Davies 2002b: 174). For one local activist the proliferation of urban schemes and projects promoted by different political bodies, means that

‘The voluntary sector spends too much time just understanding all the various schemes, preparing applications etc. There are currently 107 funding schemes from central government and a lot more European ones’.

Governance through social capital also came up against the constraints of more traditional principles of democracy. There were constitutional limits on the extent to which the council could devolve decisions to community bodies. In terms of the democratic accountability process, the council is an elected body, whereas other groups may have little or no demonstrable democratic mandate. Even though directed from above, by state and inter-state agencies and supplemented from below by the third sector, the council still retains the crucial and indispensable role in allocating resources. As an arbiter of resources the council must also take account of groups which are less vocal or less well organised than others. Council representatives saw their decisions as significantly constrained by its constitutional need to consider the wishes of other statutory bodies: the Regional Development Agency (RDA) and the national government (cf also Davies 2002: 311). So, council representatives could profess shared enthusiasm for the involvement of the voluntary sector as a ‘third leg’ of policy-making. Yet at the same time they could counter voluntary sector claims of
incomplete participation in decision-making by invoking the constraints placed on their decisions by constitutional considerations and the framework imposed by central government.

The RDA is referred to as a ‘non-governmental public body’ (Web-site REF) with an appointed, rather than an elected leadership. RDAs represent central government policy at regional level and have dominant influence because, at present, they and not government departments grant funding for urban and social regeneration schemes at local level. Participants in South Bristol’s regeneration schemes had jaundiced views of the character of the South West RDA. For one voluntary organisation representative, RDAs had failed to achieve their supposed remit to promote community needs.

‘The RDA is a terrible body to deal with. Although they are a little more helpful than a few years ago, there is still a long way to go. They are another power body and they have a lot of money’.

One councillor echoed this kind of assessment of the RDA culture by commenting that:

‘The RDA don’t like consultation, it annoys them. There is a lot of rhetoric about consultation but officers don’t like it. They are mainly chartered surveyors’.

Such interpretations are consistent with some academic critiques that have deemed RDAs as promoting a neo-liberal agenda, de-politicising regional policy and emphasising collaboration while downplaying conflict and blurring power relations (Gough, 2000).

So, in relation to the questions posed in the introduction, we can say that the case of Bristol shows that ‘institutionalisation ’ of networks and associations does partly authenticate institutional representation by existing grass-roots associations and initiatives. However, this participation is also checked by the exercise of constitutional and centralised authority exercised by local and central government. Hence promotion of citizens’ participation 'from above' was very much a mixture of success and failure.
Furthermore, because the time-scale of implementation is so long it is not possible to decide conclusively in whose interests the new governance is being pursued. Similarly it is not possible to say yet whether the outcomes will be more successful in regenerating local social and economic welfare. However, in contrast to the claims over the ‘win-win’ utility of social capital, what we can say is that this case confirms the emergence of different conflicts of interest amongst and within the various ‘partnerships’.

**Naples**

**Political Background**

According to Cilento (2000, pp. 65-7), Bassolino opted for a project of great visibility and symbolic value, able to attract attention and publicity of a positive kind at both local and national levels, in a form of ‘identity politics’. The regeneration plan had a number of distinctive traits that distinguished it from previous local government development policies. In terms of procedures there was to be an emphasis on traditional command-and-control planning tools, which were seen as the only way to keep private speculators at bay. In terms of content the plan contained a grand vision of a vast naturalistic, green space to occupy the site of the former Italsider factory. It included a long stretch of clean beach open to all with clear bathing waters to replace the pollution of the steelworks.

The approach adopted was due mainly to Vezio De Lucia, the architect responsible for planning in the Bassolino administration and the main source of the Master Plan for the Bagnoli steelworks. In an article in *Il Manifesto* (20 June 2001), De Lucia specifically singled out for condemnation the kind of contractual planning that favoured private initiatives, in which:

‘public and private projects and programmes do not need to comply with the norms laid down by the City Plan but, on the contrary, it is the Urban Plan which has to conform to the projects. This is a regressive line. We are faced with a powerful relaunch of property developing mystified as modernization.’

As for the ecological vision, the inspiration came from environmental associations. It did not replace the more traditional pro-industrial, pro-economic growth ideology of the left parties without some conflicts. It was thanks to Bassolino that many ex-
Italsider workers and trade unionists were persuaded to abandon the aim of merely replacing the old factory with a different one, in favour of new ‘post-industrial’ activities.

**Bagnoli: The Plan and the Reality**

Beyond the images and rhetoric of total renewal, however, the plan did try to reconcile environmentalism with a degree of economic development and employment creation, as can be seen from its detailed, but at times contradictory, proposals. The council was conscious of the need to offer at least some hopes of new jobs and economic activities, while presenting them as compatible with the grand environmental vision. Accordingly, the plan envisaged the creation of a yachting port for up to 700 boats - reduced to 350 in the *piano urbanistico esecutivo*. Also envisaged was: a conference centre at the margins of the main park, just behind the port, a music centre, defined as *Città della Musica*, right in the centre of the park and, at the opposite end of the conference centre, a science-cum-leisure centre known as *Città della Scienza*, located inland. The plan also envisaged the renovation of a few buildings which had made up the steelwork complex, as examples of ‘industrial archaeology’, the main one of which was the steelyard itself. Standing derelict at the centre of the envisaged park, this building was earmarked to host the music centre. Other developments outside the park were to include residential houses, industrial activities, sport, and tourist activities.

However, part of the coastline at Bagnoli is currently occupied by a number of buildings which form *Città della Scienza*. In other words, *Città della Scienza*, as envisaged by the City Plan, already exists, occupying 65,000 square metres, of which 45,000 are made up of renovated factory buildings. Unfortunately, it is located in the wrong place, since according to the Plan it should be found inland, not along the coast. The politics of this deviation from the Plan highlight the complications that even a ‘control and command’ type of planning can encounter from local private and wider political interests.

Reflecting the intrusion of the wider political structures, *Città della Scienza* had powerful patrons. The project had originated in a previous planning scheme for Bagnoli which had the backing of the Regional government and influential politicians in the national government. The region, governed by a centre-right coalition, had every interest in not being cut out from the Bagnoli project; which even a change of
political regime at the regional level did not affect. The centre-left gained the upper hand in the regional elections of 2000, with ex-Naples mayor Bassolino now becoming the new President of the Campania region. Bassolino took the opportunity of retaining influence at local level, becoming the major public shareholder in the new Città della Scienza company. The existing project was even dignified by a visit from the President of the Republic in early 2003. As was observed in the press, (Buffo, 2003) at the time of President Ciampi’s visit:

‘On the one hand, there is a piece of Bagnoli which is born, grows up and expands outside the planning law: whereas the urban plan envisages an empty coastline there is instead an architectural complex which not only is not under threat of being demolished, but is even celebrated by the top elective office in the country. On the other hand, there is a vast area which, for the last ten years, has been waiting to be reclaimed […] but nothing happens.’

However, although Città della Scienza, was the major presence and occupying interest but by no means the only one. To the left of Città della Scienza there is currently ‘a large unauthorised marina, which in the summer season expands massively with floating jetties’ (Forte and Di Dato, 2002).

The plan, as we saw, did envisage a port on the opposite side of the renovation area. The current port, therefore, would have to be dismantled, together with the accompanying ’borgo marinaro’ (marine village). The people working in this port do not have the political influence of a major complex like Città della Scienza. Nevertheless, they have also managed to find a patron at the higher level in the shape of Alleanza nazionale. This party from the governing coalition, is strongly opposed to Città della Scienza, partly because of its alleged links with Communist Refoundation. Thus it has made clear on various occasions that if that complex is not removed then neither should the marina.

Further along the coast at the other end of the renovation area, are two other activities. One of which, called the Arenile, was set up completely ex-novo after the closure of the Italsider. This is a leisure beach complex which at night becomes a music club; it was set up by Bagnoli locals with their own small capital investment fund and planning licence from the council, renewed every year. The Arenile helped to put Bagnoli on the map with its Rock Festival, organised every year and taking
place on the grounds of the Italsider complex, with thousands of participants. The paradox is that such initiatives could be seen as examples of the growth of social capital particularly since both Città della Scienza and the Arenile were part of a wider not-for-profit associations: IDIS and NESIS respectively. The counter argument is that they also represent an attempt by some, admittedly dynamic interests, to profit from the availability of the old industrial estate at the expense of the resources that should be more focused on the needs of the local community.

**Social Capital**

In Bagnoli, levels of traditional social capital had been high, linked to trade unionism and political participation. The neighbourhood’s working-class culture was for decades seen as a bright light in a city made up primarily of a rapacious middle class and a vast underclass (See G.Galasso, in Allum with Galasso 1978). Italsider’s Bagnoli plant was a symbol, much more than just a steelworks. As one ex-worker told us, the factory played a wide social role in Bagnoli and factory struggles were always linked to the locality and aimed at achieving a better quality of life for all residents, not just higher wages or better conditions for the factory employees. What remain today are remnants of associations that were once very active and socially rooted. However, there were differing opinions as to what were the social and political consequences of local de-industrialisation.

According to representatives of the Bagnoli neighborhood council, dominated by the parties of the left, social reality at Bagnoli was stark. They cited a noticeable increase in the number of psychiatric illnesses and much social marginalisation. Some people were able to look to the future, others were not, particularly those who had worked at Italsider and paid directly the price of that type of industry in terms of their health. Bagnoli has lost inhabitants, from 33,000 to 27,000. As well as the loss of Italsider jobs there was indirect unemployment effects by the ending of the many other economic activities that had gravitated around the steelworks.

However, representatives of Naples council representatives, also dominated by the centre-left parties, described a gradual process of plant closure with minimal social conflicts as a result of the gradual loss of jobs. In east Naples the process of de-industrialisation, involving the closure of a chemicals complex, had led to greater diffusion of criminality, this had not happened at Bagnoli.
The council’s master plan for the ex-Italsider steelworks was certainly a more imaginative scheme than might be expected from the ‘command and control’ centralism of traditional left-wing politics. However, the plan had been strongly influenced by the Green Party, and it was the opposition that criticised it for not putting job creation high on the regeneration agenda. Moreover the lengthy time-scale for the implementation of the plan and the very long time it was taking to reclaim the polluted site, allowed the various developments ‘from below’ described in the previous section.

Apart from the various initiatives of social entrepreneurism ‘from below’ – and outside the remit of the master plan – there were numerous local voluntary associations; but for various reasons their involvement in, and influence upon city planning appeared minimal. Representatives of local cultural and voluntary associations who were questioned approved of the council’s master plan but opinions varied as to the degree of public consultation that had been carried out and to the level of community involvement. According to the Naples council, Bagnoli is part of a European project for small and medium towns in which urban planning schemes would involve ample participation of the residents. However, this idea failed because each association stuck to its positions without entering the dialogue with a constructive attitude. The council argued that in (southern) Italy there is a culture of ‘demand and request’ and, sometimes, of protest. What is lacking is the ability of local associations to organise themselves as societies with specific aims, capable of becoming partners/protagonists. Associations exist but do not possess either the know-how or the experience to take on the role of protagonists. Furthermore, Italian cities do not have sufficient services, infrastructures, or green areas. There is also a tradition in Naples of urban speculation on the part of building contractors that has despoiled several prime sites. Putnam’s positive view of associations and citizens’ involvement would have been viewed with suspicion by representatives of the Naples Council. These pointed out to us the destructive effects of unplanned development and unregulated civil society influence under previous administrations.

For this reason council representatives argued that there must be a phase of detailed planning carried out by the council alone without outside interference. According to a representative of FORUM - an umbrella organisation of voluntary groups in Bagnoli — the town found itself faced with strong central decision-making (Councillor De Lucia from the Naples Council), accompanied by abstentions in the
periphery (Bagnoli). The associations had no compelling reason to intervene and participate: many were appendages of the Council. The initial consultation that did occur was not followed up at a later stage. Social capital was built on trust. But precisely because many left-wing associations in Bagnoli did trust the new left-wing local administration the high level of trust diminished participation. The grass-roots groups ceded to the Naples council decisions involving the master plan.

Furthermore, unlike the British case outlined above, the Naples council had fewer constraints ‘from above’. It did not have to implement government guidelines. Indeed the stance of the central government was one of non-interference, even though it had provided the funding to decontaminate the works. However, this was partly because the Bagnoli masterplan was established when the parties of the left also dominated the central government. Since the election of a centre-right government in 2001, tensions between this government and the Naples council have greatly increased. Keen to see more private sector involvement the centre-right government has threatened to cut all funds to the council if business does not become more directly involved in the Bagnoli regeneration scheme. There is also a centrally empowered development agency which is superficially analogous to Britain’s RDAs and is involved in aspects of the Bagnoli redevelopment. However, the regeneration role of this body, *Sviluppo Italia*, is confined to re-skilling and the promotion of small-scale economic development. These policies were largely independent of the council’s own plans, even though some degree of co-operation was being sought by the two bodies.

Overall the Naples-Bagnoli case reveals only limited degree and impact of the ‘institutionalisation’ of the networks and associations making up local ‘social capital’ in regeneration. The associations and networks had little involvement in setting key aspects of the plan, despite several of them being institutionally linked to the ruling political group on the Naples council. Indeed it was precisely because many of the associations had industrial-era links with the ruling left parties that they had little by way of an independent role. Moreover the politicians’ concern to shake off the formerly dominant and regressive influence of local business led to a re-assertion of the independence of the council from civil society organisations - an autonomy legitimated by their putative, superior democratic mandate.

As with the Bristol schemes the lengthy time scale for redevelopment makes it difficult to assess the success of the outcomes in relation to local needs, interests and
aspirations. For the moment the power to affect these rests with a city council which is largely independent of central government but also detached from any meaningful ‘networks of governance’ at local level. Whether it *should* play a more decisive role in building up and strengthening local social capital is a question that has not appeared on the local political agenda. Nor, unlike Britain, is it being actively promulgated by central government.

**Implications and Conclusions**

At the outset of this article we raised three critical questions that related fashionable topics of social capital and networks of governance to the ways in which economic development was being pursued through urban regeneration schemes. The broadest question concerned the variations in the levels of government controls and activity in an international climate of more decentralised planning. What differences in the conduct of regeneration policies result from differences in the governmental and governance structures between European countries?

Our second concern was with the extent of devolution to local communities and the nature of interest representation. In whose interests are powers really being transferred to ‘networks of governance’ at local level in pursuit of urban and social regeneration? Are outcomes more successful or are there more or different conflicts? The third question asked how far, and to what effect, does the ‘institutionalisation’ of the networks and associations making up local ‘social capital’ in such schemes, *either* authenticate (institutional) representation by existing grass-roots associations and initiatives, *or* promote citizens’ participation ‘from above’?

Taking these questions in reverse order, the evidence on strategies and outcomes suggests that the possibility and desirability of ‘institutionalising social capital, and promoting active citizens’ participation ‘from above’, shows that quite different processes entail similar problems. The Bristol case exhibited many of the positive features associated with authentic involvement of civil society organisations in institutionalised processes. The council had come to believe firmly in the virtues of consultation and participation with only partial reservations. This stance was partly in recognition of local political realities. Innovative and radical strategies were needed to combat the widespread feelings of cynicism, mistrust and disaffection of south Bristol residents towards state and political institutions, including the local council. The strategies were facilitated by the high levels of social capital and the aspirations for
greater involvement amongst the associations and their representative bodies. The voluntary sector was already well organised and not prepared to cede all decision-making to the local authority. It thereby contributed to what appears to be a high level of consultation and participation. In the South Bristol Community Partnership the voluntary sector appeared able to influence the regeneration project and to fight for their own objectives. However, it remains to be seen whether this new approach will have the desired effects in terms of combating social exclusion and deprivation. It may also be the case that, as was said of a community association in the South Bronx, 'its capacity for action was greatly assisted by the fact that its location, in an undesired site, has thus far protected it from becoming a contested object of real estate desire' (Abu-loghod, 1998).

At the other extreme, the Naples local council did not believe that it was either possible or desirable to institutionalise social capital in their scheme for regenerating the Bagnoli area (ex-steelworks). They were mainly concerned to keep private interests at bay (especially the building speculation lobby) and judged local associations and the third sector in the city to be too weak vis-à-vis the powerful private sector. They considered themselves as the only democratically elected body and therefore the only body which should take decisions in the interests of all residents and citizens. The position of the Naples Council can be defined as statist, and there were also elements of an enlightened rationalist approach.

The problem with this position was that it was confusing the rules of the game with the game itself. However, the rules were defined in the abstract, and the game started to be played with little reference to the rules themselves. While property speculators have (so far) been kept successfully under control, other social actors have succeeded in carving out a space for themselves by linking up with tiers of government other than the local council and by simply ignoring the masterplan. This has the effect of undermining democratic transparency in a way which is contrary to the council's intentions.

Their position has incurred (limited) criticism from local activists and academics: 'The administrative revolution of these years has focussed upon the public-private networks inherited from the Pomicino era, and there is a tendency to justify the new urban approach precisely with the need to undo the links established in that period. The impression is that an old vice of southern progressive thinkers is being perpetuated: putting the generals before the soldiers, politics before society, the
head before the body [...] What is needed is a democratic reform built from the body as well as from the head of the city' (Ceci and Lepore, 1997, pp. 116-7).

Our second focus was on the extent of the transfer of powers to ‘networks of governance’ at local level in pursuit of urban and social regeneration and in whose interests the role of these networks was working. How even or uneven was the distribution of power between these networks? Whatever the emphasis on ‘community’ and ‘collaboration’ and despite the rhetoric of participation and ‘partnerships’ it is clear that issues of conflict and power remain. Consequently, any shift towards a ‘post-modern’ approach to urban planning and regeneration, is not necessarily accompanied by a successful de-politicisation and neo-liberal agenda – at least not without a struggle. Local governance may actually open up new possibilities and new spaces for social actors to mobilise. As Gough (2000, p. 14) remarked, ‘conflict may initially take the form of pressure, not from trade unions, but from community groups’.

The prospects for conflicts may be higher amongst the more diverse participants in contemporary forms of governance. Even in the more constitutionally orthodox Naples case local groups sought advantages by securing patronage from still higher levels in the political system. Thus, rather than promoting civic virtues local initiatives may favour exclusion or intolerance. These instances would substantiate the argument that the concept of ‘civil society’ is not unproblematic (Douglass and Friedmann, 1998). There is also a risk of ‘fatigue’ as to the number of projects local voluntary associations are asked to be involved in, and of excessive competition for funding among disadvantaged neighbourhoods (Carley and Kirk, 1998).

The issue of whether the Naples council’s strategy embodied a more general expression of local interests brings us back to our first question, concerning the role played by different tiers of government. In the UK the hand of the state is both visible and decisive. All funding coming from the state via the RDAs has strings attached. The UK system is patently hierarchical, with the planning system following a centralised approach (Allmendinger, 2001). By contrast in Italy, co-ordination is the result of voluntary co-operation between different actors rather than being prescribed from above, although this arrangement risks replicating initiatives. Regions play a role in both countries but this differs substantially. The regional authorities in England operate much more as arms of state policy making than do the fairly autonomous regional governments in Italy.
Yet, paradoxically, grass roots participation depends on the strength and nature of the relationship between central government and the local one. In Britain the state, via the RDA, has bound the local government into its conditions for governance and participation. Because these emphasise local partnerships and networks the council is willing, indeed needs to, work with the local organisations. Fortunately for South Bristol, the quality of this enforced co-operation was helped by the sympathies of local councillors. In Naples, by contrast, the local government has had more autonomy and is also able to count on the residual loyalties of the old labour movement organisations to dictate much of the agenda without much participation. However, the local, provincial and regional tiers of government have to some extent overlapping responsibilities and the Council is not the sole government actor at local level. This opens up space for a complex interplay between different levels of government and different socio-economic groups. This situation also explains the difficulties incurred by the Naples Council in its rational, top-down approach to planning and regeneration.

In terms of democracy, the British practice can be defined at best as ‘managed’ participation because the parameters are so closely set by the state. The enhanced role of local social capital in Bristol was thus achieved by the state continuing to erode the discretionary powers of the local council. In Naples, on the other hand, the local associations had only weak inputs but local democracy was strengthened by the greater autonomy practised by the council, which had the scope to decide how much, if any, influence should be ceded to civil society. One may therefore ask whether ‘governance through social capital’ constitutes a distinctive gain for local democracy if it is achieved by strengthening the highest tiers of government at the expense of the lowest.

The research has also highlighted the need for models of participation and partnership which take fully into account the different interests and power of the various partners rather than assuming that they all work collectively for the public good. This can only be done if partnership systematically promotes genuine participation by a vast range of local groups and associations rather than a small circle of influential élites.
References


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