

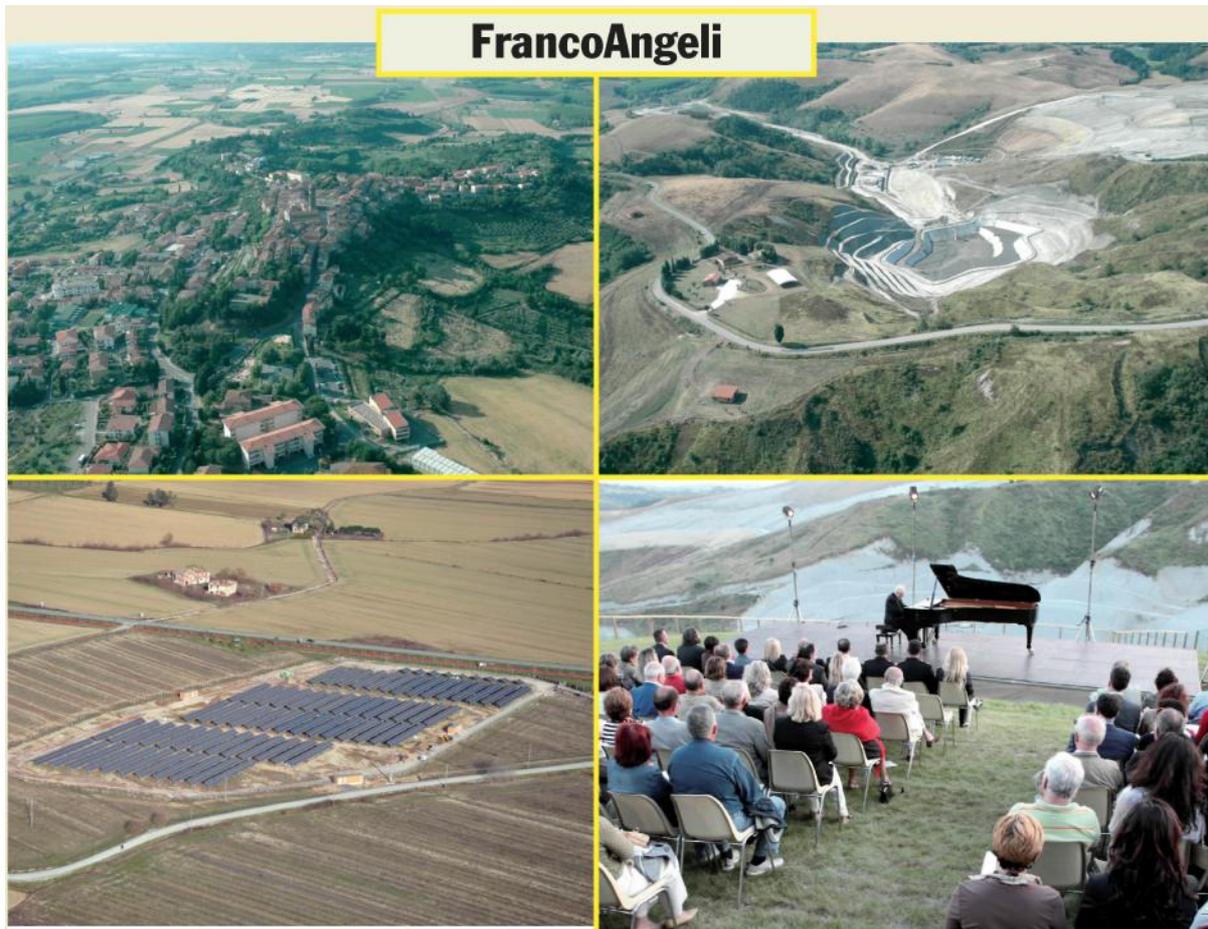
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WASTE & DEVELOPMENT

The Peccioli System: virtuosity in practice

Preface by Innocenzo Cipolletta



Preface

First of all I must say that I have never been to Peccioli, and I do not know the Mayor, Renzo Macelloni. However, I do know Nadio Delai and his passion for initiatives that begin from basics. So, when he told me about the experiment carried out in this small town in the province of Pisa, it caught my attention, and I have followed the whole story with a great deal of curiosity. That story has now become a book, and Delai asked me to write the preface.

So I will tell you about my impressions on reading this tale of events that may seem unusual, but which on the contrary, should occur normally every day. The problems and the needs that are currently foremost in our minds are also the principle factors of economic growth. A world without needs would not evolve and grow. Naturally, we would presume that a world without needs would also be a world full of satisfied people who would happily do away with economic growth. Perhaps. But a world without needs does not exist and therefore, we have to work with what we have.

When faced with problems and needs we can adopt one of two totally opposing solutions: the conservative attitude, adopted by those who feel that basically problems cannot be solved because every solution will lead to further dilemmas. And the progressive outlook, chosen by those who feel that every problem has a solution and that even though these solutions may provoke more problems, these too will be solved when they appear. The world is in constant evolution, continuously developing, and problems are resolved if we adopt the second progressive solution. Of course that does not mean we have to go to extremes, becoming blind optimists either.

During the history of mankind, economic growth has been created through inventing the solutions to a variety of problems; these in turn created new problems, and consequently, new solutions. This sequence is never-ending. And this means that problems stimulate the search for

answers and that growth is a direct result of the solution to these problems and to satisfying needs.

The case in question, that of Peccioli, stems precisely from a specific problem (urban waste disposal) caused by the economic and demographic growth in the area. But the problem was transformed into a growth motor, generating income and opportunities for new business activities. It is probable that new problems will arise as a result, but it is also certain that new ways will be created to resolve them.

And I hear you say: if problems help to generate development, then the world must be over-developed, since we already have more problems than we can handle. Unfortunately, that is not the case. Finding solutions to problems involve many aspects. They implicate scientific research, and that means good educational levels. They implicate organisational capacity, and therefore a good institutional system. They implicate a capacity to become involved, and that means good social and political balance.

These are the ingredients necessary for providing solutions to the problems we need to face. These are the ingredients that were used to create the project in Peccioli, where they found a way to consolidate general consent around a decision for urban waste collection and disposal that was not easy to accept. In particular, during that period it became very obvious that there was systematic opposition from the population to accept invasive development in their personal territory. This is the so-called *Nimby* syndrome in which nobody wants public structures in their own back yard even where they are considered as a necessary solution to local problems. When faced with this opposition, the authorities often wave the flag of arbitrary choice that eliminates any decisional power within the community. But authoritarianism is never transformed into authoritativeness, and this is what is necessary in order to be convincing. Imposing a choice or decision does not always lead to the right results.

There is a chapter in this book entitled “the policy of reality”. Far too often, the policy of reality has been interpreted as a policy of action, as opposed to that of discussion. And far too often action is authoritarianism in disguise, using legislative shortcuts that overtake mutual vetoes, excluding local authorities from any decision making. It is possible that in certain cases the authoritarian route has to be taken. But when that happens it is always the sign of defeat, never the symbol of victory.

The example of Peccioli shows us that another road exists, that where the local community becomes involved and in this way, is convinced. And that is the road of democracy. That is the road we must take.

Innocenzo Cipolletta

Introduction

An experiment in local development with national value

Over time the “Peccioli case” has assumed the attributes of an emblematic history of local development, beginning with the delicate subject of how to resolve the problem of treating urban waste. In this experiment, sensitive leadership in managing community relations was able to create and constantly maintain reciprocal consensus between the local administrative bodies and population, creating on-going development projects which will form a continuing investment for the future.

However, this is not simply a case of efficient administration, but rather an experiment in a much wider development beginning from the very foundations; this was possible because of those who were able to listen to the needs of the community and seek a practical solution with intelligent logic and a steadfast vision towards the future. An enterprise achieved by an admirable group of industrialists and local authorities who were able to interpret the needs, not only of the current situation, but also of the future, involving their community in the new challenges for development.

Many initiatives were set up in order to promote and ensure the safety standards for the urban waste dump located in a small village in the Peccioli municipality. These aspects were consolidated in recent years, while new initiatives were set up a short time ago: following the initial waste treatment plant, a real estate project called Fondi Rustici was created, as well as other projects for alternative energy, investment companies, and Finance Corporation for savings management (SGR). Gradually what has become defined as *The Peccioli System*, has taken form to promote the territory and the quality of life of the local community.

Local and national media, press, and TV have shown a lot of interest in the projects developed in the area and those that are planned for the future.

For this reason, today it is time to discuss what has become the “maturity stage” of the Peccioli System, which requires a similarly mature continuation, both internally (from an organisational governance viewpoint) and externally (focussing on communication and transfer of experience).

It is precisely in relation to this second aspect that many feel at this point that promoting a type of delocalization to endorse this experiment would be particularly useful, because we have before us an emblematic system which should be multiplied and applied not only throughout widespread local Italian administration bodies, but also as an example to be considered by national (Italian) political ruling classes.

In this context it is worth recalling that the Rapporto LUISS/2008 (LUISS Report) on the ruling classes¹ resulted as focussed mainly on the need to break this vicious circle that often occurs between the population and the ruling classes: the population often criticises the latter harshly declaring their lack of respect, while the local political ruling classes have engaged in even more severe self criticism, and furthermore, refuse to be identified with the national political ruling classes as such (thus managing in some way to unburden themselves of some of their own responsibilities).

The result of these conflicting assessments leads to the lowering of cooperative working relations, which not only prevent growth and development, but also block the energy of the country, limited within a vicious circle of lack of respect for others and for oneself.

On the contrary, to escape from this trap implicates the ability to inspire harmony and the desire to move forward (in contrast to reducing cooperation), the ability to promote a boost in energy, and to construct a new development cycle which should also be aimed at becoming increasingly more exacting and selective, especially in the light of the current economic crisis.

Therefore, the Peccioli system represents (on a small scale) an experiment in positive good will and cooperation, applied to a controversial topic difficult to resolve, like waste disposal, and to succeeding in making it acceptable to the community. In fact, normally it is much easier to find local administrations that side with the local population in a common *Nimby* attitude: “refusing refuse”. Each time, this habit has contributed towards raising the bar of common commitment towards development a little higher: this induces the ruling class and the population to “pull together to reflect continuously on their common future”.

If we add the following aspects to this fundamental need to create a virtuous circle based on positive agreement and cooperation:

- the need to interpret the recession we are going through in a positive “forward-moving” manner;

¹ Cfr. the second LUISS report, “Generare classe dirigente – Una sintonia positiva da ritrovare con il Paese”, LUISS University Press/Il Sole 24 Ore, 2008 (presented before the Senate of the Republic on 19.03.2008)

- the need to establish a better balance between the State and the Market, after having experienced both excesses (and being tempted today by a new form of statism, precisely because of the return of the “pendulum swing” towards public intervention following the current economic crisis);
- the strong need to make decisions and to act decisively: aspects extremely necessary for the country, especially in the field of public action;
- the need for a new equilibrium between economic logic and the logic of social cohesion and increased consensus, aimed at a common commitment in order to exit from this tunnel,

it becomes obvious how the case demonstrated in Peccioli can and must be relaunched by means of a specific “comparative system” outside local and regional boundaries, given that within the territory great efforts have already been made through production, participation and communication.

In reality, the opening up of a particularly demanding period for the whole country (as well as for Europe and the rest of the world) requires the commitment of a huge leap forward in maturity in order to organise and manage the “transformations” that await manufacturing industry, public institutions and the population in general.

Mobilising all the resources available throughout the country to resolve old and new problems represents a fundamental instrument in order to exit from the current crisis and to rediscover the correct balance between the awareness and directive capacity that a good politician must always be able to express as far as the country is concerned. And this is even truer today, in a situation where it was precisely the local territory with lesser resources and concrete economic and social problems, that demonstrated greater resistance to the crisis and the dynamics that large-scale industry and politics dealt with “from on high” in the spheres of finance and globalisation.

And perhaps, it is for these very reasons that the lesson that can be learnt from the Peccioli system is worth twice its value today.

It has an intrinsic value most of all, because good policy means providing solutions in advance of needs which are already present, but often restricted or confined by defence mechanisms, and/or the fear of taking that necessary leap forward, giving life to new solutions (and the case of waste disposal is particularly emblematic in this instance).

And it has even more value in the current situation in which we live, where the crisis is running the risk of provoking a “pendulum motion” of marketism/statism, instead of planning public intervention from this very moment as a method of immediate support. But it should also act as an

instrument to restabilize market conditions once changes have occurred, precisely by sustaining the market with lucidity, by balancing aid interventions with initiatives independently achieved by the various role-players, whether they be manufacturing industries, banks, public institutions or families.

The country needs to survive the crisis by taking a step forward from the situation in which it finds itself today.

And in this perspective a dual policy is fundamental: the first involves tightening ranks to protect ourselves from the storm, and the second, on a parallel plane, is to prepare the “machine” ready for the post-crisis.

It is exactly this double situation of having experienced a cycle of development and well-being, plus having to replan our system for producing assets and to promote the quality of cohabitation, that creates the correct conditions “as practice” to overcome the maturity stage and completion of the cycle, in order to enter into an important period of change.

Dealing with this passage is a task that belongs to all participants: businesses, public administration, representative bodies and institutions, families and individuals.

If we wish to launch a new cycle of development we must also transform the content and methods. One of the most important routes to follow in this respect is that of environmental protection, compatible energy, consumer protection, and public and private investment quality.

Under certain aspects the Peccioli System has looked ahead and identified these needs, accumulating experience and excellent results, to the point of having invented a type of “Peccioli Method”.

So why not take advantage of the “beyond local boundary” dimension of the initiative and transform the Peccioli System into an open workshop where it is possible to combine imagination and enterprise, leadership and participation, decisional capacity and organisational ability, political intuition and awareness of the true needs of the community.

Fundamentally, we are talking about the virtues that a ruling class worthy of its name should possess: a class able to deal with a “policy of reality”, a class that has sufficient intelligence to look forward towards a future that expresses what we aspire to become and to acquire, instead of simply defending who we are and what we have achieved till now.

Peccioli is just a small town in the province of Pisa, but it has successfully managed to develop an initiative that is quite exceptional. For some time a very original local development project has been underway using as its resource the nearby urban waste dump, in other words – a site that would normally be considered by the local residents as unhealthy or an eyesore to be eliminated, as a result of a common agreement between the local administration and the population.

In this case, the problem has been turned upside-down, transforming the “sinister mass” into an authentic industrial plant with very strict safety standards, and able to generate consistent (and increasing) financial returns.

But this initiative has also transformed the relations between the local population and town administration thanks to what is called the “Peccioli system”, an active participation project that local authorities and industry have promoted with great success. This was achieved by focussing on shared objectives, but also through the tangible advantages gained in terms of infrastructures and services which have been, and still are, beneficial to the community.

In short, they invested in an idea, but also invested in the local population who can and should form an active part of the project.

The initiative achieved in Peccioli has now branched out to include other aspects, moving on from the initial project of waste treatment to a widespread range of applications: these include alternative energy, restoring and promoting rural land and estates, encouraging tourism, applied research, and the setting up of Finance Corporation for savings management (SGR).

The basic theme of an original method for local development is still taking shape with the planning of further important initiatives for the future.

This experiment includes a range of interesting aspects that show prospects of far wider expansion, much greater than what has been achieved till now. It consists of a development model that can be transferred to other small-town locations (even outside Italy), not simply because of the technical content, but also because it touches on a particularly delicate subject in relation to current economic conditions: promoting mature and beneficial co-operation between authorities and industry and the local population. This would be aimed at defending not only what has been accomplished till now, but also seen as an ongoing investment in what can still be achieved in the future; in spite of and beyond the current economical crisis, and working through any adjustments that may be necessary.

Nadio Delai, sociologist, worked for many years at the Censis Foundation where he was Director General from 1984 till 1993. Following this he was the Director of the TV channel, Rai Uno, during the period when it had a strong cultural impact, called the “period of the professors”, and later was in charge of the social and economic policy management for the Italian Railways, then becoming the managing director of ISFORT – (Higher Institute for Transport Studies and Training). Today he is the Chairman of Ermeneia - Studi & Strategie di Sistema, a consulting and research company particularly involved in local development projects, strengthening small and medium-sized businesses, and qualification of representation systems.

