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Rome-Model: rising and fall of an *hybrid neo-liberal* paradigm in Southern Europe

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Abstract

This paper aims to explore the notion of *variegated neoliberalism*, focusing on contextual specificity of practices of neoliberalism in the case of Rome, with the attempt to position Rome in the geography of neoliberal urban restructuring and to contribute to the discussion on the limits and the crisis of neoliberalism.

In particular the paper will consider an urban strategy enacted by the central-left wing coalition called *Modello Roma*. In order to explore the leading components of *Modello Roma* two empirical case studies: Bufalotta, a large urban development project and Zetema, an example of a quasi-autonomous non-governmental organization.

The selected cases allow us to underline the ambiguous relationship between the political pact carried out by the coalition in power and its *concre-tization* (both in the literal and metaphorical terms). In fact, while the QUANGO was in charge of the valorization of the city center, the promotion of cultural events and cultural infrastructure, at the same time, we see the triumph of real estate speculation and the rise of social malaise.

Our hypothesis is that the *Modello Roma* reveals some similarities with neo-liberal practices in other European cities, in particular with its spatial and social effects. However, the case of Rome represents a form of hybridization with other types of urban policy, that rely on the specificity of the historical development of the city. *Modello Roma*, rather than being an innovative policy as the knowledge economy would require, represents a continuity, even an aggravation, of a conservative urban regime based on neo-municipal capitalism and severe rent speculation.

The recent crisis resulted in a crisis of consensus caused by the increase of disappointment and social malaise. However, this crisis does not seem to have produced the basis for a change of paradigm which remains unchanged despite the political rupture.

Introduction

In the spring of 2008 two changes occurred in the economic and political life of the Italian Capital: the end of the longest real estate boom that modern Rome had ever seen, and the election of a new right-wing mayor, Gianni Alemanno¹, interrupting a long cycle of left-wing governments leading neoliberal urban restructuring. One change was economic, foreseeable and in large part a consequence of the global crisis, the other was political, local and even if not directly related to the crisis, provides empirical proof that the urban regeneration conducted by the moderate Left created social discontents. In Rome the neo-liberal era over-lapped more or less precisely with the moderate left-wing government, respectively with mayors Francesco Rutelli (1993-1996) and Walter Veltroni (1997-2007), who later will became founders, among others, of the new-born Partito Democratico².

The aim of this paper is to understand if the season of moderate leftist government in Rome was the southern European version of practices of neoliberalism operating at an urban scale. Are there any social or historical peculiarities in Rome suggesting that it is an exception in the Mediterranean context? If this was the case, why did it loose consensus? At the moment it does not seem that the triumph of right-wing urban coalitions is the generalized outcome of the crisis in all Mediterranean Capitals³.

In the remainder of the paper we will frame the case of *Modello Roma* within the neoliberal debate. First we will provide a brief update of the literature, then we will provide a definition of *Modello Roma* inside a comparative perspective and identify what has changed since its conclusion. We will provide empirical evidence to our discourse through the illustration of two urban social objects: Bufalotta, a large urban development project and Zetema, an example of a quasi-autonomous non-governmental organization known as a QUANGO. The inter-connection and mutual influence of these social objects, understood as products of two different fields of practice (urban planning and cultural policies), had been the distinctive feature of *Modello Roma*. Reflections on what *Modello Roma* tell us about the crisis of neoliberalism concludes the paper.

Various (maybe too much): Neo-liberalism as lens to read urban changes.

Harvey argues that "we all are becoming neoliberal without know it" (2005). This is especially true if we consider that neo-liberalism has only recently become the centre of debate, despite a longer ideological existence (Peck, Tickell 2002, Brenner, et all 2009), and scholars are still unable to identify and share a common definition. Is it for a certain eclecticism which characterized the debate (geographers, planners, political scientists, sociologists and economists all used this category in different ways) or is it because our object of analysis is slippery in itself?

A *file rouge* of continuity -not even so hidden- can be found under the lines of the several issues and fields explored in the debate. It is the tension between the homogeneity of what we call

¹ Gianni Alemanno is a former extreme-right activist, best known until that time for embodying the faction of the Italian right closer to the idea of national solidarity as heritage of fascist inter-classism. He is a major of Rome since 2008.

The Partito Democratico born in October 2007 as the attempt to built a unified moderate center left, unifing the main Italian left parties actives in the xx century: <u>Democratici</u> <u>di</u> <u>Sinistra</u> (DS) which tendency is socialdemocratica, and <u>Democrazia</u> <u>e</u> <u>Libertà</u> - <u>La</u> <u>Margherita</u> (DL) which tendency is centrista/ cristianosociale.

³ Recently Athens saw the winning of a socialist Mayor after twenty-four years of conservative governments, in other cities political stability appears as the rule.

neoliberalism and the multiplicity of modalities in which it is revealed in any specific place (Beach, Mykhnenko 2009). The homogeneity of what we call neoliberalism comes from the fact that the category has been a way to explain globalization and its effects from a critical perspective (Brenner et al. 2009, Larner 2000). Moreover it has to do with its ideological character embedded in it definition.

Harvey defines neoliberalism as "a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade. The role of the state is to create and preserve an institutional framework appropriate to such practices". (2005). Two fields of analysis are implied in this definition. First, neoliberalism is a theory, secondly, it proposes political practices. At issue is the process by which ideology turns into practice or practices, as many as necessary for enabling a free market. This definition is -if possible- more vague than those present in the literature some years before. Harvey does not talk of a system of concepts or enumerate a list of prescriptions but rather he speaks of practices and policies based upon very general ideas. Nonetheless this vagueness is probably more appropriate for grasping the essence of neoliberalism than other attempts. Bourdieu and Wacquant (1999) explained that neoliberal ideology seems to be so powerful because its proposals are based upon logical premises (the rationality of economic actors, the natural attitude towards self-interest, the greater efficiency of free-market policy-tools compared to public policies). In fact, these premises have never been verified since they are simply assumed to be universal and globally diffused⁴

Nevertheless the comprehensiveness of the terms, is difficult to identify only one realm where neoliberalism works. At a horizontal level neoliberalism could be present in any of the theoretical categories in which we divide reality (politics, trade, social life). At the vertical level neoliberalism is assumed to be conceived at the global and national scale, realized by the national elites of almost every country, but it unravels its effects at a local scale, where it is more often contested (Leitner et al. 2007) and where it assumes different shape, multiplicity of modalities in which it is revealed.

The fact that the ideological dimension of neoliberalism was not the most appropriate to underline the differences between various applications of neoliberalism was made clear by Larner when she said "we are alerted to the possibility that there are different configurations of neo-liberalism, and that close inspection of particular neo-liberal political projects is more likely to reveal a complex and hybrid political imaginary, rather than the straightforward implementation of a unified and coherent philosophy". (2000).

Moreover, Saad Filho admitted "*it is impossible to define neoliberalism purely theoretically*" (2005). The empirical analysis of the institutional level of neoliberalism shows, even to a larger extent, how distant the concrete realizations can be from the ideal type of neo-liberal politics as described in literature. The ideals of neoliberalism, as expressed by Harvey, ought to be translated in fact in a limited number of policies. These policy measures can travel faster the less precise they are because they do not have to face the specificity of the context, and that is, apparently, one of the explanations of neo-liberal recipe⁵. However, when neoliberal ideology is

⁴ The ideological level has been identified as essential to the neo-liberal wave since many years, even before the word neoliberalism was in common use. Stuart Hall's famous account (1987) of Thatcherism explained how it was possible to change British political agenda mediating between social groups and apparently contradictory right-wing *weltanschauungs*.

⁵ Well-known ingredients of this recipe are: the downsizing of the public sector through the privatization of public services and productive activities, the role of the State limited to ensure the pre-conditions of free-market; the respect of budget limits for what regards deficits spending; the promotion of outsourced provision of services and

used to guide policy decisions these real policies have to operate in institutional landscapes which are far from being empty fields. In reality, the ideology of neoliberalism is confronted with the culture and practices of different institutions and places. As a result of being actively promoted by existing institutions which are embedded in the context in which they were generated, neoliberal transformations vary from place to place. Brenner and Theodore suggest *"recognizing the extraordinary variations that arises as neoliberal reform initiatives are imposed within contextually specific institutional landscapes"* (2009). Therefore, while neoliberal ideas had been cultivated in anglo-saxon think tanks and spread all over the world, reaching the global scale, the consequences of those ideas at the local level demonstrate path dependency and context-embeddedness.

In the midst of the nineties, regulationist interpretations (Peck, Tickell 1994) had already stressed that neoliberalism was not at all a complete mode of regulation comparable to post-war Fordism, but it was rather a fragmented attempt to find a new one, whose main function was to roll-back the interventionist Keynesian State. One main difference with the authors who took care of explaining the ideological analysis of the birth and deployment of neoliberalism is that the regulationist institutional analysis takes the urban scale directly into account. For instance Logan and Swanstrom (1990), by comparing different neoliberal urban policies, came to the conclusion that some institutional contexts (especially the European ones) show a greater resilience to what we would today call neoliberalism.

Given the above mentioned argument, a static and unidirectional conception of neoliberalism (meaning the minimized state) should be abandoned in favor of the vision of neoliberalism as a process where institutional and socio-economic differences matter. This does not mean that institutions in themselves are barriers to neoliberalization. On the contrary, urban governments are actively engaged in building projects which are directly or indirectly promoting neoliberalization, shifting the border between market and regulation, enterprise and institution. Despite the variegated neoliberal practices and their context-embeddedness, the outcome is surprisingly uniform. The wide variety of practices still result in a "counter-distributive project" (Dumenil Levy 2005; Harvey 2006). In other words while the means by which neoliberalism has been practiced varies according to the social actors, the alliances they develop and the available resources in place, the result of these cases is a measurable widening inequalities in our cities (Peck Tickell 2002).

"Modello Roma": from culture to concrete-tization.

Modello Roma is the name given to the modality chosen by the roman urban elite and the moderate-left political leadership to face the change occurring in globalized economy and the urgency to re-position Rome in the arena of competitive global cities. The term is also related to the period from 1993 to 2008, during which a new left was governing the city of Rome. Moreover, *Modello Roma* it developed into a real urban strategy based on three mutually influencing components:

-The first is economic and it can be seen in the fervid combination of culture and tourism as vehicle of growth. This cultural-led strategy gives attention to the valorization of the existing historical centre with the promotion of events and new attractive architecture.

-The second is a strong political commitment, a sort of pact among the historical left and the entrepreneurial world. This pact signified more than a leadership-entrepreneur agreement, it

public-private partnership, pro-competition regulative framework based on free-market; and anti-unionism legislation about labor market.(..)

implied a leading role of the directly elected mayor and represents the birth of the moderate left at the national level.

-The third is related to physical development and spatial planning. During the 1990's a developer-led approach called "planning by doing" (Berdini 2000) became a new form of urban entrepreneurialism where private sector interests were playing a major role in urban development.

These three components were thought to produce virtuous effects and a new "urban renaissance" for the city.

The *Modello Roma* was initially successful. The name of the model reminds one that Rome has been a model of beauty and perfection. However, the "planning by doing approach" (Berdini 2000) testifies to the ambiguity of the model, as described by critical theorists, and constitutes the main reason for the growing disappointment regarding the development of the city.

Research and scientific essays regarding the *Modello Roma* are few while the newspaper writing is very intense. This testifies to the fact that the *Modello Roma* has significantly shaped the daily life of Roman people without having been seriously revised.

The phrase "*Modello Roma*" has been used for the first time by Giovanni Bettini⁶ to describe the promotion of cultural infrastructure and events in the city. He was a leading supporter of the project of the Auditorium Parco della Musica, designed by Renzo Piano, which is "much more than a music theatre, it is a factory of culture both in term of consume and production" (Bettini 2006).

Given this preliminary definition of the *Modello Roma* we can recognize a real change in the way of conceiving urban development strategies. Cultural policies, a major component of the MR are not just a tool for enhancement of civilization in an urban community, but also an engine of economic development based on tourism and consumption.

Gianni Bornia,⁷ another protagonist of the moderate left, says that culture became a priority in the political agenda and that this cultural-led strategy stared to be called *Modello Roma*. He describes how Rome was in 1993: "Bribe-polis⁸ was just over and the city was dull and culturally deprived. Since 1993 a huge transformation has been achieved, the city is reviving and revitalizing and it is assuming the vibrancy of Paris, London and Berlin" (Bornia et all 2008). According to the authors, during those years Rome represented a real laboratory of cultural policies in the face of a deficit in national policies in the same sector. Even if some criticalities emerge in the *Modello Roma*, accused of being a "rhetorical narrative of urban renaissance" (Scandurra et all 2008), they argue that the case of Rome represents a benchmark, an innovative system that can be implemented (Zaccone 2008). Moreover, the retrospective reading of the *Modello Roma* by one of its originators testifies that what Rome has achieved was done through massive public investment in cultural policies⁹ a sort of civic engagement of the city, rather than a real engagement of private investment and enterprise.

The growing disappointment regarding the model is related to this aspect: massive public investment does not seem to have achieved social goals. Instead, in order to accomplish the pact among the new left and the business community (in the case of Rome the business community is dominated by developers), the model gives room for voracious private development.

⁶ Goffredo Bettini is a crucial characters of the political and cultural component of the Roma Model. He was a very influent politicians; member of DS, town councilor at the municipality of Rome, president of Auditorium Music Park and recently member of the Senate.

Gianni Bornia has been town councilor for cultural policies from 1993 to 2006.

⁸ *Tangentopoli* was a political scandal that stared in Milano but in a short time involved, all the Italian political system

⁹ The Roma Model has been supported by the increase of public fundings in 1984 46 milion of €; in 199379 milion of €; 2001, 117 milioni €; 200 128 milioni €. "Capitale della cultura". Quindici anni di politiche a Roma, (Bornia et all 2008)

The main criticism is recognizable in the complex relationship between a culture-led strategy and its *concret-ization*, both in the literal sense of *concrete* (concrete-covered city) and its metaphorical meaning (the achievement of a pact).

The city board has been accused of giving priority to private interests toward the reinforcement of a neoliberal urbanism (Berdini 2008, Scandurra 2008). This critique recognized the leading role played by the Holy years (Jubilee). As pointed out by McNeill "the Holy years has been played out by ensuring a territorial project to the city of Rome (...) throughout the establishment of special legistation" (2003). A special law for *Roma Capitale*¹⁰ and the direct election of the mayor¹¹ provided the legislative framework and the form of governance which allowed the staging of the Holy years and the MR. The staging included a "politics of public work, a narrative of public spending, a choreographed public spectacle, all of which require considerable state intervention" (ibid.).

The role of the mayor, Rutelli, was crucial. His way to deal with the materiality of planning and urban policy has been interpreted as an urban entrepreneurialism where private sector interest are playing a major role. In this sense, the Holy years opened the way for an extraordinary approach in planning, also described as "planning by doing" (Berdini 2000). Planning by doing suggests that city development occur piecemeal through projects instead of through comprehensive general planning.

In regard to this approach, a collective work done by critical theorist underline the paradox of the *Modello Roma*, calling it an "ambiguous modernity" (Scandurra et all 2008) characterized by an "obsession of competitivity" (Krugman 1994) which imply the spectacularization of the city, on one side, and the rise of social malaise, new poverty, housing problems and severe lack of basic transportation infrastructure, on the other (Scandurra et all 2008, Tocci 2008). In addition this paradox is the results of the complex relationship between the components of the model¹²: while Rome became a major tourist attraction that increased the tourist presence through the promotion of the historical city and events, silent and far from the touristic core, we see the "triumph of real estate speculation and commercial boxes" (Bernini 2008)

The process of valorization of the historical city centre has been achieved by the means of regeneration projects, buildings designed by star architects¹³, cultural infrastructure and events and the rise of tertiary activities related to tourism and entertainment. The valorization produced increased commercial desirability of many originally working class neighbourhoods and a generalized unaffordability of the city centre for middle income residential purposes. (Annunziata 2007).

At the same time, from 1997-2006, Rome registered one of the most intense real estate cycles since the WWII (Cresme 2010). The physical result of this growth tells a new tale in the history of speculative development in the Capital City. Critical planners accused the municipality of being short-sighted in promoting a neoliberal urbanism that give room to private speculation (Berdini 2008). However, public intellectuals remind us that a speculative building construction

¹⁰ Law n.396/90 *Interventi per Roma, Capitale della Repubblica.* During the 1990's the city of Rome approved a law to enable intervention for the Capital City. The jubilee was just around the corner and a more manageable planning procedure was permitted. A public-private agreement was defined by article 3 *Accordo di programma.*

¹¹ Law n.142/1992 revolutionized the legislation regulating the role and the activities of Municipal governments inside the Italian State linking this change to a new electoral system with the direct elections of the Mayor.

¹² The link between culture -led development and p is not obvious. However, the board of directors of the Auditorim Parco della Musica testifies to the pact between urban entrepreneurs and urban political elites: the chairs of the administrative board are occupied by the same developers who own the main building construction site. Under these circumstances is not difficult to imagine the relation between investment in cultural infrastructure and the enormous financial and speculative interest regarding the urban development of the city.

¹³ Some example are the Ara Pacis designed by Maier; MAXXI museum for contemporary art designed by Zahaa Hadid, Auditorium and Music Park designed by Renzo Piano; a convention center that imitate a claw designed by Fuxsas, a Sport Center designed by Calatrava.

sector represents a historic component of the economy of the country (Tocci 2008). In particular, the monopolistic real estate trade which characterizes the Rome real estate market allows the excessive power of developers; a trend which has not been historically opposed by politicians nor by appropriate regulative machinery.

Tocci¹⁴ called the *Modello Roma*, with particular reference to the new urban development, a "conservative patrimonialism based on rent accumulation" (Tocci 2008, 2009) underlining the lack of sustainability in the development of the city based on an expansive logic rather than compactness. In other word an urban strategy that, rather than being the innovative policy the knowledge economy would require, represents a continuity, even an aggravation, of a conservative urban regime based on severe rent speculation.

Moreover, considering the evolution of urban regimes in the city of Rome since the WWII, from the *blocco edilizio*¹⁵ (Parlato 1970), to welfare state policies and nowadays, we can recognize some differences between the previous development phase and the emergence of a new trend (Cremaschi 2010). While the previous phases of speculation occurred outside any regulative framework and were compensated for by a large amount of public investment-the so called welfare state- the recent development of the city of Rome occurred inside the framework of the New General Plan together with the erosion of welfare state policies. Therefore, the new trend seems characterized by a strong commitment of the public municipality in fostering real estate development through the re-enforcement of the real estate sector, but with a lack of strategic social and governing goals.

In order to explore *Modello Roma* as a practice of neoliberalism, two urban social objects: Bufalotta, a large urban development project and Zetema, an example of a quasi-autonomous non-governmental organization known as a QUANGO, without any apparently spatial connection between them¹⁶, will be analyzed.

Zetema

Zetema is a QUANGO, established by the moderate left at the beginning of the nineties in order to outsource the cultural sector in the city. This example is particularly interesting because it contradicts some main golden rules of the neo-liberal recipe and it is helpful for understanding the centrality of culture in the *Modello Roma*. We will not go into the techniques of urban marketing used for the promotion of cultural events in the city, neither into their uneven effects, which is more and more related to the *theatralization* of the city center. We find it more compelling to underline the dynamics of Zetema as a QUANGO and as an example of the governance of cultural promotion.

With the direct election of the mayor, occurring according with a national law¹⁷ the Municipality of Rome was able to outsource urban services which does not fall in the category of industrial services. Cultural services have been outsourced in different ways. Here we must introduce a short premise. The Municipality of Rome was a forerunner in the organization of cultural

¹⁴ Walter Tocci has been town councilor from 1985 to <u>1993</u> to 2001, and deputy major and in charge of metropolitan mobility untill 2001 with Rutelli. When the left loose the city he wrote a consistent critics of their work focusing on the resposability of planning "dopo la sconfitta sono venuti a galla i nostri difetti: troppa sicumera, troppo sentirsi classe dirigente, troppo Modello Roma, un'autodefinizione imposta ai fatti" Tocci 2008

¹⁵ "Intono al fanatismo dell'ideologia della casa in proprietà si cementa un blocco sociale che è una delle cerniere essenziali del blocco di potere dominante. Un blocco composto da un ceto medio altamente differenziato al suo interno".(Parlato 1970)

¹⁶ The example of Zetema is not directly impacting the specialization of Bufalotta. In this sense the work here presented differs from the ones in which practices of neoliberalism and their specialization result in material object (a good example in this sense is the Bilbao case). The research aim to prove that even if without direct spatial connection experimental forms of governance and spatial development can be mutually influencing.

services, even when they still were not fashionable at a national level. During the Nicolin administration (1976-1985) the municipality started to be involved in spontaneous events, open air events were experimented with as "urban bricolage" (Bornia et all 2008); with the Rutelli administration (1993-2003) the institutionalization of the events took place and the cultural policies acquired recognition; during the Veltroni administration (2001-2006) a more systematic approach toward cultural-led development has been put in place with the establishment of a semi public body for the promotion of culture in the city¹⁸.

The different phases also had different features. In particular the last phase was criticized for proposing (and selling to the public) great cultural events without adequately promoting the network of cultural self-production, and ordinary services devoted to residents (e.g. libraries)¹⁹.

Moreover, besides the exponential increase of public spending, the last phase is characterized by the outsourcing of strategic cultural services, such as the management of the Auditorium Music Park, to *in house* municipal societies, appearing as a QUANGO. As it is well known, quite different forms of autonomous or semi-autonomous subjects fall under the fuzzy umbrella of QUANGO.

ZETEMA was composed at the end of the nineties by three subjects: Civita, Acea and Costa edutainment. Civita is a cultural association born under the initiative of a banker who wanted to collect funds in order to save the urban heritage of a rural village (Civita di Bagnoreggio) in the countryside near Rome. After this experience Civita established itself as one of the main actors of cultural entrepreneurialism in Italy through its capacity to involve some financial and productive firms from among the biggest contributors to Italian economy.

Acea is the Electric municipal society managing the utilities of water and electricity in Rome. Is the largest entrepreneurial subject which created ZETEMA and the one more embedded in Rome since it is owned by the Municipality at 51%. Of course the presence of Acea²⁰ was in some sense the more serendipitous for its expertise (the only proper professional contribute in the cultural field it could gave was the enlightenment of archeological areas).

Costa edutainment is the most proper private actor in Zetema, and the only one external to the Roman context. Costa was already in charge of the management of the Genoa aquarium, the fruit of one of the most successful operations of Urban Regeneration in Italy.

Costa edutainment has some aspects in common with its successor ZETEMA: it has the largest part of its market in the city where it comes from, it is specialized in a niche market -educational exhibitions- inside cultural services. The main difference between the two is that Costa edutainment derived from and is part of a large private holding, historically settled in Genoa where Costa edutainment started its business as a private firm, Costa Group. Costa Group is one of the main Italian shipping companies, and it followed its investments in the private sector, while Zetema will become a public society. The skills required by Costa were purely market expertise in promotion and marketing. When it started its participation in Rome, Costa was already present in Rome's municipal outsourcing market as the manager of the Music Park, which then will be turn out into a public foundation.

The ZETEMA business plan was written in 1998. The society was established more in general in order to catch the business of outsourced cultural services which its founders foresaw as

¹⁸ Just to provide some examples: the Auditorium Music Park, intitutions like Zetema, Zone Attive, Enzimi all aimed to the foster cultural production; the institutionalization of international festivals (Literature, Fotografy, Cinema) and events free to the public ("with night", concerts) are aimed to the urban reinassance of the city.

¹⁹ While the expenses for libraries grew very fast (+ 52,9%) from 2002 to 2006 they increased much less than the expenses for Museum and exhibitions (+121%) and are just 40% of expenses for cultural activities (which include management of big events).

²⁰ Today the largest Italian Municipal society of utility which has among its members both the biggest Rome's developer and the national French electric society Suez, which are competitors for its possible privatization

increasingly large and competitive. As we said it did not go in this way. Proper free-market competition for Municipal cultural services²¹ was never opened in Italy.

The real start-up of the firm occurred in fact when Zetema applied for the management of main Museum in Rome in 1999 (Musei Capitolini), and it won. Probably the fact of being a consortium in which one of the partners was Acea helped the credibility of Zetema compared to its competitors. A social duty, typical of pure public agencies, was part of the management of Musei Capitolini. The winner of the contract with the Municipality of Rome was obliged to hire around 150 workers. Those workers were the first large core of people employed in Zetema.

In the meanwhile the actors gathered around Zetema applied and won the management of other cultural services in Rome metropolitan area (*villa adriana* in Tivoli), and other regions, trying to expand its market. The interesting thing is that, even when it was a private society, almost the totality of the revenues came from its contract with the Municipality of Rome. Moreover, all the other contracts they were able to get came from the local governments governed by the moderate-leftist coalitions.

Along the years, Zetema became more and more a firm dependent on one big public client: the Municipality of Rome. The interesting point is that Zetema has become the referent not only for cultural services but also for touristic services, managing the information points in the historical centres. Later on, Zetema obtained great visibility as an organizer of cultural events, especially "la Notte Bianca", the Italian translation of the all night long mega event "La Nuit Blanche" in Paris. The success of this event immediately became an important factor for the political image of the mayor.

Besides their efficiency in organizing events, one important point of ZETEMA was their capacity for self-financement through fund-raising activities. In 2005 the contract of management of Musei Capitolini expired and the Municipality did not call for another contract, instead deciding to buy Zetema. All of the services managed by Zetema turned from outsourced provisions to inhouse provisions, exactly the opposite of neoliberal prescriptions.

During the years the employees increased, new museums and cultural spaces were opened and Zetema won the outsourced contract for the management of them. Usually, permanent workers were hired from among the employees who used to work for the firms with temporary contracts. The number of employees grew to 900 people²². Rumors spread all over about the fact that Zetema was a centre of clientelistic hiring. Clientelism for its own nature is a social phenomenon impossible to verify with quantitative data. What is certain is that the increase in the number of employees of Zetema responded perfectly to the increase in the supply of cultural and touristic services. Furthermore, when Zetema was a private firm discretional hiring was fully legitimate. While when it became a QUANGO discretional hiring was still possible because the obligation to hire permanent workers through transparent public recruitments is recent in Italian Municipal QUANGO. Besides the organization was allowed to give better evaluations to people with experienced, who already worked inside the organization as precarious workers.

When Alemanno, the new right-wing mayor, was elected he released very harsh declarations²³against Zetema. These declarations gave credit to the rumors about clientelistic hiring and made everyone think that a return to outsourced provision of cultural services was probable. This could be the end of Zetema itself, but it was not the case.

²¹ Cultural services are rather divided among very few players, which constitute a sort of oligopoly. Civita one of the founders of Zetema is surely part of this oligopoly.

²² More than one third are employed as personnel in the museums, many others in the department responsible for the artistic restoration, about tens of people are employed in front-office call center, something less than an half are management staff.

³³ On II Sole 24ore (the main financial newspaper) 28th April 2008,

It would have meant in some way the transition to a more classic neo-liberal practices. Entrepreneurial associations often complained about the monopolistic situations of cultural services in Rome²⁴ talking about a neo-municipal capitalism.

The municipalization of Zetema was never seriously discussed by the new Mayor, nor did the former urban elites did it. Alemanno cancelled the mega event "La Notte Bianca" because it was politically and symbolically signed as the fruit of the previous administration, but practiced the spoil system in a very limited way.^{25.} The administrative board remained largely composed by the same persons and particularly its CEO, who represents the living link with Civita is still at the head of both organizations.

In conclusion, the neo-municipalization of Zetema consisted in a shift of the border between private and public, that does not necessarily testify to an inversion in the relationship between State and Market. The Municipality of Rome needed an instrument to improve the supply of cultural services, exhibitions etc., and realize the spectacularization of the city. Zetema was not only efficient in the organization and management of it, but also in marketing and fund raising through Civita. Its social capital makes it very easy for Zetema to collect remunerative sponsorship, which are fundamental in a period of savage cuts to State funding of culture.

Bufalotta Porta di Roma: urban development at the edge of the city

In the last decades, the city of Rome has registered a new wave of building development, large private residential settlements have been constructed in a different way than during the post-war era. They are boosted by the strategy of the New General Plan, that aims to achieve a more diffuse and polycentric system by the means of "new centralities" (Marcelloni 2000). According to the general plan, such centralities are "cities within a city" (Campos Venuti 2003), independent units, aimed at changing the image of the city characterized by a magnet core surrounded by a deprived periphery. In order to do so the centralities also aim to decentralize the main employment locations traditionally situated in the city centre. They are divided in local, urban and metropolitan centralities, depending on whether they are built from scratch and will function as a multimodal node for the metropolitan level (such as Bufalotta) or they will take place in dismissed industrial areas to regenerate the already exiting periphery (such as Ostiense). They are planned to be located along railway connections, in close proximity to rail stations with a strategy called the "steel cure" (Marcelloni 2003, Bellicini 2008). This strategy implies, in the case of a new design scheme, that public transport infrastructure must be in place and functioning before the new development is built. The metropolitan centralities are also aimed to functionally re-balance the service industry distribution within the city, which in the meanwhile is losing inhabitants, by reconnecting it to the surrounding municipalities, which are gaining citizens (Violante & Lucciarini 2007). Bufalotta was one of the first metropolitan centralities put in place and represents a new generation of suburban development.

The procedure for achieving a project of this scale requires an exceptional legislative framework such as the above mentioned law for Roma Capitale. Inscribed in the blueprint of work for Roma Capitale, Bufalotta, received priority among other projects and was approved by an agreement (Accordo di Programma) among the municipality of Rome, Regione Lazio, and ANAS, in 1998.

²⁴ The Italian Court in charge of checking Municipal budgets, punished the Municipal Government because artistic restoration works were not outsourced trough a public call.

²⁵ Alemanno changed the president but maintained the CEO and all the key positions in the organization. Alemanno officially justified the abolition of "La Notte Bianca" with financial reasons but it is not likely that i was the real reason behind it. Zetema was able to cover a greatest part of the event through sponsorship funding.

The land was owned by Toti, one of the most powerful families in the city, and major shareholder of Porta di Roma s.r.l,²⁶

In 2001 the Società Porta di Roma s.r.l. signed the Convenzione Urbanistica with the Municipality of Rome that allowed the starting of the work of the so called *Progetto Urbano Bufalotta*. The project was under construction when the New General Plan was approved in 2003 and it was listed as a metropolitan centralities in advanced planning²⁷.

Among the 18 centralities foreseen by the New General Plan, Bufalotta is second in terms of size, with a total land of 332 hectares, among which 140 he have been transformed and 170 he have been left over for public park and donated to the municipality. The total volume that has been constructed is about 2.102.486 cubic meters²⁸ of office, retail and residential space that will host more than 15.000 residents and 2000 workers²⁹.

The project is based on an comprehensive scheme designed by the successors of a well recognized Italian Architect (Gino Valle). The design features a large sinusoidal boulevard as a backbone of the project. The boulevard connects super blocks with residential buildings and office space. A small grid of streets and public spaces, along with a secondary hierarchy of streets and common spaces, connect the residential areas with the central boulevard. The commercial boxes are the main attraction of the project. The boxes were intended to provide mixed-use and represent a new way to achieve urbanity in new development. The project includes a junction with the main ring road (GRA) and a connection with the main highway that goes from Rome to Florence (A1).

More than half of the land has been left as public park space and the construction phase allowed several archeological excavations and the restoration of historical farmhouses. Large public parks and historic preservation represent, in theory, quality assets. However, the quality of the common space is subject to sever critique and does not seem to satisfy experts or citizens.

Moreover even if geographically peripheral, Bufallotta is far from being similar to the former periphery of Rome, historically inhabited by moderate middle class. The new periphery is changing its social composition toward the emergence of a new middle class (Bellicini 2008).

Even though the project is the result of a comprehensive master plan, rare in recent Rome development, some criticalities are emerging. First, the strategic framework of the general plan aims to build new "cities within a city". However, the project is characterized by the juxtaposition between residences and commercial boxes as the only reserves of urban life. The materiality of the project raises the question of what kind of urbanity (the urban experience of people in urban contest) this project envisioned? Individuals and families that choose to live at Bufalotta want to be far from the congested city centre, or cannot afford to live there, however they want to be close to the main attraction, represented by the the "emergence of hybrid (sub)urban conditions such as inner city big-box retail, densification of suburban villages near transit, and parking practices" (De Jong: 2010). Second, the new development registers a severe lack of public transport and a strong car dependent mobility due to the promised, but unfinished, metro line B1 (the extension of the already exiting B line) and highway connections. In other words the

²⁶ a real estate enterprise in charge of the development of Bufalotta, established in 1998. The Porta di Roma is driven by Silvano Toti S.p.A. and encompass the Lamaro Appalti SpA ed alla Parsitalia S.r.l. www.portadiroma.com/ita/planimetrie.php.

Art 60. Comma 4 Norme tecniche di Attuazione, *centralità a pianificazione definitiva*, Nuovo Piano Regolatore Generale.

²⁸ of which 37% residential, 25% public offices, 24% commercial space, 4% accommodation capacity, 4% healt facilities and 6% other services non residential.

From the NTA of the General Plan Bufalotta is planned to host 15.000 inhabitants with a rate of 80 inhabitants per he. However several small residential project were planned in the same areas and the number of inhabitants at the moment can only be an estimation. In 2009 there were less that 6000 inhabitants registered at the registry office.

development has been carried out faster than the public infrastructure necessary to guarantee metropolitan connection. As Tocci points out "the most unsustainable city in terms of public transport has been built following an expansive logic rather than densification strategies" (2008). Rather than being strategically chosen in close proximity with already existing rail track, the centralities have been located just behind the property of a few powerful developers. Thus, in addition to the centrality, new residential developments are increasing the number of residents that are now living in Bufalotta and in the surrounding areas. They create a significant demand on existing urban services, while they don't often produce common goods for the whole city. Now that the city have been developed the cost of providing public infrastructure and facilities is rising exponentially

The result of this development is a cityscape that testifies to individual and private interest and confirms the tendency towards the promotion of real estate market speculation (Berdini 2008). If we look at land property this critique is quite obvious. The land has been subdivided by different developers: Toti, Scarpellini and Caltagiore, these groups were also in charge of residential building; while large firms such as Ikea developed their own commercial boxes³⁰. Other parts of the project (residential, office and commercial space) are under development by Eta Estate, an investment real estate fund managed by Fimit SGR S.p.A, which will complete the development project. The sale of the development from Porta di Roma srl to an investment fund led to the disagreement of the inhabitants that are demanding more transparency.

In March 2008 the city deliberated a change of what was planned to be built at Bufalotta: more than one million cubic meters of proposed office space were converted to residential. The local municipally fervidly opposed the resolution. In the same year an organized movement that advocate for housing squatted one entire apartment building at Bufalotta blaming the new development for providing housing at prohibitive cost and the municipality for the lack of affordable housing policy.

More recently, the same local movement is opposing a project financing scheme that would permit residential development beyond Bufalotta, as a way to create the money necessary to allow the B1 line to reach Bufalotta . This demonstrates that the locals that voted for Alemanno in 2008 were not opposing the left government itself, but rather particular modalities of urban development. However, the local residents do not see any effective change in the new local governance of Alemanno and the unsustainable growth through *concret-ization* become materially evident. They started to advocate to stop contre-tization.

Conclusion

The two social objects analyzed, even if referring to different sectors of urban development: a cultural-led strategic body and a new large urban project, and even if geographically separate, present two sides of the same coin and testify to the rise and fall of a hybrid neoliberal paradigm adopted in the city of Rome.

The *Modello Roma* is the modality that Rome choose to face competitiveness in the era of the globalized economy. The leaders of the model used culture as a strategic tool because they recognized its ability to stimulate the economy through cultural consumption and site-based experience (Pine and Gilmore 2000 Scott 2000), and its strategic role in the restructuring of the economy of the city. However, the apparent success of the cultural strategies and the spatial development strategies rely respectively upon structural components of the economy of Rome: a neo-municipalized capitalism and the reinforcement of rent accumulation.

³⁰ The shopping mall, with more than 220 shops, among them a cinema complex , a bowling center, a hotel and more than 9000 parking spaces, is managed by the company Galleria Commerciale Porta di Roma S.p.A., of which Porta di Roma S.r.I. is the major investor.

In the case of Zetema the task to create a cultural circuit of consumption, in order to increase the tourist attractiveness of the city, was not due to private entrepreneurs or to the market but was in the charge of a public institution which incorporated the relationship with the market. Cultural events (financed as much as possible by private capital) were so important for the establishment of Rome as a culturally vibrant city that the municipality choose to expand its control of the sector instead of leaving it to the market.

The outcome of this QUANGO, was extremely contradictory. Economic success was undeniable but it was based on low-productive sectors: tourism (in the services) and construction (in industry), rather than on innovation-intensive investment. When the global crisis arrived the consumption-led economy was more likely to fall due to the fragility of internal demand and the decrease of real-estate prices. Therefore the massive public investment required to by Zetema and promoted cultural-led strategy was a form of neo-municipal capitalism, able to alter trade dynamics through anti-competitive practices.

In other words public control is stronger where a strategic sector, which can easily be driven by the market, needs to be developed and new coalitions can be built for the development of future projects while it is weak in negotiating the public benefit of a large urban development, such as Bufalotta.

Bufalotta presents similarities with the main characteristic of the new large development occurring in Europe as described in literature (Swyngedouw E et all. 2002). Among the similarities we can recognize that: Bufalotta is another example of "exceptional procedure in planning practices" (*ibid.*) used in order to accomplish the pact between the urban political elite and business community; Bufalotta also experienced "new forms of governing urban intervention characterized by more elite driven priorities" (*ibid.*) as testified by the land subdivision; and at Bufalotta, as in many other new neighbourhoods in Rome, housing supply is mainly driven by the private sector and it has reached an extremely problematic level of unaffordability.

Urban policies, such as the General Plan and its strategic components, delineate a sort of hybrid project, by which real estate speculation became the tool to achieve new collective goals such as metropolitan transit connection. Therefore, the expansive logic of development and its mainly residential and commercial component testify a weak, if not absent, view beyond planning.

In conclusion the city is maintaining control and politicizing the cultural strategic sector, while it is losing control with weak contractual power on urban transformation where the substance of the re-evaluation process (and thus the real political pact) achieve its concre-tization, both literally and metaphorically.

The *Modello Roma*, in all its components, represents the rise and fall of hybrid neoliberal practices. These practices are unable to reverse the structural component of the economy of the city but they have a strong public commitment toward competitiveness in the face of globalization. The hybrid practices result in contra neoliberal practices which take the worst consequences of both neo-municipal capitalism and conservative patrimonialism based on rent accumulation represented by the two cases.

The political rupture that occurred in 2008 does not seem to have reversed the course of this trend. After the crisis Alemanno, elected not only thanks to disappointment in the Modello Roma but also due to his promises toward social equity, found himself dealing with the fiscal crisis and still promoting urban restructuring as a strategic tool for the betterment of the city.

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