

# **Torino: A Conducive Framework for Head on Investment**

Giorgio Barba Navaretti

*Università di Milano  
Centro Studi Luca d'Agliano  
Collegio Carlo Alberto*

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# Get Rid of False Beliefs

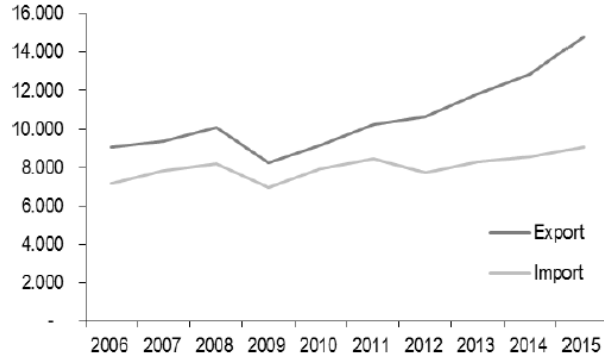
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Smart city or low cost city?

# Smart

## Import/export balance for hi-tech products in the province of Turin

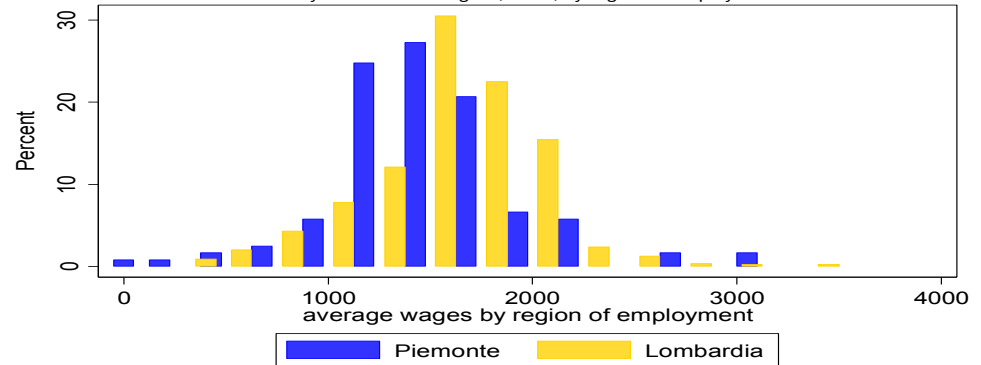
Milions of euros. Source: Unioncamere



Source Rapporto Rota 2017

and Low

## Wage distribution of graduates from Politecnico in Turin 1 year since the degree, 2015, by region of employment



Piemonte: average=1419  
Lombardia: average=1653

Ires-Osservatorio Università su dati AlmaLaurea, XIX Indagine sulla Condizione occupazionale dei laureati (2017)

# Smart city and low cost city

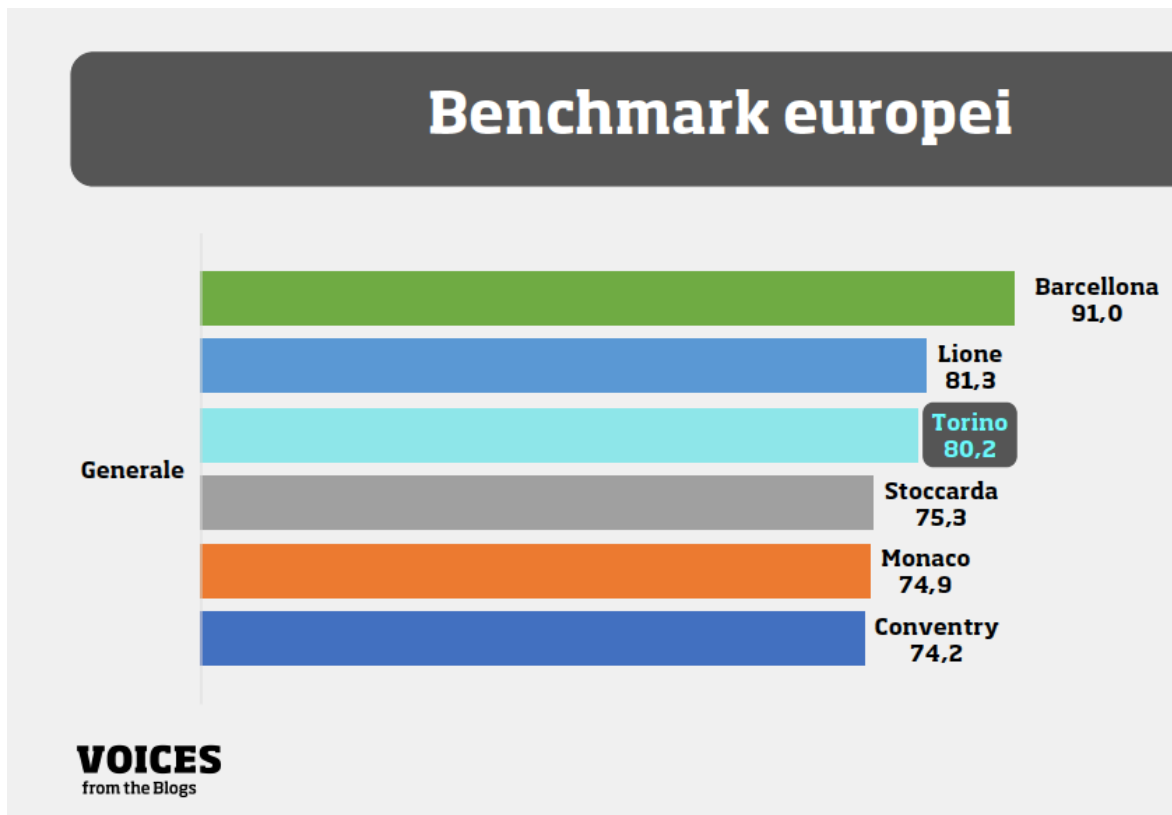
- Unique Mix
- Smart attracts economic activities: obvious
- Low cost: strategic starting point to attract activities: young people and investors;
- Low cost as a trigger not as final equilibrium.

2

Centrifugal forces.... Everything  
moving to Milan...?

# Positive Perception

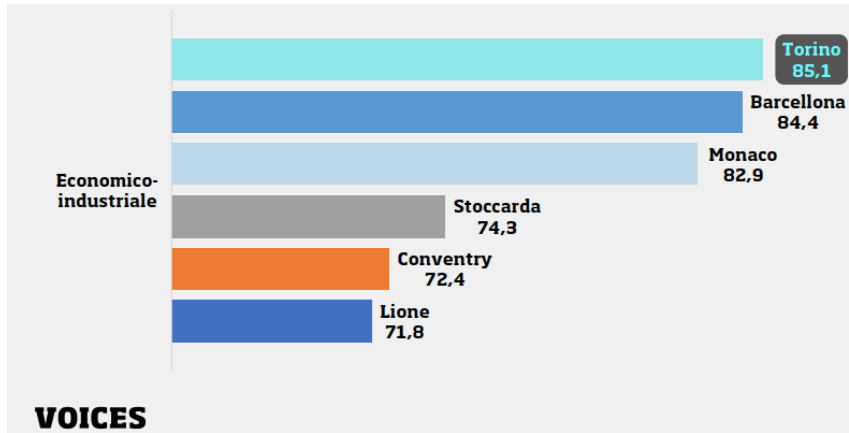
% Positive  
Tweets



*Note: Percentage of positive tweets on total tweets on the city, net of neutral tweets.*

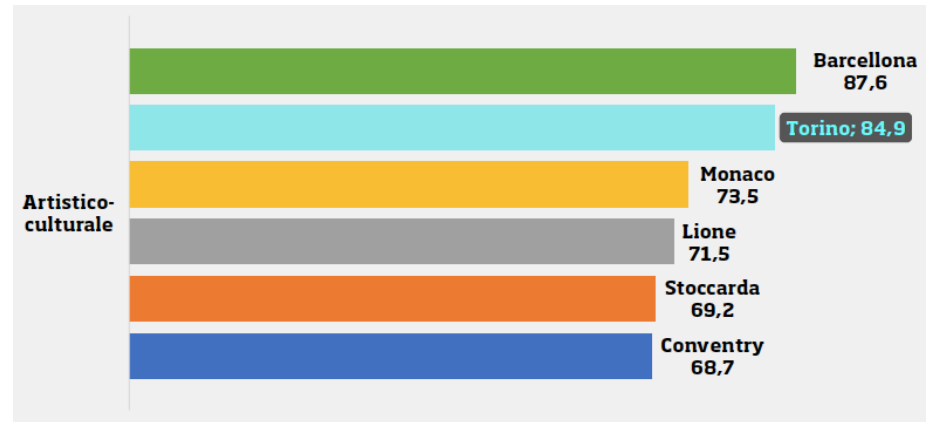
## Voices from the Blog

### Top in Industry and Cultural Activities



Industry

Culture



*Note: Percentage of positive tweets on total tweets on the city and reference topic, net of neutral tweets.*

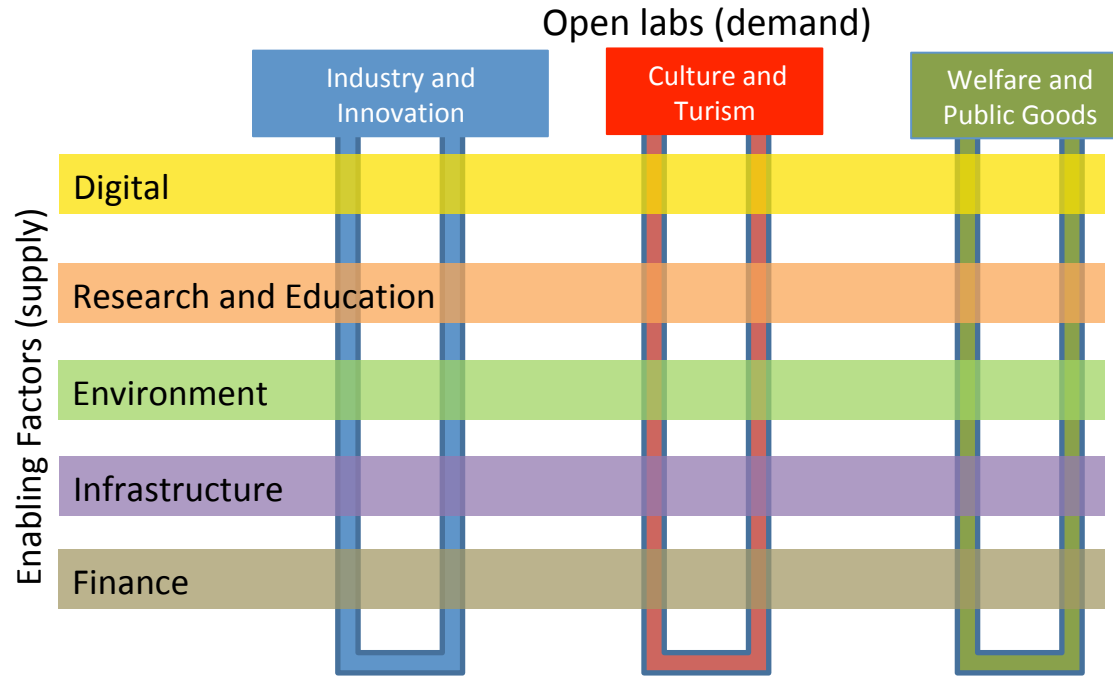
# Strong centripetal forces

Torino has many assets acting as centripetal forces

- Firms/Industry
- Universities
- Cultural Industry
- Social Activities/impact investments
- Territory

Open city + centripetal

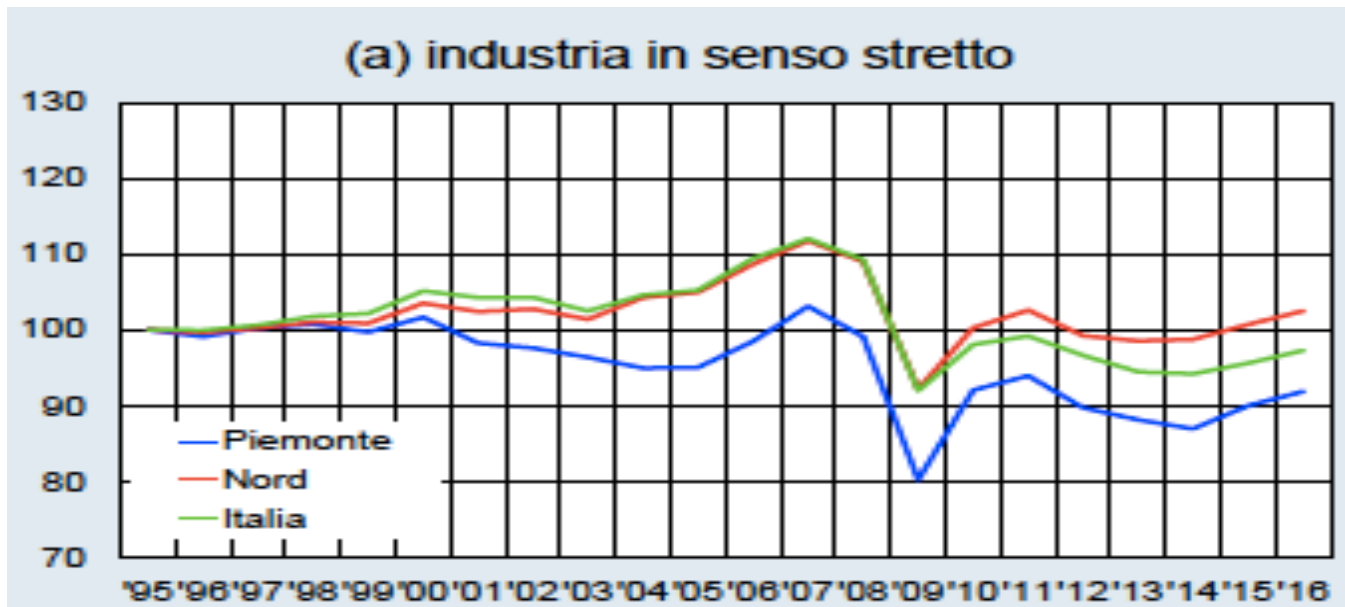
# A Frontier city: 5 Enabling Factors- 3 Open Labs



# Open Lab1

Industry, R&D and Innovation

# Value Added in Industry: slower than benchmarks



Value added  
in industry

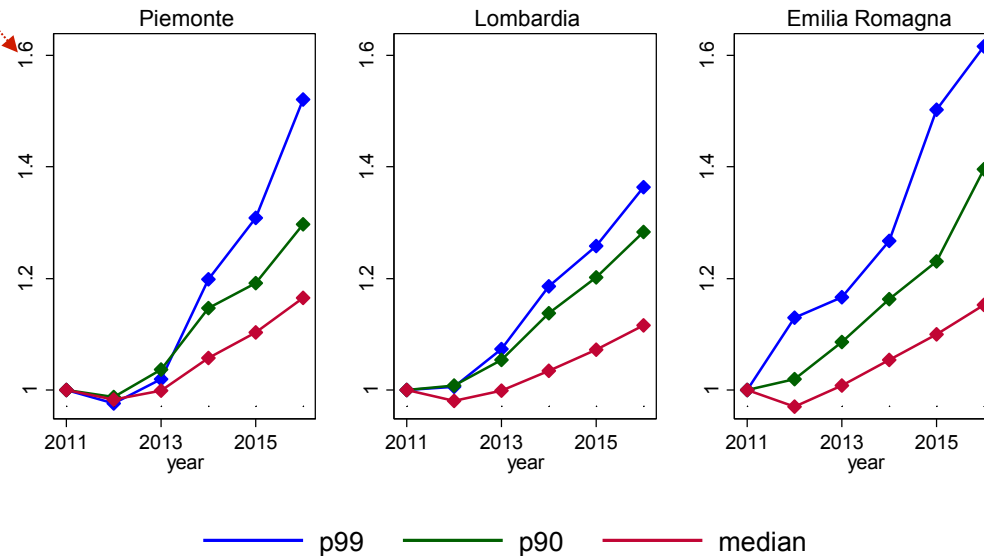
Source Bank of Italy,  
«Economie Regionali»:  
L'economia del Piemonte  
2018 1995=100

But what industry? Move beyond aggregate trends!!

Rising  
productivity  
gap between  
top performers  
and median  
firms in all  
regions

Firms' productivity has been growing fast since 2013...  
but also rising heterogeneity

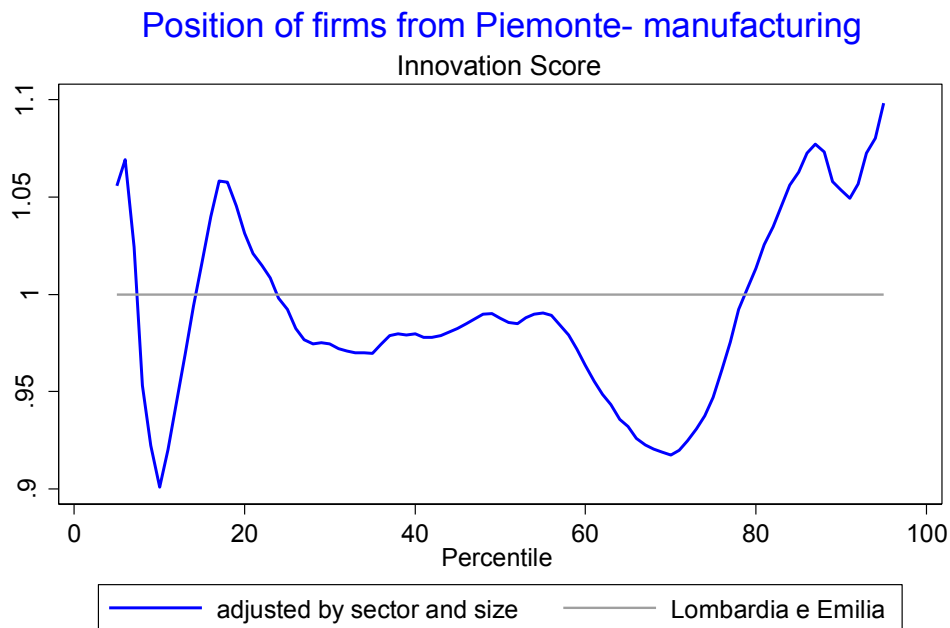
Value Added by employee  
manufacturing sector, 2011-2016



Source: Cerved data 2011-2016, sectors 10-32; VA CPI adjusted

Productivity of top players rises faster in Piemonte and Emilia than in Lombardy

# Larger concentration of highly innovative firms than in Lombardia and Emilia



Source: Data from Cerved-Spaziodati 2016, sectors 10-32

Many highly innovative firms

Digitally oriented resilient manufacturing

The graph shows the relative density of the innovation score by percentiles in Piemonte with respect to the reference. The reference includes Emilia Romagna and Lombardia and whose values are normalized to 1. Values of the density above 1 imply a higher density of firms from Piemonte in the corresponding percentile. Percentiles are those of the distribution of the innovation score in the reference regions. The innovation score was created by SpazioDati, using as a reference the innovative startups. A score of 60 indicates that the firm is more innovative than 60% of the firms in the same ATECO sector ([url: https://developers.atoka.io/v2/glossary.html#innovationCategoryScore](https://developers.atoka.io/v2/glossary.html#innovationCategoryScore))

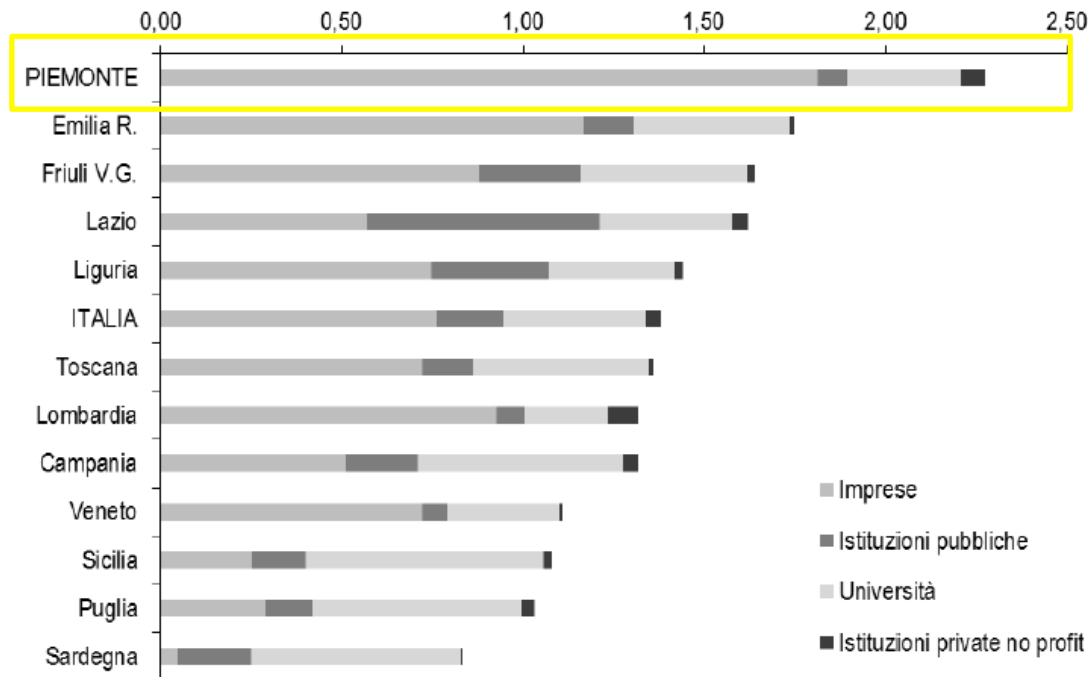
# Large R&D Expenditure

R&D expenditure over GDP higher than in other regions  
Firms the key driver

Source: Rapporto Rota 2017

R&D expenditure over GDP in the main metropolitan regions – 2014

Percentages; Source: Istat



# Industry Large potential synergies

## 1. Underlying synergies

⇒ Biomedical- Health System

⇒ Industry-Digital

⇒ Innovation-Finance

⇒ Aeronautics- Automotive

⇒ Food-Turism

⇒ Circular Economy - Industry

## 2. Ecosystem for the setting up of public goods: firms; banking foundations; universities; public administration

⇒ ....New Teaching and Research Hospital

⇒ ....Competence Centre.....

⇒ ....MTCC

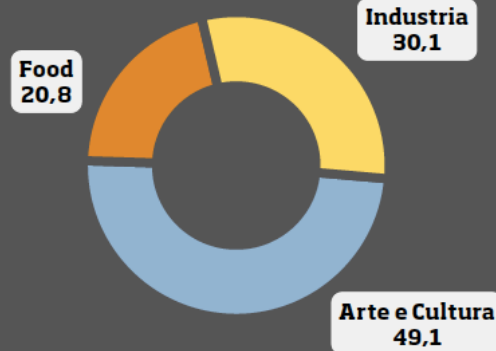
## Open Lab 2: Culture and Tourism

# Cultural Industry Major Asset

Two billion invested in the restructuring of cultural buildings in the last 20 years

Visitors  
Museums: 5.5 milion in 2017;  
750,000 in 1994

## Distribuzione temi d'interesse



**VOICES**  
from the Blogs

Art and culture first item associated to Turin in blogs

Creativity and culture:  
GDP 8.8%  
Employment 8.4%  
in 2017

# Make cultural assets valuable

1. Identity and synergies: from ancient Egypt to contemporary art
2. Public-private partnership (public institutions; collectors; galleries; foundations...)
3. R&D: digitalization of papyrus
4. New models of public-private governance .. Foundation of the Egyptian Museum; Royal Pole...
5. Experimentation on new models of inclusion...Museum Card...Targeted programs for migrants at the Egyptian Museum, etc..
6. Cultural Entrepreneurship bottom up (Settimo city of culture; Holden School)
7. Food; Mountains; Tourism

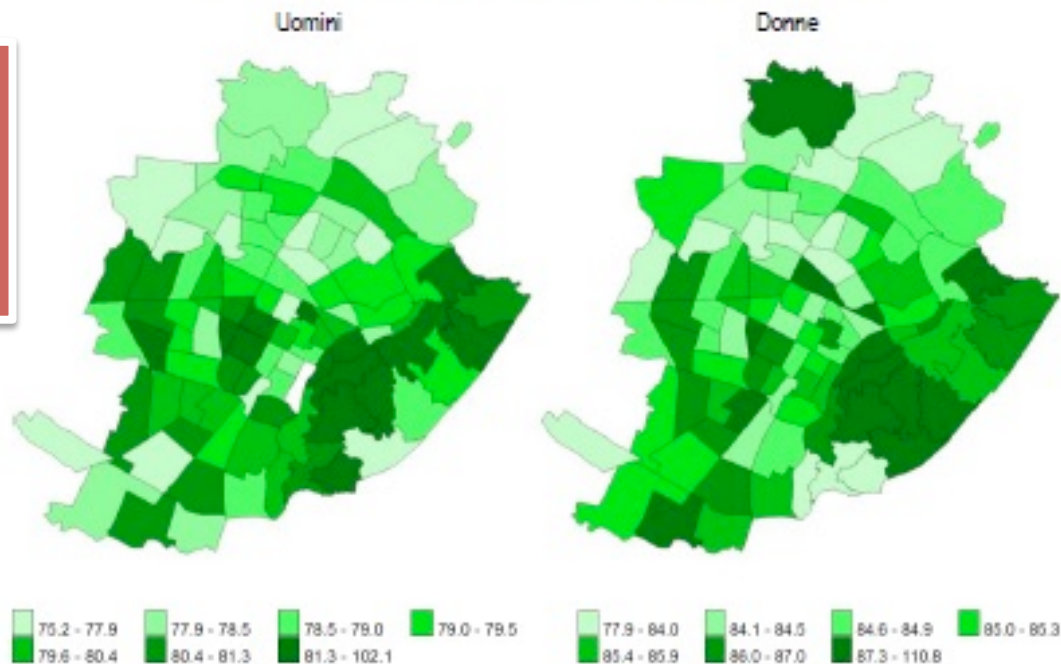
# Open Lab 3: Welfare, Public Goods and Impact Investment

## Need to work on inclusion

Figura 12.7. Speranza di vita alla nascita a Torino, per zone di residenza

Anni di vita; media periodo 2002-2011, escluse zone con istituti per anziani e carceri;  
fonte: Costa et al. 2017 (per gentile concessione di Edizioni Inference)

10 years gap in life expectancy between rich and poor neighbourhoods



## Social Investments: favourable ecosystem

1. Very fertile ecosystem: private/public initiative and key role of banking foundations
  - 1,900 entities involved
  - 22,000 people employed
  - 830 million € turnover
  
2. Experimental initiatives
  - Social housing
  - Coordinated hub: Torino Social Impact

## Summing Up

1. Unique setting
2. Very diverse but mutually conducive investment environments
3. Public – Private partnership essential