ABSTRACT

The analysis presented in this paper deals with the question of the integration of a cultural institution in old industrialised contexts, and concerns the use of cultural activities not only as factors of diversification of the local economy, but also as elements of innovation and cross-fertilisation for the former industrial functions. The case of Biella industrial district is described paying attention to the experience of Cittadellarte-Pistoletto Foundation, a cultural institution recently localised in the area and operating as an important node of innovation and relationships between the local and the global networks.
1. Introduction

Biella is a well-known industrial district, specialised in high quality wool production and textile-mechanical sectors related, which is recently facing a hard crisis.

Our aim is to verify if the presence of a relevant cultural institution based in Biella, such as the Cittadellarte-Pistoletto Foundation - the artistic foundation of the Italian painter and art theorist Michelangelo Pistoletto born in Biella - plays a role in stimulating the cultural atmosphere needed to transform a traditional industrial district in a local production system where culture and creativity matter for the economic development.

The Cittadellarte-Pistoletto Foundation is an ideal candidate for evaluating the conditions allowing the culture to be a driver of economic development, since this Foundation places art in direct interaction with the various sectors of society. In the Pistoletto’s view, it is a space for the convergence of creative ideas and projects that combine creativity and enterprise, education and production, ecology and architecture, politics and spirituality.

The paper is organised as follows: in Section 2 we recall the main axis of the theoretical reflection on contamination between the research on industrial districts and the cultural economics, trying to understand if the traditional textile district of Biella has been shaping its nature towards a dominance of cultural functions, like some recent contributions seem to argue (Nuccio and Fanoni, 2010).

The Section 3 and 4 deepen the analysis, clarifying what we mean with ‘culture-creativity-local development paradigm’ and how it can be fruitfully integrated with a geographical perspective, paying attention to the territories’ capability of behaving as collective actors. Which conditions, in terms of actors, resources and internal/external relationships, should be respected in order to ascertain the existence of a territorial local system where the culture is one of the pillars? In Section 4 we submit to a critical assessment the role performed by the Cittadellarte-Pistoletto Foundation in the culture-led development of Biella.

The analytical scheme described in Section 4 is then applied to the Biella system in Section 5, where the different concepts of ‘anchorage’ and ‘embeddedness’ are used to enlighten the behaviour of the Cittadellarte-Pistoletto Foundation inside the system. Some concluding remarks are sketched in Section 6.
2. Biella: an industrial district where culture matters

‘Biella means wool’. This is the most common statement about the city of Biella, a town with less than 46,000 inhabitants in northern Piedmont (a north-western region of Italy), known for being a very important wool processing and textile centre. Biella is the main town of an area which counts 82 municipalities with approximately 190,000 inhabitants.

The textile activity in Biella can be dated back to the Roman time and since 1860 it is the prevailing industrial sector within the Biella area. The textile sector is formed by 1,200 enterprises with 18,000 operators, mainly organized in the form of small-sized enterprises with less than one hundred employees (90%, versus 10% medium-sized enterprises), and generates revenues for 3,600 million Euros, about 50% of which deriving from the exporting activity. The second sector in importance is the mechanical-textile sector, which employs more than 2,000 people with a turnover exceeding 250 million Euros, more than 50% of which is exported (Maggioni, 2009).

The presence of a high number of small firms manufacturing the same kind of goods in a small area like in Biella is an essential character of the definition of “districts”, the term related to the Marshallian view of the importance of localized industries. The production structure of Biella has been, indeed, extensively analysed in the light of this literature (Maggioni, 2009; Ciarli and Rabellotti, 2007; Signorini, 1994). The neo-marshallian district, theorised by the Florentine scholars conducted by Giacomo Becattini (Becattini, 1987 and 1989; Bagnasco, 1988, 1999; Pyke, Becattini and Sengenberg, 1990 and 1992; Storper and Harrison, 1991) and the industrial cluster, conceptualised by Michal Porter (1989) on the national scale with regard to the international competition, but soon applied to smaller scales, from the regional to the urban one, are the pillars conceptualised during the eighties-nineties in the industrial geography in order to investigate the international success in seventies and eighties of the small, and medium sized enterprises of the so called “Third Italy”.

Within this framework, recent advance in the industrial districts literature highlights the fundamental role played by cultural elements in the success of the district formula. This approach is original in the fact that it outlines the role of some social components of the industrial district as elements allowing an evolutionary interpretation of the culture-led regional and urban development: intangible factors such as tacit knowledge, sociability,
common values and institutional thickness become the cornerstones of an expanding role of the culture as an engine of economic development.

In order to establish a theoretical framework able to encompass the industrial district foundations and the new suggestions coming from the cultural economy, a number of attempts have been made. The first explicit translation of the industrial district formula into a cultural district view is due to Santagata (2002, 2006). The paradigm of cultural district is specially appropriate for the case of culture-based goods production, since localised culture is a main source of economic development. Within this framework, one of the most ambitious theoretical constructions has been set up by Sacco and Pedrini (2003): in their model, on the basis of non-mercantile interdependencies and related concepts like the relational assets à la Storper (1997), a set of cultural features is supposed to develop in specific spatial contexts over the time, contributing to give identity to the district community. This common ground, made up of shared values, cultural habits and so forth, allows the culture to arise “as a system-wide leverage of co-ordination and co-operation among local actors within a social learning process focused on radical innovation practices” (Sacco et alii, 2008). The Sacco and Pedrini’s approach stresses the multidimensional impact of cultural activities on local systems, and not only the value creation in the economic field. It means that the effects of cultural activities on intangible local assets such as social capital, relational assets, professional capabilities and community identity are relevant at least for a twofold reason: firstly, because they allow the actors local networks to exploit local resources in a sustainable – reproducible – way; secondly, because they allow the local system as a whole to catch the global flows of knowledge, money, material goods and people circulating within the worldwide networks.

Another valuable approach arising from the Italian debate is that of “cultural districtualisation model”, elaborated by Lazzeretti (2008) from a perspective combining several scientific inspirations: from the neo-Marshallian district theory of Becattini’s school, to the concepts of “cluster” proposed by Porter and applied both to the resources and to the actors, to, in a more practice-oriented direction, the managerial approach considering cultural places as strategic resources for place marketing and competitiveness policies. Every theoretical component above mentioned should be in-depth analysed and discussed, but there is no room enough in this paper: what it is relevant for us here is the concept of the cultural district “as a more complex and articulated form of reference” which could present more simplified forms in comparison to the industrial one, but which is rooted in a “locality (…) characterized by the
presence in its territory of a significant endowment of idiosyncratic resources, constituting its symbolic capital, and recognized as such by its different publics and by the local community” (Lazzeretti, 2008, p. 95).

All these studies have roots in the observation that in the mature Post-Fordist era of the modern economic system of industrialised countries, the weight of “traditional” networks of specialised industrial units is diminishing, giving rise to new forms of productive specialisation characterised by high degrees of intangible value added. The idea is that the Marshallian “industrial atmosphere” could be then replaced by a “cultural atmosphere”, which exploits the capabilities of the local community to the entrepreneurship in terms of functional innovation, introducing culture as a new fundamental economic asset for competitiveness.

An attempt of inducing a transition from the Biella industrial district to a cultural one is the Di Cu Bi (Distretto Culturale di Biella) project. In the purpose of the Province of Biella, the main promoter of the project, this proposal should have translated in practice the concept of cultural district by constructing a network of initiatives with the valorisation of cultural and natural assets as the common denominator. For a political overturn in the local govern in 2008 (Nuccio and Fanoni, 2010), the project was abandoned.

Even if Biella is not a cultural district, our aim is to verify if the presence of a relevant cultural institution such as the Cittadellarte-Pistoletto Foundation, based in Biella, plays a role in stimulating the cultural atmosphere needed to transform a traditional industrial district in a local production system where culture and creativity matter.

3. The ‘culture-creativity-local development’ paradigm

The relevance of culture, creativity and the related concept of cultural industries has recently acquired an autonomous interest in the regional and urban literature as an active factor of place-based development. Many authors provided a wide range of theoretical schemes illustrating the role of cultural components in enhancing the local capabilities to intercept global resource and capital flows. The well-known Florida’s model of “three T”, applied to spatial aggregates ranging from national entities to urban centres and focused on the crucial function played by the creative class, has been successful in innovating the approach to regional and urban development, as well as it has often represented the target of in-depth criticisms (Peck, 2005).
This approach has been declined in the urban dimension by several works, basically devoted to two different aspects: on the one hand, the analytical studies which discuss the implications of cultural factors in the evolution on urban economic base, that are mainly represented by the book of Allen J. Scott (2000) on the cultural economy of cities; on the other hand, the work of Charles Landry (200?) likely represents both the most explicit translation of the creativity paradigm into a planning approach and one of the weakest applications in theoretical terms.

The urban structure is generally considered by this literature the potentially most adapt container and incubator of creativity and innovation based activities (Simmie et alii, 2002), but it gets wrong in translating the natural ability of urban organisms to host and stimulate leisure and entertainment functions into planning recipes based only on physical renewal of urban spaces. In a too simplistic and mechanical manner, this latter tends to reduce the culture-led process to a spatial concentration of cultural or culture related activities in specific areas or quarters, stressing the role of the physical agglomeration of cultural activities as the main drivers of the economic prosperity, according to a traditional model of spatial growth (Mommaas, 2004).

The theoretical analysis of the role of culture in fostering economic development lacks however a deep analysis of the causal links that make arts, culture and creativity so important for the economic growth. As highlighted by Sacco and Segre (2009), in the recent literature the most important factors driving this growth have generally been grouped together in a “black box”, without enough attempts to identify the causal relationship between them.

Following Sacco and Segre, in order to understand how culture influences the economic activity, the spectrum of activities that should be considered moves from pure arts through applied arts and ends up with aesthetic and technological transfer activities. In this spectrum of activities the degree of creative content is clearly decreasing. At the highest level is what the authors called “super-core creativity”, which “denotes the activities directly deriving from the pursuit of non-instrumental cultural purposes, such as new creative expression, cultural experiments, ground-breaking artistic creation. It can be thought of as the laboratory from which new cultural paradigms emerge” (p. 284). This is the fuel that feeds not only the development of the cultural sector itself but also the progress of applied research and technological innovation, and the increase in the variety and in the quantity of creative and crafts products, as well as of traditional functional products with no creative dimension.
Since in our time most of the goods and services produced and consumed contain an essential, intangible added value derived from design, aesthetic, symbolic and identity values, the driving forces of competitiveness in a regional system are cultural insight, human cleverness, desire, motivation, imagination, originality and creativity. This factors are replacing the location characteristics, the endowment of natural resources, the market access, the low labour costs, and also the usual concept of agglomerations of technologically dynamic firms.

In this framework, extreme importance is given to the emergence of new forms of horizontally-, rather than vertically-integrated clusters of economic activities where a fundamental function is played by the strategic complementarity between artistic production and firm production. This is the basis of the new vision of the functioning of cultural districts depicted by Sacco and Segre (2009). The pure cultural artistic dimension of the district, and the creativity diffusion process which arises from it, represent the key explaining factors of culture-led economic development, and the importance of the proximity of individuals and of the creative-class employment arises. The knowledge of one individual that spills over onto others, enhances productivity not only among individuals working within the same sector, but also across different and sometimes apparently very distant sectors, creating a process of cross-fertilization. Even if the value of cultural diversity in generating innovation in the economy has been for examples described by Maignan, Ottaviano and Pinelli (2003), a more broadly defined creative diversity has to be added, in order to include the connections, actual and potential, among artistic, design, technology and business sectors.

A straightforward example of super-core creativity comes from the activity of the Cittadellarte-Pistoletto Foundation, the artistic foundation of the Italian artist and art theorist Michelangelo Pistoletto born in Biella. Cittadellarte-Pistoletto Foundation is a perfect case study, since it is a new form of artistic and cultural institution that explicitly places art in direct interaction with the various sectors of society. It is a space for the convergence of creative ideas and projects that combine creativity and enterprise, education and production, ecology and architecture, politics and spirituality.

Cittadellarte-Pistoletto Foundation was instituted in 1998 and it is situated in Biella along the banks of the Cervo River in the restored premises of industrial archaeology. This nonprofit institution originates as a concrete action of the ‘Progetto Arte Manifesto’ where the artist Michelangelo Pistoletto proposed a new role for the artist, placing art in direct interaction with all the areas of human activity. The symbolic name ‘Cittadellarte’ incorporates indeed two meanings: that of the citadel of art, an area where art is protected and well defended, and
that of the city, which corresponds to the ideas of openness and complexity characterising the urban atmosphere. Cittadellarte can be considered a laboratory and a producer of creative energy, aiming at stimulating development processes in several fields of culture, production, economics and politics. The strategic objective is to integrate artistic interventions in every sector of the civil society. The activity of the Foundation evokes a cellular system organised in a main nucleus divided in various nuclei, called Uffizi (offices). Each office carries out its own activity addressing specific areas of the social system and pursuing the goal to produce a responsible transformation of global society, starting from their smaller local dimensions.

The intention of our analysis is in particular to verify, after more than ten years from its establishment, the role of the Cittadellarte-Pistoletto Foundation. The question is whether this institution has acted, within the Biella context, as an activator of economic development in an industrial district facing a profound economic crisis due to the textile sector displacement in the global economy.

4. Cittadellarte-Pistoletto Foundation as a node between the local system and the supra-local networks

The concept of cultural district leads us to bridge the most recent reflections about the cultural districtualisation process with the theory of territorial local systems (TLS), elaborated over the past fifteen years by the Turin school of geography (Dematteis and Governa, 2005), and apply it to the Biella’s district.

This approach is constructed on two basic concepts in contemporary geography, often misunderstood in other social sciences, those of “milieu” and “territory”.

The first one has its remote source in the reflections on the concept of “milieu”, developed by the French regional geographer Vidal de la Blache against the environmental determinism elaborated in the second half of the XIX century by the Ratzel and other German scholars (...): Vidal acknowledges that environment plays a role in setting limitations and offering possibilities for human development, but points out that humans can selectively respond to any factor in a number of ways, in function of their abilities of exploiting the local “milieu” resources. Nowadays, the current concept of “milieu”, outlined in more recent geographical studies (Governa, 1999), deals with the potential resources available for every actor, assuming that he is able to recognise them. It refers to the ensemble of potential and immobile, material
and immaterial resources laying in a given place: natural assets, infrastructures, cultural and historical heritage, habits and local know-how.

The second concept is “territory” which is, according to Raffestin (1980), “generated on the basis of the space: it is the result of an action carried out by a syntagmatic actor (a player who implements a programme), at whatever level. Appropriating a space either concretely or abstractly (by means of representation, for example), the actor ‘territorialises’ that space” (p. 149).

This idea of territory tries to gain acceptance of a simplistic and ‘naturalistic’ concept of place and, at the same time, to describe the territorial dimension as an inextricable product of elements of materiality and social practices. From this standpoint, territory can play a fundamental role as an intermediate level at which local actors economic interests, government institutions, technical agencies, and so on are structured as they arrange their relationships with the global level. This ‘intentional’ function of territories allows us to suggest that territory can become “a collective actor, a social and political actor possessing autonomy and strategies” (Bagnasco and Le Galès, 2000, p. 25).

Therefore, interpreting the territory in terms of TLS (Dematteis and Governa, 2005) entails describing the interactions between local actors and territorial resources of the milieu, particularly stressing the role of proximity, sense of place and territorial identity to promote the collective action of local coalitions.

In general terms, a TLS, before being understood as a defined and delimited territorial entity, is an aggregate of actors involved in reciprocal interaction, in which the actors, as a function of the specific relationships they maintain with a particular local environment or milieu, behave as a collective actor (Dematteis, 1994). Within it, one can acknowledge four components, which all together allow us to detect a TLS.

1) The local network of actors: that is the network where individual and collective, public and private actors interact each with another; this network is locally embedded through relationships of proximity; in Biella’s district, the most active players mainly belong to the public sector – Municipality and Province – and to that ‘intermediate world’ which Amin and Thrift (1995) call the ‘institutional thickness’: local Chamber of Commerce, employers’ association, banking charities as the Fondazione Cassa di Risparmio di Biella, and Cittadellarte-Pistoletto Foundation. More recently, a new influential actor has been added,
Città Studi, a local consortium which gathers many of the above mentioned actors in order to manage the local University.

2) *The local milieu:* this is made up of the immobile and idiosyncratic resources which have been stratified into a place over the time; these are both material (infrastructures, physical externalities) and immaterial (culture, savoir-faire, institutions). The first kind is well represented by the historical heritage such as Il Piazzo in the old part of the city of Biella, the various private gardens and naturalistic areas in the surroundings, the mountain and the rivers, essential elements of the local environment. The second kind of factors are for instance the textile know-how and the specialisation in high quality fabric, the recent location of University and Polytechnic functions (e.g. textile engineering) and important training initiatives in the cultural field as La Squola.

3) *The relationship of the local network with the local milieu:* this means translating potentialities of milieu in communicable and exchangeable values. In our case-study, in addition to the historically testified capability of local actors to exploit the resources for productive purposes, we must not ignore the attempt to create a collective trademark by which the brand of the area can be synthesised and represented outside; we refer to the trademark ‘Biella the Art of The Excellence’, which will be better described in the next section.

4) *The interactive relationship of local network with supra-local networks* (regional, national, global): this relationship consists of actions which can modify both the network articulation and the milieu resources and export outside the values produced. Within this relationship the Cittadellarte-Pistoletto Foundation plays the fundamental role of connection point *between the local system and the supra-local networks* as far as this cultural institution can be seen as a super-core creativity node.

5. *Applying the scheme: the dilemma between anchorage and embeddedness*

Biella’s industrial district seems to be a fruitful field for applying an analytical scheme which combines the recent findings of cultural economics – in particular, the districtualisation model – and the TLS theory. Biella has been chosen by virtue of its characteristics of an old industrial district which has been facing a deep sectoral crisis injecting in the local economic base several factors of innovation concerning the i) internal functional endowment and ii) the external image of the district.
Two key-elements play a crucial role in the first aspect: on the one hand, the decision to create a network of institutional and economic actors oriented to attract university and research functions from outside, mainly the regional capital, Turin; on the other hand, the presence of the Cittadellarte-Pistoletto Foundation, established by the internationally famous artist Michelangelo Pistoletto, one of the most significant representatives of the conceptual art, born in Biella and interested to find a sound location for his art-training institute.

The second aspect deals with the search for a recognisable brand of the industrial district, with a creation of a collective trademark and promoting around the brand a number of events and activities conceived to reinforce the external image of Biella and its district. The label ‘The Art of Excellence’ stems from this need, and it is the result of a joint effort by the local employers’ association and the Club dei distretti, a national organisation devoted to disseminate information and knowledge about the Made in Italy.

All together, the cultural functions located in Biella over the last decade seem to respond accurately to the abstract model of creative city planning: injection of institutional culture functions - i.e., universities -, raise of cultural activities linked to the performing art, and so forth. Yet, we don’t believe that it suffices in order to obtain concrete results in terms of economic recovery. The capability to be effective in the difficult attempt to diversify the local economy and reinforce the competitiveness of old industry by innovation and knowledge mainly depends on the degree of relationships connecting the ‘new’ functions with the local system. In other words the dilemma is between the anchorage and the embeddedness: the former occurs when a player locates in a given place creating a stable linkage on the base of the exploitation of local factors – labour, land, tax incentives -, the latter when we can observe not only a stable location, but also an exchange, a mutual interaction between the player and the system.

The scheme representing the opposite role of anchorage and embeddedness within the TLS is described in Figure 1. The two arrows depicted in the lower part of the figure describe, on the left-hand side, the mere exploitation of local resources by an actor, and on the right-hand side, the ability to reproduce and create ex-novo resources for the local milieu.
The conditions to go from the anchorage to the embeddedness are:

1. the relationships between the player and the local system ought to have a ‘territorialised’ feature: the player takes part actively in the policy community, recognising itself as an actor of the local system;

2. the production of positive externalities (knowledge *spill-over*, material *spin-off*);

3. the activation of collective projects and an enlargement of the territorial governance.

Looking at the Foundation, we can verify if its history and role have been developing in accordance with these three conditions (Topran Cutin, 2008).

1. The relationships between the Foundation and the local system: during an early period (1998-2002) the main activities have been conducted in partnership with few selected local players (Zegna Foundation, Sacro Monte di Graglia, Parco fluviale del Cervo) and with the goal of establishing a stable local base (creation of Università delle Idee, a residence for young artists coming from everywhere). Since 2002, the articulation of the relational network has been extended to many other local actors – public institutions and private operators – by taking part in local events: visual art awards, local campaign against AIDS, performances and installations in local factories. This second phase has taken off with the creation of the Uffizi, each devoted to an individual sector.
2. The analysis of the creation of positive externalities shows that the Foundation has been able to produce some significant effects, mainly through investments in the reclaiming and regeneration of derelict industrial areas. Moreover, the Foundation has implemented experimental actions in energy saving technologies, with the challenge of combining culture and art with the environmental sustainability, not only in its buildings but also in the functions hosted and in the fashion sector, with a special event dedicated to responsible fashion.

3. The Foundation’s decennial activities have introduced it into several local initiatives: among the most relevant, we can mention the PISL (Programma Integrato di Sviluppo Locale) Area Pilota per la sostenibilità ambientale – valorizzazione ambientale, turistica e culturale del territorio, promoted by the Province of Biella, and the PTI (Programma Territoriale Integrato) ‘Biella laboratorio tessile’. The PISL has been prepared through some projects launched by the Foundation with other local actors in order to improve the sustainability of the development process in this area: the Festival of the river Park of Cervo (2003) and the Conference on the Territorial Integrated Valorisation (2004). This programme is focused on the functional regeneration of the areas along the river Cervo, creating the so called Isola della Creatività (Creativity Island). Beside the Foundation, the actors involved are the Fondazione Sella, Archivio Pia, Cracking Art, Cerruti 1881, Serralunga, Caseificio Rosso, Safin and Banca Sella-telematica. The firms located in this area belong to various sectors, although most of them operate in the cultural context. The PTI is mostly focused on the question of technology transfer from the applied research laboratories to the local firms: the core of the programme emphasises the crucial role of the Polytechnic in the dissemination of innovation into the productive base. The axes of innovation concern the safety of the textile product for the final consumers, the enhancement of the firm services, a training activity for entrepreneurs, managers and technicians, the renewable energy technologies and the derelict land reclaiming and regeneration.

5 Lessons and suggestions from the case

The analysis presented in this paper shows the increasing integration of a cultural institution in an economic system, deeply characterised by a strong manufacturing tradition. This integration has occurred thanks to an embeddedness which is taking place through three main
intervention axes: i) the relationships between the local system and the player, who becomes able to take part actively in the policy community; ii) the production of positive externalities; iii) the activation of collective projects with an enlargement of the territorial governance, which include also the cultural player as a decision maker.

Given the encouraging indications emerging from the application of the theoretical framework, in order to understand if and up to which point the Cittadellarte-Pistoletto Foundation has produced positive effects on the social and economic performance of the old industrial district of Biella, we need however to further develop our empirical analysis. The qualitative analysis carried out in this paper needs to be completed by the construction of specific indicators able to capture the economic variables, directly and indirectly linked to culture.
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