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Innovation in rural development in Puglia, Italy: critical issues and potentialities starting from empirical evidence

Since the 1990s, innovation has been recognised as having a key role in the development and competitiveness of European rural territories. In particular, in the LEADER approach, innovation is seen in social and cultural terms rather than as a technological issue, but it has been interpreted by national and, above all, local policies almost exclusively in the latter sense. Especially at local level, often a ‘productivist’ approach emerges that in many cases reveals deeply-rooted conservativeness in the planning and implementation of programmes. Puglia, a NUTS 2 region in southern Italy, acknowledges the key role of innovation in rural development and invested a bigger share of funding in Axes III and IV of Pillar 2 of the Common Agricultural Policy in the 2007-2013 programming cycle than did the other Italian regions. This study examines the regional case in two interconnected stages to identify firstly the interpretation of innovation from the programmatic and operative points of view, and secondly, the needs and critical issues in terms of innovation in governance on the local scale through interviews with stakeholders from a representative LAG named ‘Terra dei Messapi’. It reveals not only a marked disparity in the way innovation was interpreted, but also the limitations and critical issues in planning and in regional and local governance, which prove unable to embrace innovation affecting social and institutional processes and, more generally, processes related to the context.

Keywords: LEADER approach, governance, less developed region

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Introduction

In European Union (EU) rural development policies, innovation has been recognised as having a key role for the growth and development of territories, especially for marginal, outlying areas. The pluridimensional nature of innovation has been acknowledged since the 1990s, especially in its application at the local level in view of the extreme diversity of European contexts. This diversity is shown by various research studies conducted by Espon, in particular Edora (Espon, undated), which emphasises the need for specifically-designed actions, policies and support based on local contexts. Furthermore, in the new rural paradigm, local characteristics are seen to bring significant competitive advantages, but require major innovations in terms of policy and governance (OECD, 2006; Ward and Brown, 2009). Indeed, as argued by OECD (2006), traditional funding policies (especially agricultural subsidies) have not been successful, being “focused on a small segment of the rural population rather than on places” (p.52). In the new rural paradigm, as well as the place-based approach, what is needed is a greater and more integrated coordination between sectors, actors and the different levels of government (OECD, 2006). In this context, with greater complexity in managing public policies in agriculture, there have been different responses in the EU at the local level, generating more demand for participation and autonomy for collective groups as well as a gradual shift of responsibility away from the central authorities.

Innovation, which has been given an increasingly significant role in EU rural development policies since the late 1990s, can be understood in many ways. EC (2006) states that the LEADER approach is designed to produce more profound innovations in local contexts, in fact “it can play

an important role in encouraging innovative responses to old and new rural problems, and becomes a sort of ‘laboratory’ for building local capabilities and for testing out new ways of meeting the needs of rural communities” (p.5). This is further confirmed by a survey of relevant Community documents, which acknowledge that innovation may concern products, processes or services, or their adaptation to different geographical or environmental contexts but in particular it concerns social, institutional and contextual processes (LEADER European Observatory, 1997; EC, 2006, 2009, 2013, 2014a, 2014b; Metis, 2010⁵). In actual fact in rural areas, in view of the specific problems affecting them, it is often impossible to introduce radical innovations in technical and technological terms and in the general context (EC, 2006). But in the new rural paradigm an integrated rural policy and “the implementation of place-based policy for rural development requires a paradigm shift in governance arrangements” in terms of coordination, communications and also of new skills for local actors (OECD, 2006, p.138).

The LEADER approach is seen as a paradigm shift oriented to the social and cultural construction of the territories’ institutional capacities (Murdoch, 2000; Shucksmith, 2000; Dargan and Shucksmith, 2008; Neumeier, 2012; Dax, 2014; Dax *et al.*, 2016), whose application has had a significant impact on the governance of predominantly rural European regions. In view of the mainstreaming of the LEADER approach as Axis IV of Pillar 2 of the Common Agricultural Policy (CAP) in the 2007-2013 programming cycle, and of the increasing focus on innovation in LEADER⁶, this paper aims to clarify the role of innovation and the interpretation of it at the local scale in one of the regions of Southern Italy: Puglia.

⁵ The interpretation of innovation from a social viewpoint (the greater coordination between actors and territory, the role of the actors and the social dynamics, especially at local level) is evident in the ex-post assessment of the measures inspired by LEADER and especially by LEADER + (Metis, 2010).

⁶ In this period the LEADER approach had a significant impact especially on Italian areas. In particular, the integrated development of rural areas through the introduction of participatory planning has been the best known type of innovation policy in Europe (INEA, 2009; De Rubertis *et al.*, 2013a, 2015).

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Puglia, a NUTS 2 region located in the south-east of Italy, has a population of just over 4 million inhabitants and a territory of around 20,000 km². It is defined as predominantly rural by OECD (2006). Puglia was classified as a 'Convergence region' in the 2007-2013 EU programming cycle and in the current (2014-2020) period is defined as a 'Less developed region' (EU, 2014). According to the last census (Istat, 2013), Puglia is notable both for the number of farms (271,754 farming businesses, about 16.7 per cent of the Italian total) and for the highest proportion of utilised agricultural area (approximately 66.4 per cent). Thus, agriculture plays a key role in Puglia from the economic and social point of view. However, it is characterised by serious structural problems (such as the small average farm size, low corporate profitability and a very high average age of entrepreneurs) (MIPAAF, 2010).

In the 2007-2013 cycle, Puglia allocated the country's highest proportion of CAP Pillar 2 funding to Axes III and IV. It allocated 40 per cent of its funding to Axis I (*competitiveness*), compared to 37 per cent on average for the Italian regions and 34 per cent for the EU as a whole. For Axis II (*environment*) the equivalent figures were 35 per cent for the Puglia region, while the Italian average was 43 per cent and the EU average 44 per cent. For Axis III (*quality of life*) the region allocated 4 per cent, as opposed to an average Italian allocation of 9 per cent, with 13 per cent for the EU and finally, for Axis IV (*LEADER*) the region allocated 18 per cent, compared to an Italian average of 8 per cent and an EU average of 6 per cent. As in Italy and the EU, the remaining 3 per cent was allocated to technical assistance (EU, 2011; MIPAAF, 2012). Thus the share of CAP Pillar 2 financial resources allocated to Axis III and IV by Puglia region was higher than the minimum limit set by the EU. This situation shows a specific strategic orientation on the part of the region. In fact, as Camaioni and Sotte (2009) argue, Axes III and IV are deeply connected and revolve around three main features: the size of the territory, the integration with other planning instruments in the territory and the importance of governance.

In addition, from a programmatic point of view the region attributed a key role to innovation in the 2007-2013 programming cycle (Regione Puglia, 2008; 2013a). Few other Italian regions chose to invest, at their own discretion, amounts above the minimum figure set by the EU of 15 per cent. As Sotte and Ripanti (2008) argue, the fact that the majority of Italian regions limited the share of total expenditure to around the minimum limit is a clear signal that they were focusing only on agriculture rather than on rural development in the broader sense of local development. This situation is also due to the socio-economic partnerships that followed the programming phase anchored to an agricultural-rural approach. However, a more thorough analysis and study of the mode of implementation on the local scale can reveal whether such intentions are actually confirmed in the development practices of rural areas.

Thus, compared to other Italian regions, Puglia made significant investments in the LEADER approach, thereby acknowledging the crucial role of innovation in territorial development in the 2007-2013 planning period. The aim of this paper is to understand the interpretation of innovation,

first of all from the planning standpoint, both on a regional scale and for all the Local Action Groups (LAGs) by using textual analysis of the main rural development documents, and secondly through a representative case, the 'Terra dei Messapi' LAG. This let us study the interpretation of innovation on a local scale, examining in detail factors such as the degree of involvement and participation of the actors, the organisation of the governance and the meaning attached to the rural sphere in the perspective of bottom-up policies of local development.

Methodology

Starting from the description of the context, of the role of the LEADER approach and of the aims and strategies in the region, the study, in two stages, tries to understand firstly the interpretation of innovation from a programmatic and operative point of view, and secondly, the needs and the critical issues in terms of innovation in governance on the local scale, through interviews of LAG actors using Interpretative Phenomenological Analysis, IPA (Smith and Osborne, 2008). This envisages an inductive approach "suited to the development of complex interrelated themes" (Convery *et al.*, 2010, p.375) and can provide an interpretation based on the perspective of the local actors. IPA tries to explore personal experience in the topic being investigated, based on the respondents' perceptions rather than on the exact statements made by them (Smith and Osborne, 2008).

The first phase consisted of two interconnected steps. Firstly, the aims and strategies of regional planning and the interpretation attributed to the term 'innovation' (and hence to the role assigned to innovation in regional planning) were studied. This was done by indirect analysis, in particular textual analysis, of the main rural planning documents, namely Puglia Region's Rural Development Programme (RDP) and the Local Development Plans of the 25 Apulian LAGs, using the 'descriptors method' elaborated by Fiori (2002), re-adapted to suit the specific structure and type of documents being analysed. This method enables the identification of the values implicitly or explicitly expressed in the programmes and relevant laws using keywords called 'value descriptors' with which the essence of the text can be encapsulated in a thorough and logical way.⁷ The descriptors are obtained by starting from the selection of a term considered strategic (due to its frequency and to the strategic or key role explicitly attributed to it by those drafting the document/plan). The role and significance given by the document's authors can be understood by extracting the sections of text containing the term selected. The excerpts of text (which, in order to allow understanding of the context where the term was used, must indicate the corresponding section of the document) are then summed up using one or more keywords, the so-called value descriptors. The latter enable the meaning given to the term at stake to be synthesised and understood (an example is shown in Table 1). Finally, when all the value descriptors have been identified, the respective frequency of each of them is indicated.

⁷ Owing to the particular kind of documents analysed this method is more reliable than the use of automatic text analysis instruments.

Table 1: Puglia Region’s Rural Development Programme: an example of the descriptors method.

Excerpts of text	Section	Value descriptors
“For the agro-food industry in Puglia this therefore entails the general need for a great effort of modernisation and innovation – firstly in processes but also in products – that can redirect the industry towards quality and enable the Apulian system to adequately compete on the markets [...]”.	Analysis of context (pp.42-43)	Innovation of process/product for competitiveness
“Axis I has to create a strong, dynamic agro-food sector featuring greater competitiveness; the community priorities to achieve this target are the transfer of knowledge, modernisation, innovation and the quality of the food supply chain, to be accomplished through investments in human and physical capital, with particular reference to the seven key actions recommended by the European Strategic Orientations”	Priorities justification according to the Community’s strategic orientations and national strategic plan (p.190)	Innovation as strategy (attractiveness /competitiveness)

Source: Our elaboration on Regione Puglia (2008) by using Fiori (2002) re-adapted

Table 2: Causes of network failure: correspondence between the generalised assumptions of theory and the specific parameters related to the analysis of the Local Action Groups.

Generalised assumptions of the theory	Type	Parameters for analysis of the Local Action Groups
Asymmetrical network	Internal	Composition and balance/imbalance of the coalition
Decision-making power	External	Overlapping of instruments and aims (LAG, Consortium of municipalities and ‘Vast Area’)
Programme constraints	External	
Lack of participation	Internal	Limits of participation
Planning inefficiencies	Internal	
Conflicting policies	External	
Poor awareness of the rural world	External	Interpretation of rural development

Source: Belliggiano and Salento (2014)

Secondly, the interpretation of innovation from a programmatic point of view was then compared with the projects of the LAGs, through the collection and analysis of the calls for applications published from 2010 to 2015, to understand the role and the type of planning competence sought by the LAGs. The study then considered the amount of funding and the kind of planning competences actually financed by the Apulian LAGs. The results obtained highlighted critical issues related to the interpretation of innovation and in particular of innovations in governance in the region. This reveals a marked alignment to the region’s planning orientations, which in actual fact neutralises the LAGs’ planned role on the issue of the innovation.

In the second phase, in order to understand the needs of innovation in governance and the critical issues that a LAG may encounter in this regard, empirical instruments were used. The theoretical underpinnings of the research are based on the idea of ‘network failure’ (Schrank and Whitford, 2001; Jessop, 2006), which makes it possible to identify the aspects where the LAGs succeeded or failed (Belliggiano and Salento, 2014). The network failure theory puts forward some explanatory macro-hypotheses, each of which can be confirmed or rejected by analysing certain empirical parameters. As shown schematically in Table 2, the hypothesis that asymmetries develop in networks should be investigated by looking at the composition and balance (or imbalance) of the coalition; the hypothesis of a decision-making power that is unbalanced or lacking transparency and the hypothesis of an excess of programme constraints must be assessed by analysing the overlap of instruments and aims (LAG, Consortium of municipalities

and ‘Vast Area’); the hypothesis of a lack of participation and that of planning inefficiencies should be investigated with an empirical analysis of the actual space allowed for participation; lastly, the hypothesis of a conflict of policies and the hypothesis of a lack of awareness of the rural context must be examined by analysing the way the social actors interpret rural development.

The material was extracted from the results of an empirical investigation conducted on the ‘Terra dei Messapi’ LAG. This was chosen because of some particularly significant features it possessed. It showed a marked willingness to experiment with new forms of organisation of governance, explicitly designed to boost and/or accelerate the building of local capacities. This willingness is attested by the fact that, during the period in which the LAG had no public funding, different forms of inter-communal cooperation were set up. Although its critical issues can be linked to the local situation and circumstances connected to the specific history of the experience at stake, they provide a detailed picture of the systematic contradictions that – at least in the case of Puglia – prevent the LEADER approach from being regarded as a definitive model for rural development. The empirical analysis was carried out via 19 semi-structured interviews⁸ of actors directly or indirectly involved in the activities of the LAG. The interviewees held different, but equally important, roles in the governance of the LAG, and consisted of 12 persons internal to the LAG and seven who were external.⁹ Of the first group, three interviewees were members of the LAG management, four represented public partners (three municipalities and one consortium of municipalities), and five came from private partners. Four of the external interviewees represented interest groups (a cultural foundation, the local press, the Chamber of Commerce, Industry, Crafts and Agriculture, and the Worldwide Fund for Nature). The remaining three came from a consultancy firm (planner), the Puglia Region management authority and Brindisi ‘Vast Area’.

Lastly, the interviews were transcribed and analysed in detail, linking every statement by the respondents to one of the four parameters set for the analysis by using the previous scheme of ‘network failure’ (Belliggiano and Salento, 2014).

⁸ The interviews were collected between 2012 and 2013 and they concentrated mainly on the ways of organising the governance and on the internal tensions generated by the contrast between (post-) modern tendencies in rural development and sectoral resistance, a hangover from the old CAP.

⁹ For full details see Belliggiano and Salento (2014).

Table 3: The main features of LEADER in Puglia region.

	LEADER I (1991-1993)	LEADER II (1994-1999)	LEADER + (2000-2006)	LEADER (2007-2013)
No. Local Action Groups	2	17	9	25
No. municipalities	22	106	75	238
Average population (thousand)	56	71	85	114
Residents employed in agriculture (%)	17	25	22	15

Source: Rete Rurale (2013), modified

Results

LEADER in Puglia: aims and strategies of the regional planning

LEADER funded three initiatives in Puglia, of which only two were completed. The instrument was then gradually extended to cover almost all the municipalities (only provincial capitals are actually excluded) and the territory of the region (Figure 1). In accordance with the National Strategic Plan (NSP), the RDP in Puglia excluded urban centres from the intervention. With the population enlargement of the LEADER areas, their agricultural character, measured by the percentage of people employed in agriculture, declined (Table 3).

The interventions of the four Axes in Puglia took into account the differences between rural areas characterised by intensive specialised agriculture, intermediate rural areas (covering most of the territory) and rural areas with complex development issues. In Axis II the keywords (biodiversity, landscape and renewable energies) were the same as in the other regions of the Convergence objective. The goal of Axis III, which was to be implemented, where possible, via the LEADER approach, was to support employment and to diversify family income in rural areas. It also aimed to improve the attractiveness of rural areas for businesses and the population by expanding the provision and use of essential services (welfare, education, recreation), safeguarding the landscape and valorising the cultural heritage. With its aim of improving planning and local management skills and promoting the valorisation of the territory's endogenous resources, Axis IV was actually conceived as an instrument that could in part achieve the measures envisaged in Axis III (Regione Puglia, 2013b).

The analysis of the regional rural development plan and the development plans of the 25 LAGs in Puglia revealed severe limitations on freedom of choice of the aims to pursue and the instruments to use emerging from the implementation stage. In fact, in the public notice for the presentation of the strategic documents developed by candidate LAGs, the Region had rigorously specified the content and the structuring of the rural development strategy. Although the overall strategy of territorial and rural development was supposed to be elaborated using a bottom-up approach, according to the regional development plan it had to be connected to one of the following five unifying themes identified by the Region: (a) valorisation of local production resources and creation of the related circuits; (b) valorisation of natural and cultural resources; (c) recovery of the identity of rural areas; (d) creation of new production facilities in non-agricultural sectors and services and valorisation of existing ones; and (e)

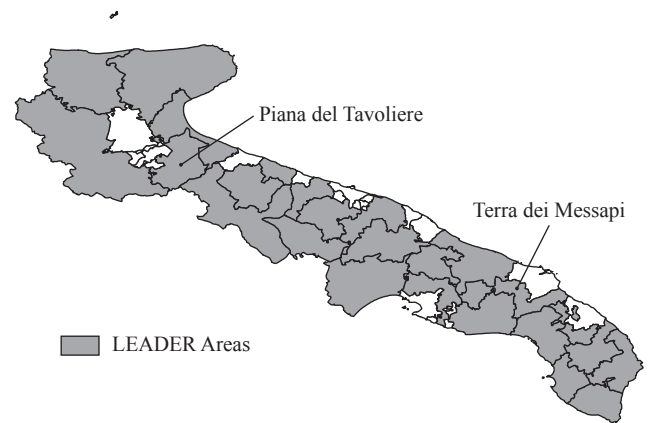


Figure 1: LEADER areas in the Puglia region in the 2007-2013 programming cycle.

Source: own cartography using data from Rete Rurale Nazionale (2013)

improvement of life in rural areas through the provision of local services to disadvantaged people (women, youth, disabled). The strategy had to be synthesised within these themes, all related to the identity of the territory, to which another of the remaining ones could be added as long as there was a territorial, technical, economic, sectoral and functional connection between them. Ultimately, each partnership should pursue its rural development strategy based on the unifying theme and related strategies to be provided for them through the measures of Axis III which it was planning to activate. Also in this case the measures that could be activated were already predetermined by the Region.

The variety of the projects was then further reduced by the decisions made by the LAGs in the stage of drafting the final LDPs. Reading the sections that each of these documents devotes to aims and strategies¹⁰ reveals surprising similarities between the LDPs of different LAGs: in many cases the contents were actually identical, both in the text and in the graphic layout of the documents. From the analysis it is possible to classify the Local Development Plans into four groups based on the degree of similarity or correspondence of their wording. It then emerges that there is a general levelling of the objectives, a greater focus on actions related to productive activities and to a lesser extent to actions on the local context (respectively, on average, about 55 and 47 per cent of the expenditure devoted by LAGs). From the results obtained it can be deduced that the strategies put in place indicate a rather obvious, standardised vision lacking the originality that should spring from the variety of territories involved. Development is reduced to mere growth, except

¹⁰ Following regional instructions, the LDP had a standard structure that placed in section 4 (about thirty pages long on average) the illustration of the aims and strategies elaborated in coherence with the unifying theme chosen. Our discussion refers only to the reading of section 4 of the LDPs of the 25 LAGs in Puglia.

for cases which highlight the multifunctional aspect of farming business and in general the complexity of the rural world. Furthermore, the space referred to is of a functional kind, the objectives are set by others and the territory is reduced to a passive support instead of being an active protagonist. In general what emerges is a lowering of the strategies towards sector-based aims of agricultural growth, poor coordination with other planning instruments existing in the same territory and a general tendency to narrow the vast range of viewpoints down to the prevailing one of the LAG planners.

Innovation from the programmatic point of view

The documentary analysis carried out on the RDP revealed not only a high frequency of the term ‘innovation’, but also a perfect alignment with European and national guidelines for all four Axes; in fact the actions were reductive or excessively generic and not adapted to a local level. More specifically, Axis IV was tritely reduced to increasing technical competences in the territory at the level of planning (Regione Puglia, 2008; De Rubertis *et al.*, 2015).

Innovation, the focal point of the regional strategy, was reduced, with the use of the descriptor method, to product or process innovation (Table 4). The latter is to be understood in straightforward standard terms and is based on a stereotyped kind of knowledge, lacking a context of reference and not taking into account the territory’s specificities. But the text analysis conducted on the 25 plans for local development of the LAGs in Puglia showed indeed a ‘more social’ interpre-

tation of innovation for all of them. In fact, these range from reinforcing the networks of players and sectors for an integrated development (seven LAGs), playing a leading role in coordinating the instruments of inter-communal cooperation existing in the territory (two LAGs), developing local social capital, in many cases elaborating operative solutions which range from creating thematic ‘think tanks’ (this solution is quite common) to interventions to extend the participation of outsiders (one LAG), or setting up real agencies for the development of tourism in the area (two LAGs), or creating local platforms and centres designed to promote the innovative and competitive image of the area (two LAGs). However, a reading of the projects, described in all the LDPs, shows that they are quite generic with no other indications or actors responsible for the actual implementation. This initial evidence revealed some critical issues to be examined.

The systematic collection and analysis of calls for applications published over the past five years (found in Rete Rurale Nazionale, 2014) showed that the financial resources were concentrated above all in Axis III. Thirty per cent of calls related to Measure 311 (especially investment serving the supply of farm holidays in a business context; for educational and teaching services to the local population with special reference to the school-aged: Teaching farms); for social-health services for weak sections of the population (Social farms); for marketing of typical products and promotion and use of energy from non-renewable sources); 14 per cent to Measure 313, 13 per cent to 312 and 323, and 4 per cent to 331. The format and the quality of the calls for

Table 4: Puglia Region’s Rural Development Programme: results of the textual analysis for the interpretation of the term ‘innovation’.

Section of document	Value descriptors and frequency in the text		
	Technological innovation of transformation facilities	Innovation of process/product for competitiveness	Innovation as strategy (attractiveness/competitiveness)
Analysis of context	2	3	1
SWOT analysis	1	1	
Axis III specific goals	1		
Axes and Measures financial weight	1		
Axis I corrective measures	1		
CSG, NSP, RDP coherence Axis I and Axis III	2	1	
Analysis by sectors, priority investments		1	
Business service system			1
Priorities justification according to CSG and NSP			2
Axis I Goals			1
NSP coherence and new challenges for RDP			1
Funding Plan to re-launch the economy and National Plan			1
Axis I strategy			1
Measure 111: Training and information			1
Measure 114: Consultancy services			1
Measure 121: Business modernisation			1
Measure 122: Increasing the economic value of forests			1
Measure 124: Intervention motivations - Cooperation for development of new products, processes and technologies			2
Measure 312: Support for development and for business start-ups			1
Measure 331: Training and information			1
Measure 413: Local development strategies			1
Measure 421: Development of inter-territorial and trans-national cooperation projects			2
RDP funding mode			2

Frequency: 1 = low; 2 = medium; 3 = high

CSG: Community Strategic Guidelines; NSP: National Strategic Plan; RDP Rural Development Plan

Source: our elaboration based on Regione Puglia (2008)

applications published essentially indicated adherence to the regional guidelines in all the projects to be funded. This fact can be interpreted as a sort of negation of the autonomy and planning creativity (as emerged previously in the development plans concerning projects for innovation) of the LAGs.

This fact shows that, although from the planning point of view, innovation is recognised as having a decisive role in a territory's development, it essentially concerns businesses more than the territories themselves. Even when the LAGs tried to promote projects that were innovative, especially on a cultural and social plane, they had practical difficulties in the implementation and in the financing of them (as well as problems simply concerning bureaucratic and administrative management). In fact, there is no official information about the start-up and subsequent development of the different projects, so eventually the LAGs had to give up their implementation and focus on other interventions closely adherent to the general guidelines. In this regard, the 'Piana del Tavoliere' LAG with the project 'Local Innovation Platform' is no exception. Even though there are official documents attesting the start of the project – after the assignment of the service to third parties through an agreement managed by the LAG – currently the project seems to be blocked in the first phase of its implementation¹¹. These results highlighted certain critical issues related to innovation in governance which, as was argued earlier, was exactly what the LEADER approach should have prompted and supported in the 2007-2013 planning period. The implementation at local level of Axis IV should have involved the adoption of innovative models of governance and at the same time should have catalysed the potential for endogenous development in rural areas.

The imperfect functioning of the mechanisms put in place and the structural fragility (which in some cases became total inconsistency) of the innovative processes can be identified, though to different degrees, in all the LAGs in Puglia.

Innovations in governance: an in-depth study of the 'Terra dei Messapi' LAG

The interviews conducted with stakeholders of the 'Terra dei Messapi' LAG revealed significant critical issues. The first point of analysis concerns the composition and the balances/imbances of the coalition. Here, the difficulty of structuring an organisational dynamic devoid of asymmetries emerges. The research highlighted the presence of strong leadership, the (consequent) hierarchy in decision-making procedures, the inertia or wariness of the local business actors towards the LAG, the conflicting relationships with the regional management authority, and the lack of specialised competences inside the LAG capable of autonomously controlling the innovative participatory processes. For example, a LAG management interviewee stated: "The goals were set by the Region, all we could do was to collect the project proposals that were consistent with those goals", and the Puglia Region interviewee confirmed but added: "The role of the LAGs (this is true [authors' note]) was

reduced to the mere management of predetermined goals, offering (however [authors' note]) the least active ones the alibi of acting simply as territorial windows for allocation of community funding". And again one of the private partner interviewees stated: "I am afraid they are not the most suitable people, unfortunately in some situations the selection of human resources was not the best for the territory".

The second point of analysis is related to the quality of participatory processes. In principle, they should be the essential element of an organisational device like the LAG. The research revealed that the substantial inadequacy of the promotion of participation seems to have impacted negatively mainly on the private component of the LAG, which expressed very critical opinions in this regard, often accompanied by suspected partiality, above all damaging the actors outside the strictly agricultural context. In this sense, one of the private partner interviewees stated: "... confining the action of the LAGs to sectors connected to agriculture would be reductive. Those sectors certainly should not be excluded but nor should they be seen as the only ones" and an interviewee from one of the interest groups stated: "I have never heard any discussion of issues related to the world of artisanry".

The lack of codified procedures for sharing decisions in the LAG is sometimes overcome by processes of extemporaneous integration promoted by the more active partners which involve other local business figures outside the LAG. For example, a private partner interviewee stated: "If any kind of network exists, I have never heard about it. If we are part of any networks, they are external to the LAG. Or they are networks created personally".

In contrast, partnership proves to be rather passive, probably because participation is perceived more as an external imposition than as a personal need. Overall, what emerges is that there is not a full awareness of the importance of participation by LAGs. Participation which however should be regarded as an instrument that is essential for the starting and consolidation of processes of rural development. But it cannot be ignored that underlying this lack is the fact that the programme aims – under the constraints of the policy for access to funding – are set essentially by others.

As for the third point of analysis, it emerged that there is considerable overlapping of institutions and instruments for inter-communal coordination (a phenomenon that, as our previous research has shown, involves the regional territory to various degrees). This gives rise to at least two critical issues: the first is related to the substantial interchangeability of the LAG and the inter-communal consortium which, as has been said above, is the institutional body that exerts a strong leadership in the events of the LAG. For example, a LAG management interviewee stated: "Once every single question has been worked out inside the Consortium, it is easy to arrive at the LAG with the agreement [already reached]".

The second critical issue is related to the presence of a competitive conflict between the LAG and the 'Vast Area', with inevitable repercussions on the ability to form an organic vision of the territory and therefore with ramifications also for the coherence, coordination and quality of projects. For example, a LAG management interviewee stated: "We were

¹¹ As evidence of this fact, the Report on the project states: "It is an illusion that the LAG has within its territory a sufficient market for the activation of such a system, or local knowledge and the necessary structures, or that by using the LEADER funds they could be fully activated. So, initially a phase of consultation will be launched that will serve to connect the area with the experiences and the tools that already exist ...".

invited to the 'Vast Area' assemblies but our role was absolutely marginal. For the 'Vast Area' the interlocutors were not us but the municipalities". The interviewee from the 'Vast Area' stated: "What at the beginning was supposed to be a master plan for the territory on all the territorial sectors covering the Public Administration and private enterprise, in actual fact was a strategic plan exclusively aimed at public works and a few plans for social infrastructure".

The fourth point of analysis concerns the interpretative uncertainty of rural development. On this point, the research revealed a widespread fact that can be considered an aspect of the culture. Although the concept of rurality underpinning the interventions of rural development has long been clearly separated from direct reference to agriculture as such, in the actors interviewed there remains the idea that rural development is a question concerning agriculture and its social and economic setting. On this issue, one of the private partner interviewees stated: "This territory is home to very highly regarded food products and I think that was where investment should have gone. However, very often we were presented with calls for applications that excluded agro-food processing, since there was to be specific funding allocated to that sector, but that funding does not respond to the needs of local businesses at all".

Discussion

Since the 1990s, the key role of innovation in the development and competitiveness of European territories has progressively emerged. In the LEADER approach, innovation from the planning point of view is seen in social and cultural terms rather than as an industrial and technological issue. However, as has been argued above, national and, above all, local policies have interpreted it almost exclusively in the latter form. This attitude denotes a (perhaps unconscious) conformism of the LAGs to the mainstream rhetoric of rural development based on a merely 'productivist' approach that in many cases reveals deeply-rooted conservatism in the planning and implementation of programmes.

Our study in Puglia shows not only the limits and the critical issues of planning, but also of regional and local governance, unable to embrace innovation oriented to social and institutional processes and more generally processes related to context. The Region placed great faith in the LEADER approach in the 2007-2013 programming cycle, planning to implement most of the measures for rural development via the operation of the LAGs, and granting them on average quite high financial allocations (De Rubertis *et al.*, 2013a; Sotte and Ripanti, 2008). The LAGs were given considerable responsibility for establishing the strategies and implementation of the instruments, but only for Axis III measures. They were expected to carry out checks on the applications for assistance and on requests for payment, with important technical/administrative tasks. However, they had very little autonomy for carrying out experimental initiatives or for the development of immaterial networks (Cacace *et al.*, 2010).

The study of the regional case demonstrated that although from a programmatic point of view, innovation is considered to play a key role in the growth and competitiveness of the

territories and it is seen in social and cultural terms, on a local scale it is regarded as industrial and technological innovation. As Dargan and Shucksmith (2008) and Neumeier (2012) argue, the rhetoric of national politics often appeals to the latter and the networks of actors created locally prove to be the result of a reductive interpretation of the meaning and value assigned (Dargan and Shucksmith, 2008; Dax *et al.*, 2016; Navarro *et al.*, 2014, 2016). There is an obvious gap between the interpretation of innovation by the Region and that given by the 25 LAGs, especially the older ones. Although, the latter see innovation in social and institutional terms, from the operative point of view the difficulties encountered in actual implementation force them to fall into line with the Region's orientation.

The analysis of the regional rural development plan and the development plans of the 25 LAGs in Puglia reveals a limitation of the paths chosen by the territories, due to the impositions of regional planning. This is confirmed by the reduced variety of the proposals and the innovativeness of the solutions put in place. More specifically, the approach was weakened by the fact that strategies and sector-based agricultural growth goals were poorly coordinated with other plans and integrated planning instruments.

The critical issues that the empirical enquiry uncovered can together be seen as the expression of broader issues. Based on the present research it can be stated that there is a rhetoric of regional politics in which rural development and innovation are not identified with local actors and local movements. On the one hand social, cultural and institutional innovation is poorly supported by regional programming, while on the other a general difficulty on the part of LAGs emerges, in which innovation is too complex to implement and usually reduced to banal business-as-usual techniques. As shown in the interviews conducted with the LAG named 'Terra dei Messapi', the causes include opportunistic behaviour, the training of the protagonists, the marked overlap of political/administrative spheres lacking a shared vision of development, a rather limited institutional culture, the absence of interventions, especially by the region, designed to promote and reinforce the networks of actors in the territories, a reductive interpretation of rural development and local resources, and the inadequacy of policies for innovation, since especially at the operative level it is believed that 'one size fits all', as well as the lack of clarification of the term innovation at local level.

The case study reveals various critical issues in local governance: despite the expectations of innovation linked to the LAGs, in real processes there remain mechanisms and dynamics that are strongly traditional and not at all innovative. Moreover, it is not only a matter of the social actors having limited ability to interpret a set of innovative rules, because in actual fact the possibility of attuning innovation to the local situation is also limited by the ambiguity of the community and national regulations.

All this shows that there continues to be traditional governance models at a local level that are not in the least innovative but also a scenario of critical issues that without significant, specifically designed interventions, will be very difficult to overcome. In short, despite the fact that social innovation (of the context) appears to be one of the factors

in successful rural development, the dominant practice has underrated it, and national and especially regional development programmes have consequently granted it only lukewarm support.

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