

# Territorial Development and Metropolitan Areas: Transformations in the Last Decade



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## Introduction

This paper deals with the change in industrial development in Italy over the last decade and, in particular, territorial redistribution of industrial employment. By studying information made available by the last census taken by the Italian government, it should be possible to check two hypotheses introduced in recent years on the regional restructuring of industry in Europe. The first one has to do with the globalization process and the emergence of new industrial countries and regions in the world, while the second concerns the new role of metropolitan areas in developed countries through the presence of new sectors and urban functions. The goals of this paper are hence: (a) to analyse evolutionary territorial trajectories in economic transformation to understand the role of core and intermediate regions and local productive systems, with a focus on resilient regions in periods of crisis; (b) to analyse trajectories in metropolitan areas in Italy and especially in the Milan metropolitan region.

## Regional Development Models and Effective Transformation

The historic regional development waves in Italy, but also in other industrialized European countries, consisted in at least three different phases in the postwar period:

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- (a) The long phase of regional and urban concentration which marked the 1950s, 1960s and beginning of the 1970s;
- (b) The phase of regional diffusion and decentralized industrialization with the formation of local productive systems (late 1970s, 1980s and beginning of 1990s);
- (c) The phase of deindustrialization in Europe since the late 1990s which stopped the regional diffusion with the emergence of new phenomena (the resilience of some agro-industrial areas) that have not yet been completely clarified.<sup>1</sup>

We will try to introduce a simple deconstruction exercise on regional and local and territorial change in industrial and total employment in Italy in order to offer some groundwork for a new interpretation of regional trajectories over the last decades.

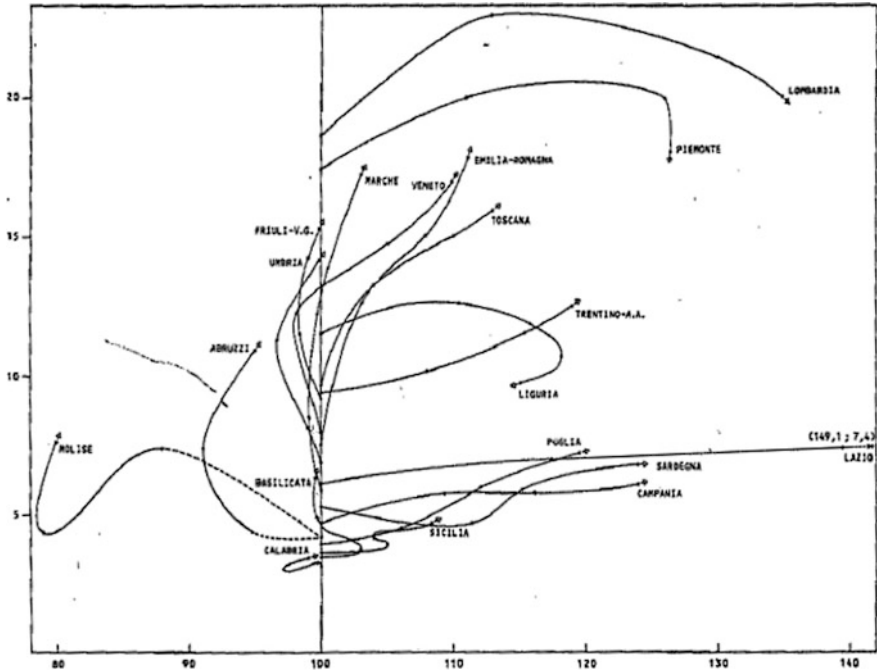
We will start re-proposing an old figure which helped the interpretation of the restructuring of regional development in Italy in the 1970s and 1980s (Fig. 1). The figure presents the regional waves in industrial development in Italy from 1951 to 1981, showing the relationships between the industrial employment rate and total population in the different regions. It is quite clear that the increase in industrial employment in the northwestern regions in the first two decades is caused by the immigration of large quantities of labor and population from other regions. In the meantime the northeastern and central regions were mainly reducing their population; whereas the southern regions and Lazio were expanding their population, with a stabilization of the industrial employment rate. The figure presents the different waves during the 1970s, with the emergence of industrial employment (with sharp increases in the industrialization rate) in most of the northeastern and central regions (without a great increase in population) and the reversal of industrial development trajectories in the northwestern regions, very strong in Liguria (even with a decline in population) and in Piedmont (with stabilization of the population), but also with a reduction in the industrialization rate in Lombardy.

Figure 2 presents a very different scheme in regional development, with a significant decline of industrial employment rates (in some cases even with a reduction of total population). Only in a few regions (Veneto, Emilia-Romagna and Marche) has the process of industrialization continued smoothly into the early 2000s. However, in the last decade, even these regions saw industrial decline.

Figure 3 presents the differences of manufacturing employment rates by province to give a clearer picture of territorial differences and trajectories in development. The employment structure was quite similar within northern and central Italy at the beginning of 2000s, with the exception of Liguria and Lazio and some

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<sup>1</sup>The territorial novelties are different in this period: agropolitan development (Friedmann and Weaver 1979) in some cases and urban and metropolitan recovery in some other cases. A lot of research projects and works have been launched over the last years during the great economic crisis, looking at the opportunities for economic resilience or at new forms of metropolitan and urban development; but it is still difficult to reach a general shared interpretation on the main changes.



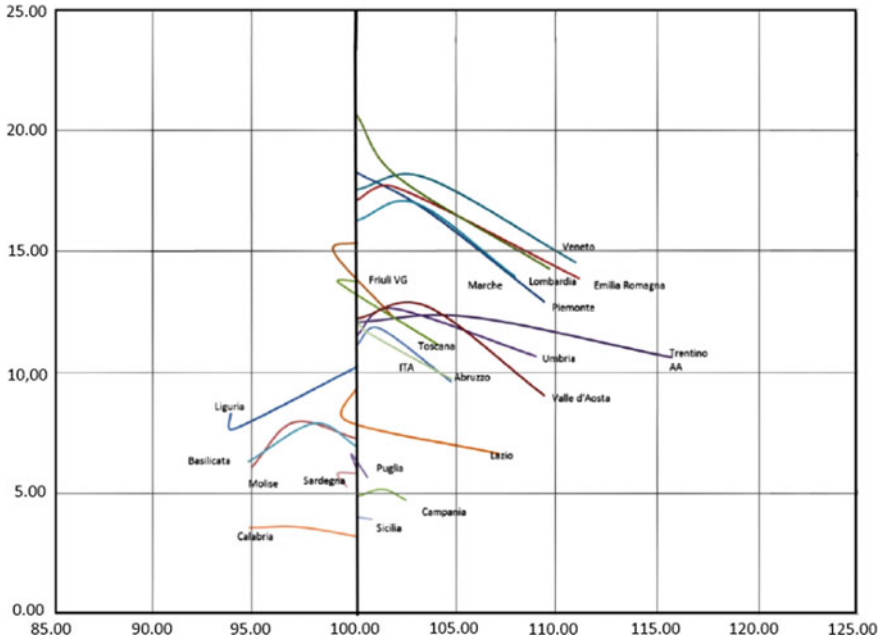
**Fig. 1** Regional development trajectories in Italy (1951–1981). Industry employees per y 100 inhabitants (y axis); resident population compared to 1951 = 100 (axis x). *Source* Becattini and Bianchi (1982)

mountainous areas, which show a low rate of manufacturing employment. Considerable territorial differences arose during this decade because the situation in 2011 was very fragmented. Few provinces are still manufacturing-oriented (some provinces in Lombardy, Emilia and Veneto and only one province in the Marche region). This is most likely the consequence of a general restructuring of Italian industry, but with different paces and capabilities in catching opportunities in the various provinces and territories, perhaps due to poor policymaking. We will try to better understand these points through a more precise analysis.

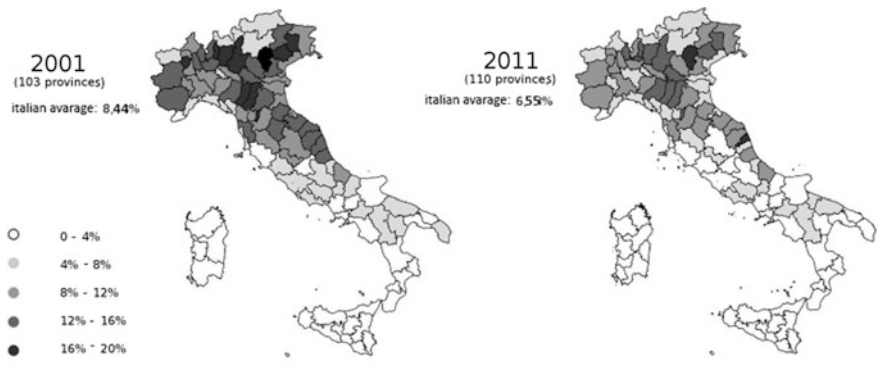
I would like, in any case, to advance some hypotheses which could explain Italian employment trends in the last 15 years, just to clarify the methodological approach in the following section of the paper.

The main hypotheses are:

- (a) The “core” of Italian industry, as well as the “core” of industrial districts, are moving towards a process of decline;
- (b) Some strategic errors were made in the Italian economic system, such as the undertaking of delocalization and outsourcing processes during the 1990s and 2000s, which produced negative effects both on manufacturing employment and contributed to the destructuring of a once close network of relationships



**Fig. 2** Regional development trajectories in Italy (1991–2001). Industry employees per 100 inhabitants (y axis); resident population compared to 1991 = 100 (axis x)



**Fig. 3** Rate of manufacturing employment in Italy by province (2001 and 2011). The national average of manufacturing employment out of the total number of residents was 8.44% in 2001 and 6.55% in 2011

- among local firms, especially along the productive “*filière*” between sub-suppliers, suppliers and final firms;
- (c) The firms’ strategies, in a lot of areas, became increasingly oriented towards labour cost reduction and price competitiveness, whereas in the past decades

firms were not prevalently oriented towards price competitiveness (in coherence with the model of the industrial district) with their attention directed towards quality production and innovation (especially through the enlistment of new professional competences);

- (d) All this caused the lack of coherence of the national economic policy with the structural organization of Italian industry and a lack of governance of the restructuring process of territorial productive systems. This effect has resulted in a lack of awareness of the logical links between economy, society and territory (and of the role of external economies). These were the forces of decline that produced a progressive destruction of manufacturing employment in Italy.

I will start to show the employment dynamics during 1990s by trying to check the existence of different trajectories in industrial districts and in the rest of the Italian economy.

Table 1 already shows the existence of a divide in the trajectories of the two groups of areas during the 1990s. Even though the re-localization processes already started in the middle of the 1990s, industrial districts maintained their level of manufacturing employment, whereas other areas lost 10% of their manufacturing employment in ten years. Service sector employment increased at higher rates in industrial districts compared to other areas (cf. Table 1). This demonstrates that industrial districts achieved better performance than other areas of the Italian economy during the 1990s.

Now we will try to understand what happened in territorial development in Italy during the first decade of the 2000s, using the census data.

It is important to remember the typical size structure of Italian industrial firms didn't change dramatically during this decade. The process of employment share reduction in large firms (and even in medium-large firms) continued between 2001 and 2011, and the Italian economic structure (especially in industry) became more and more oriented toward SMEs and MEs (even in terms of exports) (Garofoli 2014).<sup>2</sup>

**Table 1** Employment dynamics (% change): industrial districts versus the rest of the Italian economy (1991–2001)

	Industrial districts	The economy's remainder
Manufacturing	-0.7	-10.0
Production services	97.7	88.1
Financial services	13.3	0.9
Transport and logistics	17.6	3.8

Source Elaborations on Istat, *Censimento dell'Industria e dei Servizi 2001*

<sup>2</sup>The “performance”—size question (both for economic efficiency—VA/L—and profitability—NOM and ROI) shows the lack of a positive direct relationship with firms' size (the statistical results show an inverse relationship) (Garofoli 2013).

This section deals with the dynamics of territories and industrial districts at the provincial level using databases. To understand the existence of different trajectories at the territorial level, we analysed the dynamics of total and manufacturing employment and tried to understand what kind of relationship, if any, there is between the dynamics of employment and the degree of specialization of different areas.

The relation between the rate of change of industrial employment and productive specialization (measured using the normalized industrial employment index at the beginning of the period) will be shown in the following figures. The relations will be shown for the following sectors: total extra-agricultural employment, manufacturing employment, and that of the food sector, textile & clothing, mechanical engineering and furniture sectors. Comparing the information on each province and of specific industries like textiles, mechanical engineering and furniture will provide rough insights into the the dynamics and performance of industrial districts.<sup>3</sup>

There is a lack of relationships between the two variables (rate of change and normalized employment) both for total extra-agriculture employment (cf. Fig. 4) and for manufacturing employment (cf. Fig. 5): the distribution of the provinces is absolutely stochastic and employment growth figures are completely unassociated with the degree of specialization.

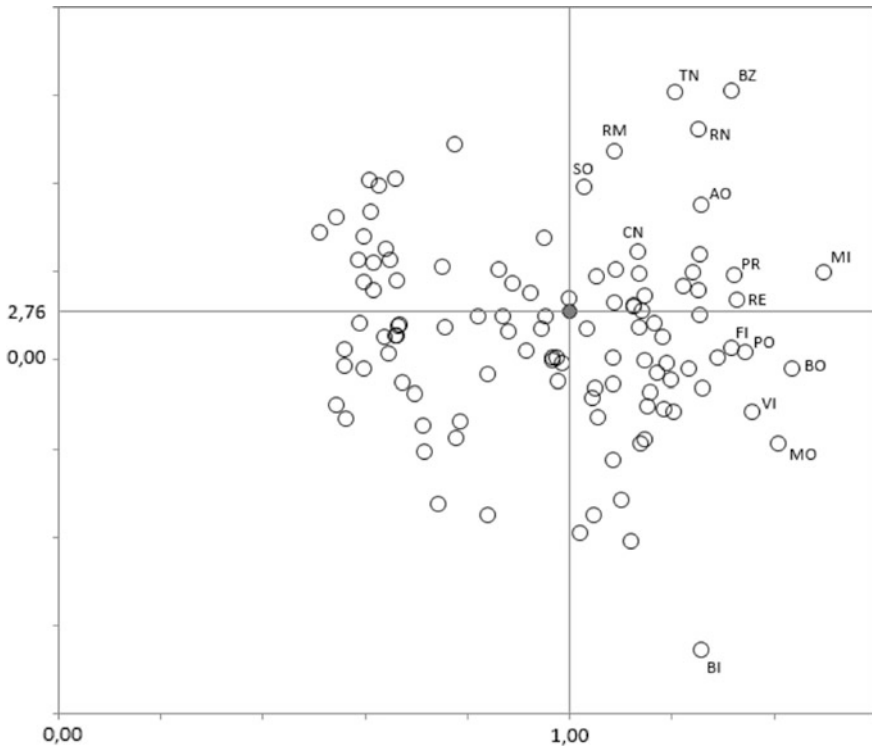
The following figures represent trends in industrial districts, taking into account specific specialization in manufacturing branches like food, textiles, mechanical engineering and furniture. The cloud of points is very wide, and the arrowhead in the areas of specialization is obviously much sharper, but again the figures show an absence of a direct relationship between the two variables (employment change and degree of specialization) for all the manufacturing branches (cf. Figs. 6, 7, 8 and 9). Moreover no differences exist in employment performance between industrial district provinces and other provinces, whereas large differences are present even between different industrial districts specialized in the same manufacturing branch. What is surprising is not only the difference in performance among specialized areas but even (and especially) because there is a great divide in the same industry (cf. the furniture industry) and in the same small region (Friuli-Venezia Giulia). This means performance differences depend on different firms' strategies more than on wage squeeze and labor market conditions.

### *Some Specific Comments*

This section of the paper clarifies the existence of some interesting relationships between a territory's features and economic performance which characterizes regional development in Italy over the last 10–15 years.

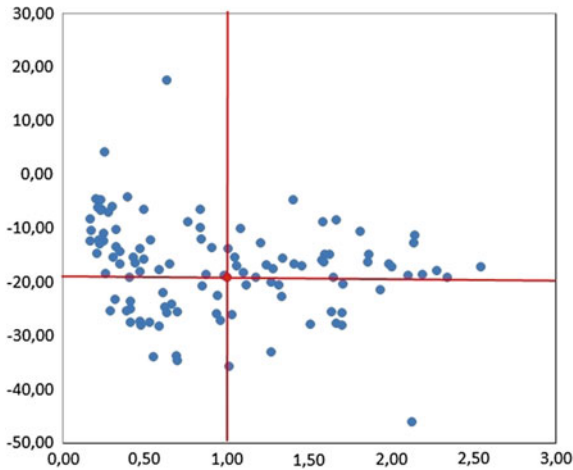
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<sup>3</sup>Even if industrial districts cover usually only a part of the total province, the specific industrial employment of the industrial district usually covers 90–95% of the province's employment in the specific industry. We made test studies in some specific industrial districts and obtained very similar results.



**Fig. 4** The relationship between the rate of change of extra-agriculture employment between 2001 and 2011 (y axis) and normalized extra-agriculture employment in 2001 (x axis). The figure shows a lack of any association between the two variables: the highest values of total employment rate were reached in the provinces of Milan, Bologna and Modena, but in two of them the rate of change has been negative. The highest values of change in the decade were reached in Bolzano, Trento, Rimini and Rome but, at the same time, provinces with similar normalized employment rates obtained negative rates of change. In mountainous areas, not only in Trento and Bolzano but also in the provinces of Aosta, Sondrio and Cuneo, performances were positive

1. In the last 10–15 years industrial employment dynamics have been negative not only on a national level and in Italy's historic industrial regions, but also in other Italian regions. Moreover, the negative trend of industrial employment occurred both in areas characterized by the presence of large firms and in areas whose economy is based on small firms and on industrial districts. However, this doesn't mean industrial districts have become an old and dated industrial organization model, because a more accurate analysis could probably demonstrate something strange happened in the firms' implementing cost reduction strategies rather than upgrading on knowledge and competencies required for quality production and innovation.
2. A territorially disaggregated analysis helped to show the existence of a clear divide between industrial districts (and other areas) that were able to maintain

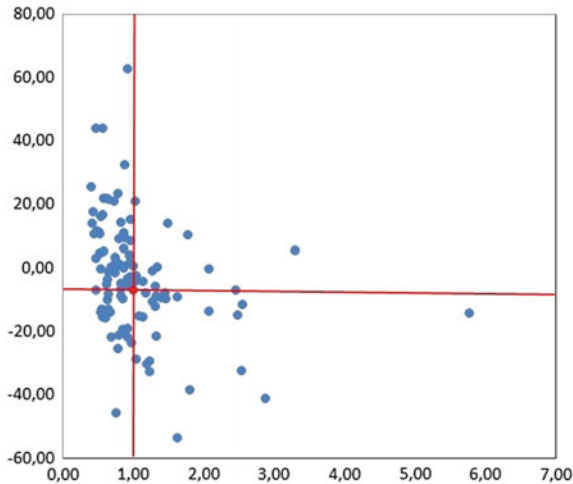


**Fig. 5** The relationships between the rate of change in manufacturing employment between 2001 and 2011 (y axis) and normalized manufacturing employment (x axis). No relationships between the two variables exists, with drastically differing performance in various provinces: the cloud of points is very large both in the area over and in the area under the national average in the change rate. The drop in manufacturing employment is quite high at the national level (very close to 20%) with the best performing provinces attaining a reduction around 10%. The most resilient areas have been Cuneo, Parma, Pordenone, Reggio Emilia, Padua and Mantua among the most industrialized areas, and Piacenza, Sondrio, Trento and Rimini among the medium industrialized areas. The most industrialized areas (Vicenza, Prato, Modena, Treviso, Lecco) present performance very similar to the national average

employment and the crucial networking and division of labor along the productive “*filière*” within the district through coherent positioning on international markets, on one hand, and, on the other, industrial districts (and other areas) which preferred to keep competitiveness on some final firms with outsourcing strategies and the destruction of once close local network of inter-firm linkages.

3. This change in perspectives and in strategies produced some interesting contradictions in relation to standard regional development trajectories:
  - Employment has increased, and the local productive systems linked to the agro-food production are getting stronger. These local productive systems are more and more oriented towards production quality and towards the protection and valorization of “typical products” (DOP; OGP) (as per the case of Alba and Langhe in Garofoli 2011), and this also explains the role of the perception of the strict relationship between the territory’s quality and quality products;
  - Some areas and regions emerge in the process of regional development in Italy to show a great capacity of resilience, maintaining the level of employment. This phenomenon seems linked to the existence of a shared development strategy, based on territorial identity and on a high level of

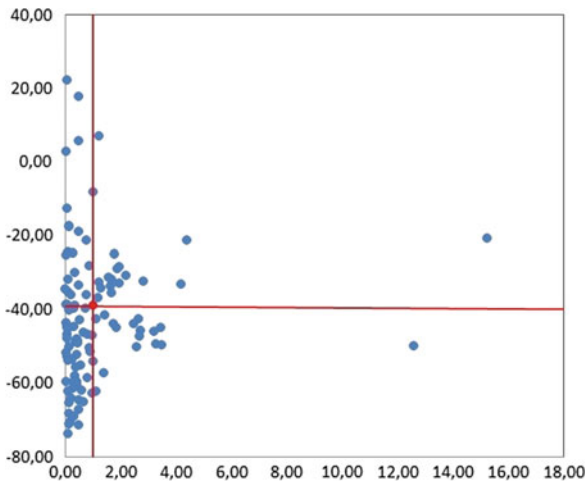




**Fig. 6** The relationships between the rate of change in food sector employment between 2001 and 2011 (y axis) and normalized food employment (x axis). The figure shows the distribution of different provinces, comparing specialization in food and performance in food employment. Again the figure shows the absence of any direct relationships between the two variables. In the provinces of Bolzano, Sondrio and Cuneo the performances in food employment are quite good (with an increase in food employment), whereas in other specialized areas (like Ravenna, Ferrara, Forlì-Cesena and Piacenza) performance rates were negative. Very good performance was achieved even in areas like Vercelli (with a specialization similar to the national average) and in Caserta (with a lower food employment normalized rate). Other three areas with the highest food employment rates (Parma, Cremona and Mantua) present a change rate in employment similar to the national average. But what seems more important is the increase of food employment in some mountain areas (Bolzano, Trento, Sondrio and Cuneo) already indicated in Fig. 5. These present a very well-integrated agro-industry sector based on the quality of local products and conditions (with protection and valorization of environmental and landscape resources, (Garofoli 2011)

local solidarity. The behavior and the employment dynamics of jointly liable communities—especially in mountainous areas—confirms these territorial features, often linked to the widespread practice of social entrepreneurship (cf. the areas of Bolzano, Trento, Sondrio and Cuneo). These positive dynamics allow the emergence of a new typology of local productive system based on a close relationship between territory and social liability;

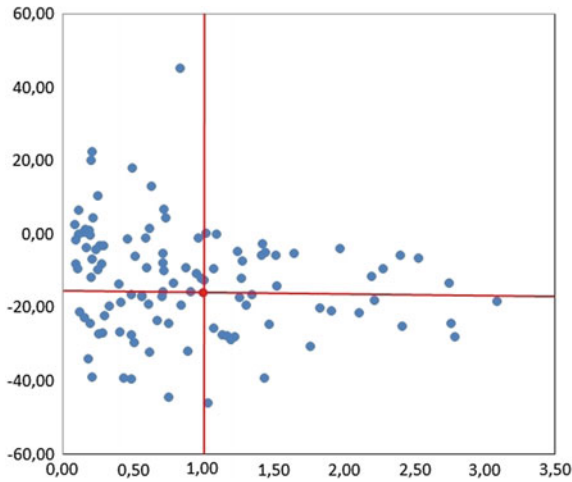
- Some areas have lost their territorial identity and the citizens' and firms' feeling of belonging to a local socio-economic system: this is especially clear in the areas most affected by “outsourcing” processes and cost reduction strategies. The downgrading of the productive system produced a dramatic drop in employment (often as much as 50% of those employed) in the last 10 years;
- Employment is largely stable in clothing, leather goods and footwear production in Florence and Milan thanks to the quality production of some famous brands and to the strong image of the territory, whereas employment



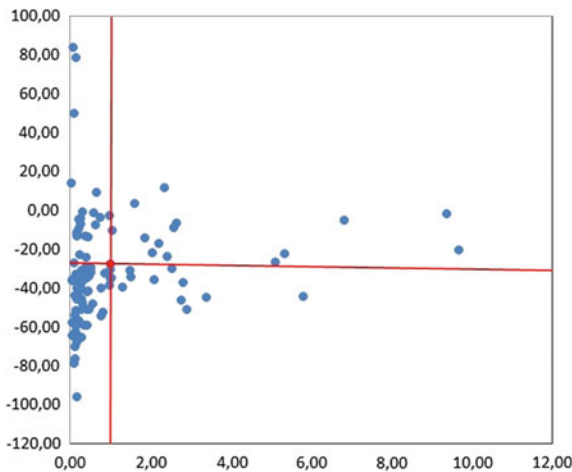
**Fig. 7** The relationships between the rate of change in textile and clothing employment between 2001 and 2011 (y axis) and normalized textile and clothing employment (x axis). Again there is no relationship between the dynamics of employment and specialization. The cloud of points is very wide, and the arrowhead in the area of specialization is obviously much more sharpened. The most specialized areas (Prato and Biella) show differing performance: better in Prato (Even though the performances are similar if one only considers the textile industry. The difference between Prato and Biella is entirely due to the huge increase of employment in clothing industry firms, which doubled in ten years; this is especially due to the section of firms belonging to Chinese entrepreneurs.) and worse in Biella in relation to the very bad national average rate of employment change in the last decade. Analogous performance divergences have been obtained by other specialized textile areas: better performance (in comparison with the national average) occurred in Mantua, Como and Florence, whereas worse performances occurred in Vicenza and Treviso and in depressed southern localities like Teramo and Lecce

in the same sectors dropped significantly in Lecce and in Teramo (in southern and relatively poor areas and regions, with lower wages and “loose” labour market conditions). This shows that the “neoclassical” positions—particularly popular among some scholars and among a lot of entrepreneurs—have been completely belied by facts and economic dynamics;

- Some ambiguous cases exist (for instance Vicenza and Treviso in the Veneto region) which showed a huge drop in employment in some industries (textiles/clothing) but a resilience in the mechanical engineering industry. This dual behaviour seems to be determined by a different strategy used in the two industries. The first industry was affected by the cost reduction strategy of “outsourcing” production, whereas the second industry was obliged to maintain local employment due to the strategic role of “savoir faire,” professional skills and productive integration (and complementary competences) among firms which are a must for the construction of complex and quality products.



**Fig. 8** The relationships between the rate of change in mechanical engineering employment between 2001 and 2011 (y axis) and normalized mechanics employment (x axis). The figure shows that territorial specialization doesn't matter for employment performance. Vicenza, Pordenone, Reggio Emilia and Modena perform better, whereas Turin, Milan, Asti and Verbano-Cusio-Ossola perform worse in relation to the national average. Other specialized areas (Lecco, Brescia, Bologna and Varese) perform just like the national average



**Fig. 9** The relationships between the rate of change in furniture employment between 2001 and 2011 (y axis) and normalized furniture employment (x axis). This figure makes even more explicit this lack of relationship between employment performance and specialization in the furniture sector, because among specialized areas Pordenone and Treviso perform well whereas Udine (i.e. the Manzano district), Matera and Bari (i.e. the Santeramo-Matera district) perform poorly, worse than the national average. By contrast, in the provinces of Pesaro and Urbino and in the Como-Brianza district performance is on a par with the national average

**Table 2** Employment change (%) in Metropolitan Areas (2001–2011)

Metropolitan area	Total	Manufacturing
Milan	+5.0	−27.3
Turin	−2.8	−23.9
Rome	+11.9	−10.5
Naples	+2.0	−16.9
Florence	+0.8	−18.2
Venice	−0.6	−24.4
Bologna	−0.4	−18.3
Italy	+2.8	−19.1

## Evolutionary Trajectories in Metropolitan Areas

We can now analyze the main changes in the metropolitan areas of Italy in the last 10–15 years. After a brief general analysis of the changes in different Italian metropolitan areas, the attention will shift to focus on changes in the metropolitan area of Milan.

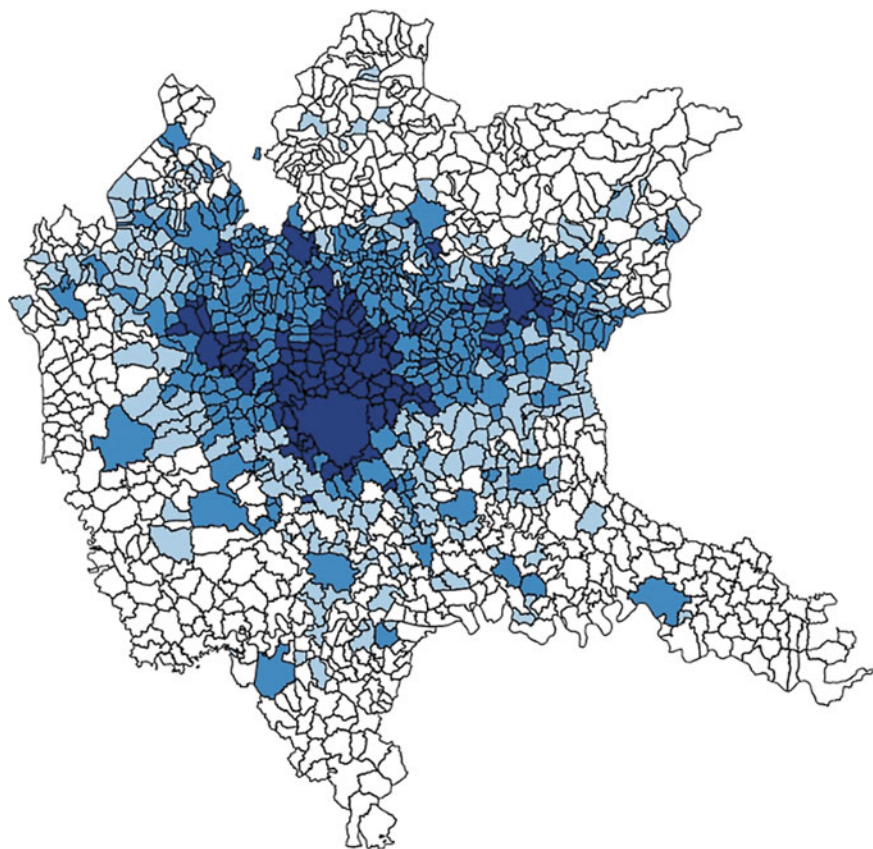
The dynamics of employment in metropolitan areas in Italy, does not present better performance in relation to the national values for either total employment or for manufacturing employment. The values of employment changes differ among the various metropolitan areas: only Rome and Milan present a better performance for total employment in comparison with the national average, and only Rome and Naples present better performance (albeit with negative rate of growth) for manufacturing employment in comparison with the national level, whereas Milan and Turin present very negative performance for manufacturing employment (cf. Table 2). This simple table is already sufficient to eliminate the hypothesis of an urban and metropolitan recovery over the last 10–15 years.

We can consider the Milan metropolitan area in more details.

### *Changes in the Milan Metropolitan Area*

Several changes occurred in the Milan Metropolitan Area (MMA) over the last decades, and especially in the last one. Here it is necessary to address some crucial issues which concern the extension of the metropolitan region, the type of relationships between the inner part of the region and the peripheral ones, changes to economic functions, and new conditions in the metropolitan labour market.

The extension of the Milan Metropolitan Area (MMA) is quite large, because it includes most of the Region of Lombardy and even some of its neighbouring provinces (Novara and Verbano-Cusio-Ossola in western Piedmont) (cf. even the OECD definition in OECD 2006). Resident population density is very high in the inner part of the region (cf. Fig. 10), whereas the dynamics of both resident



**Fig. 10** Density of resident population in Milan urban region. The average density for the Urban Region is 534 in./Km<sup>2</sup>. The lightest colour of the maps refers to a value lower than 250, the darkest colour refers to a value greater than 1500

population and working population are stronger in the peripheral areas of the MMA,<sup>4</sup> especially in the southern and eastern areas (cf. Table 3; Figs. 11, 12). Population growth is therefore higher in peripheral areas than in the inner part of the MMA, and this also explains the progressive extension of the MMA.

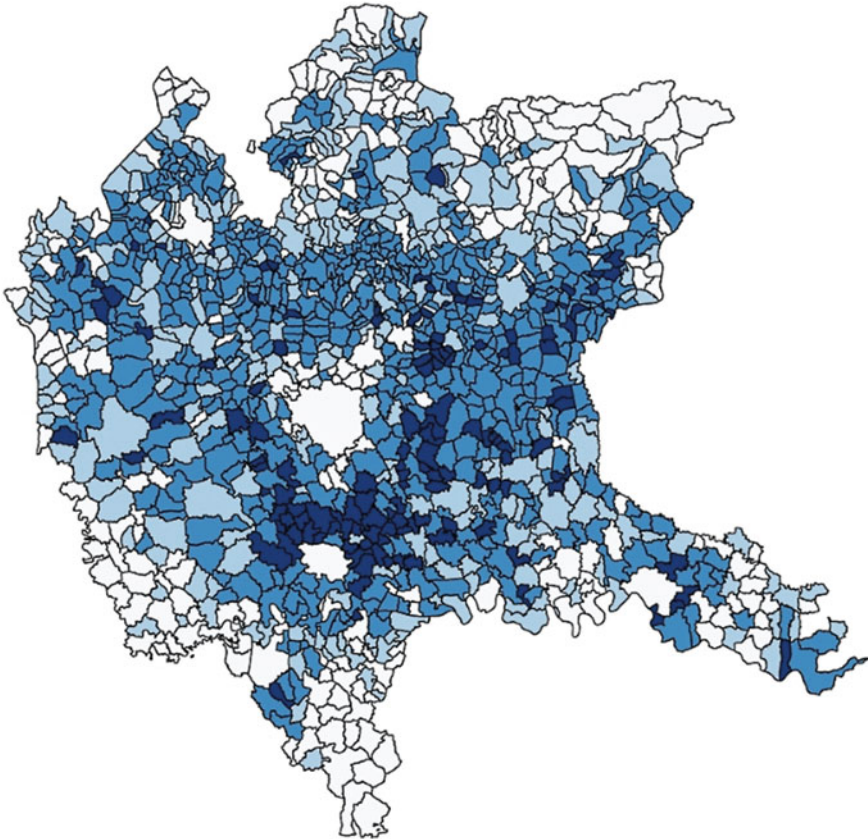
However, it is interesting that, at the same time, peripheral areas attracted most of the working population, whereas the dynamics of employment is directly linked with the centrality of the MMA (Table 4; Fig. 13). Table 4 clearly shows the

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<sup>4</sup>In Tables 3, 4 and 5 the data for peripheral areas of MMA are referring to the four areas (Vimercate; western Brianza, Magentino-Abbatense, Adda Martesana) which present the highest values of demographic change (within the 11 areas of the restricted definition of MMA, within the narrow limits of the provinces of Milan and Monza-Brianza) in the period 2001–2011.

**Table 3** Demographic changes in the Milan Metropolitan Area (2001–2011)

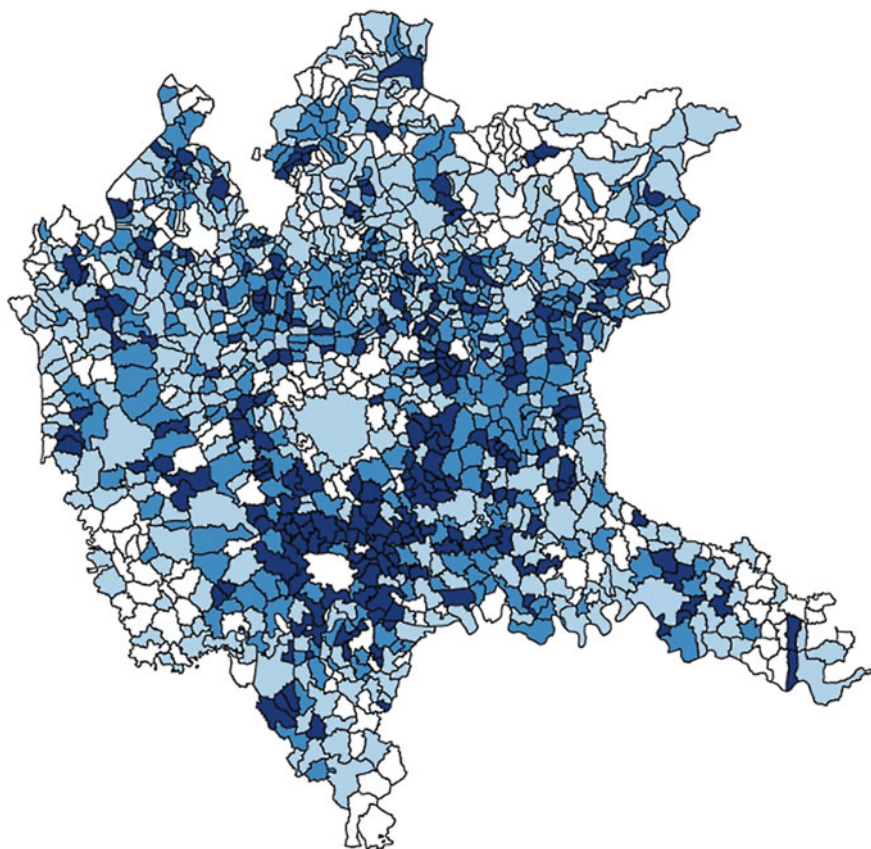
The Municipality of Milan	-1.1%
The Province of Milan	+3.3%
The urban region	+6.9%
4 Peripheral areas in MMA	+12.6%
Italy	+4.9%



**Fig. 11** Dynamics of resident population in the Milan urban region. The average for the urban region is +6.88%. The lightest colour refers to a negative percent value, while the darkest colour refers to a value greater than 25%

inverse relationships of the working population and employment with the centre-periphery ranking in MMA.

The change in the centre-periphery relationship is, then, quite ambiguous. It is apparently reinforcing the central role of Milan and the inner part of the MMA, but

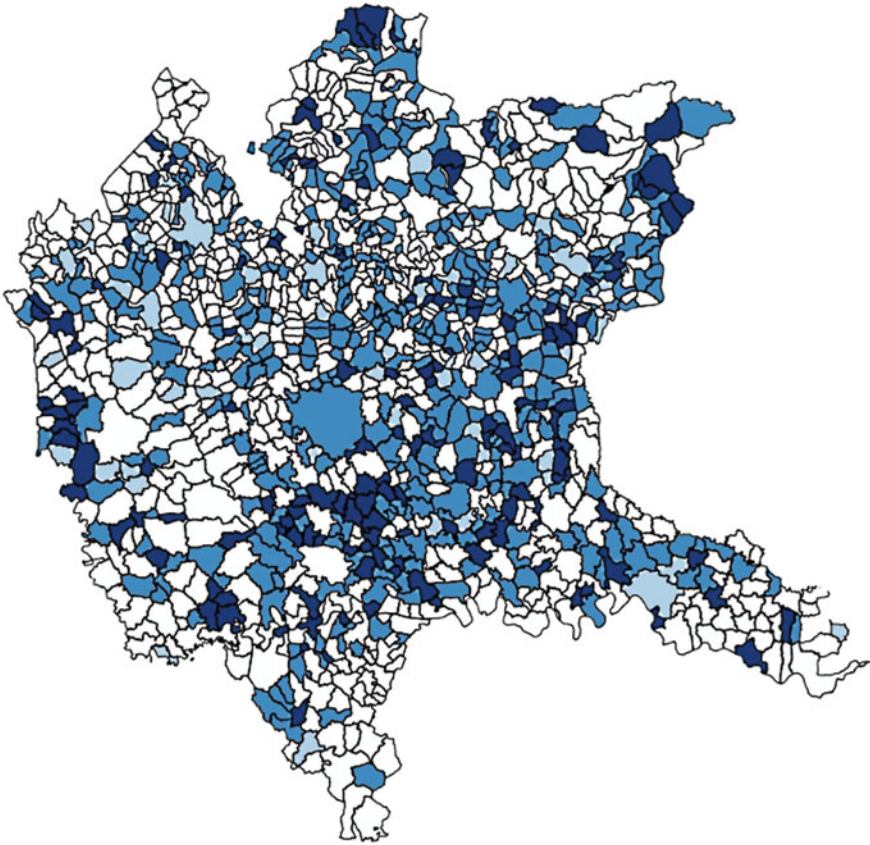


**Fig. 12** Dynamics of working labour force. The average for the urban region is +6.89%. The lightest colour refers to a negative percent value, while the darkest colour refers to a value greater than 20%

**Table 4** Working population versus employment % change (2001–2011)

Areas	Working pop.	Employment
Milan Municipality	+1.2	+9.2
Milan Province	+2.9	+5.0
Urban region	+6.9	+2.7
4 periph. areas	+12.6	-2.3
Italy	+9.5	+3.0

at the same time there is a clear attraction of population and working people toward the most peripheral areas. We need to continue to present the main results of the territorial disaggregate analysis of economic and social transformations of the MMA to try to arrive at some final conclusions later on.



**Fig. 13** Dynamics of employment in the Milan urban region. The average employment change for the urban region is +2.69%. The lightest color refers to negative percent value, while the darkest colour refers to values greater than 25%

**Table 5** Employment rate per sub-areas in the Milan Metropolitan Area (2001–2011)

	Tot. Em./ Pop.	Ind./ Pop.	Trade/ Pop.	Tert./ Pop.
Milan	71.1	8.6	10.1	52.4
Province	51.7	11.0	8.6	32.2
Urban Reg.	41.7	12.9	6.9	21.9
M. Per.	29.1	12.2	4.9	11.9
Italy	34.1	10.0	6.0	18.1

As far as concerns the change in economic functions of different sub-areas within the MMA, Table 5 clearly shows the incredible difference in employment rates between the municipality and the province, on the one hand, and the values in



**Table 6** Employment changes per sector in MMA (2001–2011)

Areas	Total	Ind.	Trade	Tert
Milan Mun	+9.2	-10.2	+5.3	+14.0
Province	+5.0	-18.6	+5.9	+16.3
Urban R.	+2.7	-16.1	+8.4	+16.2
Italy	+2.8	-13.5	+11.6	+11.8

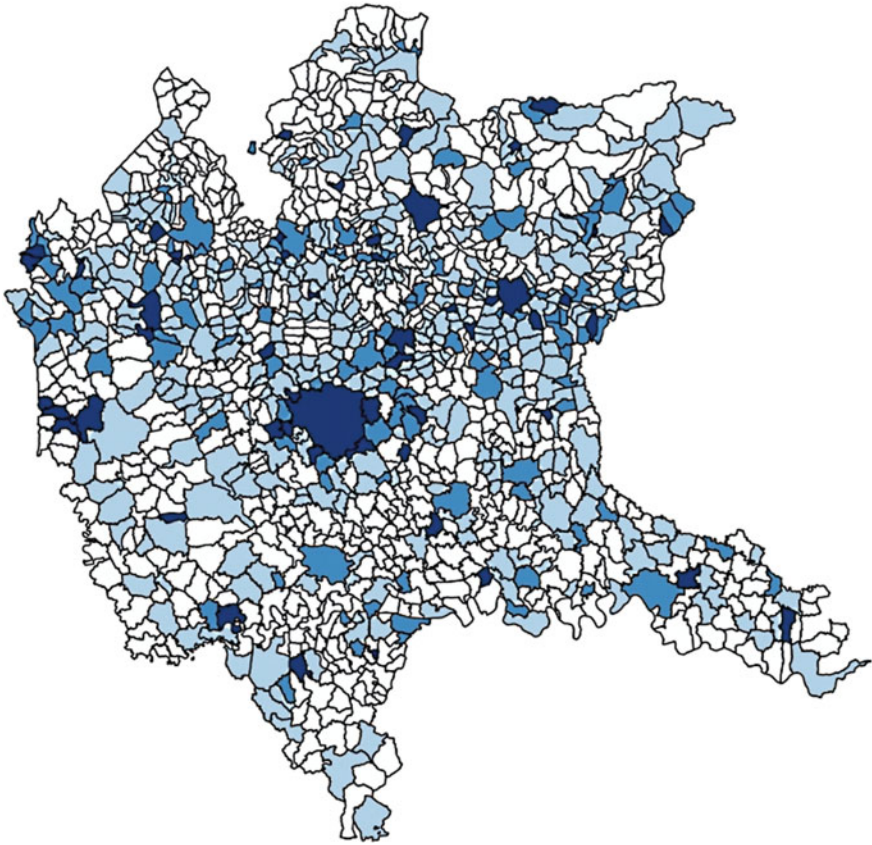
the urban region and peripheral sub-areas in the MMA, on the other. Milan and neighbouring municipalities have a very high employment rate for total employment and especially for tertiary (excluding trade) employment. At the same time, however, the dynamics of employment in different sectors show an inverse relationship with centrality: trade employment, especially, and even tertiary employment increased more in the urban region, especially outside the province of Milan (cf. Table 6).

All this means there is not only attraction of employment and increasing commuting to Milan and the inner part of the MMA but even a great increase of employment in some parts of the external rings around Milan, covering empty spaces in areas with low levels of trade and tertiary employment, even using the available labor force (both due to economic restructuring and deindustrialization) in the old industrial semi-peripheral areas.

There is, then, a territorial diffusion of trade and tertiary services in the urban region of Milan. This means we are facing a sort of diffuse tertiarization (Capitani and Garofoli 1985), following the previous process of diffuse industrialization that occurred in the 1970s and 1980s. There has been, then, a change of economic functions in several semi-peripheral sub-areas within the MMA which squandered their previous specialization in industrial production and their specific competences, causing them to lose economic autonomy. This phenomenon cannot be interpreted as an upgrading of the economic structure, but rather must be considered primarily a consequence of the disintegration of existing local productive systems.

Employment dynamics show a progressive shift towards the southern areas of Milan and the northeast of the urban region (towards Bergamo) (cf. Fig. 13). All this has created an enlargement of the metropolitan labor market, as well as the introduction of new conditions to how it is organized. This phenomenon has been the consequence of both increased commuter traffic into Milan and the inner part of the metropolitan area (cf. net commuting flows in Fig. 14) and increasing competition among workers in the regional labor market.

If we consider at the same time the territorial differentiation of the dynamics of the working population (cf. Table 4; Fig. 12) and the territorial distribution of the employment dynamics (Table 6; Fig. 13) we can glean that the employment rate in the different sub-areas of the MMA (cf. Fig. 15) is the consequence of large flows of migration to poorer (and cheaper) peripheral areas of the MMA. The enlargement of metropolitan labour market means new opportunities for increasing competition among workers in the regional labour market, along with a squeeze on wages and working conditions. The economic and social transformations in the MMA and the

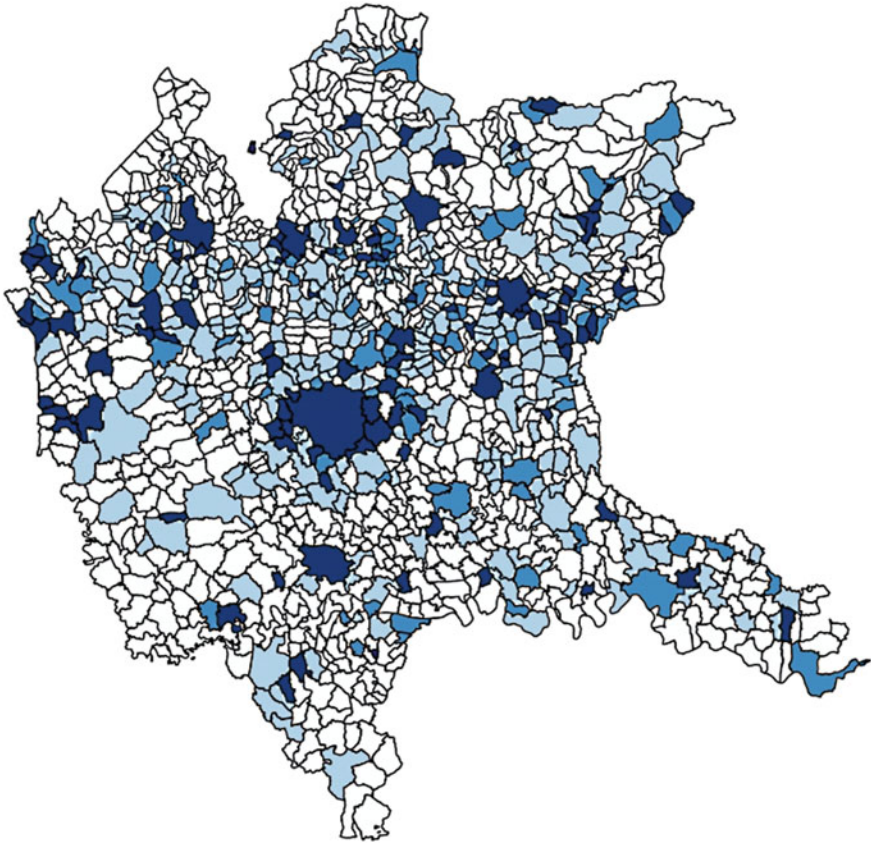


**Fig. 14** Net commuting flows in Milan urban region. The lightest color refers to high values of net outgoing commuting flows, while the darkest color refers to high values of incoming net commuting flows

employment increase in the inner part of the Milan area is then the consequence of a great increase of the population of working poor,<sup>5</sup> anything but an upgrading of urban functions. The case of the Milan Metropolitan Area thus stands in opposition with the positive and perhaps rhetorical interpretations of recent changes in other metropolitan areas in Europe and elsewhere, which should have kept all the advantages of the diversification of employment (Martin et al. 2016; but in general see the articles in the special issue on “Resilience Revisited” of *Regional Studies*, edited by Bailey and Turok 2016).

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<sup>5</sup>Cf. even the reduction of elderly and retired people in Milan and central sub-areas of the MMA in the last ten years.



**Fig. 15** Employment rate (employment over resident population) in the Milan urban region. The employment rate average for the Urban Region is 41.69%. The lightest colour refers to municipalities with values lower than 30%, the darkest to municipalities with values greater than 50%

## Some Provisional Conclusions

The MMA has, then, assumed a form which is possible to define as “diffuse metropolis” or “horizontal metropolis”. The semi-central and semi-peripheral areas have in fact lost their capacity for economic and social autonomy.

The enlargement of the metropolitan area is not the consequence of the introduction and development of new manufacturing sectors which work as “motors” with multiplier effects of other interconnected activities, but only as the consequence of a general restructuring of the labour demand of metropolitan firms and of the regional residential model introduced in the last several decades, which implies attraction of increasing commuting flows from peripheral areas.

We have seen how the territorial dynamics of the working labour force and employment show an inverse relationship.

The growth rates of trade and tertiary employment are higher in semi-peripheral areas of the Milan Urban Region, reducing the differences in the employment rates of the two sectors, covering empty spaces in a great machine (in a sort of diffuse “tertiarization”) which controls regional resources without any capability of local and territorial autonomy.

The disintegration of territorial industrial production continued over the last 15 years, producing a progressive “desertification” of the oldest industrialization process, with huge quantities of empty and wasted infrastructure and industrial space. This phenomenon has been followed by the disintegration of business networks and an increasing lack of awareness of the challenges and opportunities of launching shared investment projects at local and territorial levels.

The need for new public investment and new public-private partnerships to launch new investment projects, those focused on social issues but also in the economic sense are more and more crucial. Only these new projects could change the perspectives and the opportunities for private involvement and the orientation of firms toward social responsibility.

Integration is the key concept and word for a new vision for the re-composition of the economic and social system: integration of the productive cycle, horizontal integration among local firms (and even with those located in the neighbouring areas), integration between economy and local society to restore territorial identity and the general awareness of private and public actors about the problems to be solved and on the opportunities to be seized.

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