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Grafton Building (3-B2), Via Roentgen, 1 – 20136 Milano

www.certet.unibocconi.it

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The Impact of Typical Products on the Decision to (Re)Visit a Tourist Destination: Market-Expanding or Business-Stealing?

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MARCO ALDERIGHI is full Professor of Applied Economics, Department of Economic e Political Sciences, Università della Valle d'Aosta, and CERTeT, Bocconi University, Milan. m.alderighi@univda.it

CARLUCCIO BIANCHI is Full Professor of Economic Policy, Department of Economics and Management, Università degli Studi di Pavia, Pavia. carluccio.bianchi@unipv.it

ELEONORA LORENZINI, Department of Economics and Management, Università degli Studi di Pavia, Pavia. eleonora.lorenzini@unipv.it

ABSTRACT

This paper studies how typical products affect the attractiveness of tourist destinations, distinguishing between market-expanding and business-stealing effects. We surveyed 1,100 Italians at their home on their intention to visit or revisit three popular mountain destinations in Northern Italy (Valtellina, Valle d'Aosta, Trentino), and on their experience, knowledge, and appreciation of five well-known typical products of these places (Pizzoccheri pasta, Bresaola dried beef, Fontina cheese, Melinda apple, Speck smoked ham).

We find that product experience positively affects the likelihood of (re)visiting both a product's place of origin and the other mountain destinations (market-expanding effect). Conversely, the correct identification of the product's place of origin may reduce the intention to (re)visit the other destinations (business-stealing effect). Finally, strong appreciation for a typical product has a positive effect only on the intention to (re)visit the place of origin.

Keywords: TYPICAL PRODUCTS; MOUNTAIN REGIONS; TOURISM; MARKET-EXPANDING EFFECT; BUSINESS-STEALING EFFECT; MULTIVARIATE PROBIT MODEL.

JEL classification: L83, M31, M37, Q13



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**Effects of the London Congestion Charge on
Air Quality: A Regression Discontinuity
Approach**

by Marco Percoco



**Università Commerciale
Luigi Bocconi**

Effects of the London Congestion Charge on Air Quality: A Regression Discontinuity Approach

by Marco Percoco

ABSTRACT

This paper aims to evaluate the causal effect of the London Congestion Charge on the level of pollution. To this end, we have assembled a unique dataset. This consists of daily observations, concentrating on five pollutants: PM10, O3, CO, NOX, SO2.

By using a regression discontinuity design in time series; with thresholds centered on the dates of the introduction of the charge, a negligible and adverse impact of the charge is documented. It emerges that the road pricing scheme has induced a decrease in the concentration O3 in the whole city, a significant decrease in the concentration of PM10 and NOX, in the charged area and an increase in surrounding areas.

Similar results, although not significant at conventional levels, are found in the case of CO and SO2. These findings are consistent with an overall increase in traveled kilometers, due to traffic diversion from the charged to the uncharged area. Furthermore, there is an unclear, possibly adverse, impact of increased speed on pollution.

Keywords: LONDON CONGESTION CHARGE, POLLUTION, REGRESSION DISCONTINUITY DESIGN

JEL classification:



Nuova Serie
WP – N. 3/2016

**Lombardia 4.0, scenari economici territoriali
e reti d'impresa**

di Alberto Bramanti



**Università Commerciale
Luigi Bocconi**

Lombardy 4.0, Economic Territorial Scenarios and Firms' Networks

by Alberto Bramanti

ABSTRACT

The present WP aims at discussing the territorial scenarios of Lombardy region in the light of the new industrial revolution known as 'Industry 4.0'.

The ongoing trends, and the great drifts on which there is a large convergence among scholars, are the starting point (§ 1). The next section discusses the conjectures shared by the scientific community and considered most likely (§ 2). The WP goes on analysing the policy implications on the labour market and the emerging needs for a new vocational training within the regional workforce (§ 3).

The previous three points are not extensively explored, rather they offer some preliminary considerations to set the frame of territorial scenarios and firms' networks and their implications on the Lombard job market.

The WP ends with a provocative hypothesis on the foundation of a 'second channel' of high-technical training (§ 4).

Keywords: 'INDUSTRY 4.0', VET POLICIES, FIRMS' NETWORKS

JEL classification: O15, O25, R10, R58



Nuova Serie
WP – N. 4/2016

**Lo sviluppo locale nel nuovo scenario
di integrazione globale**

di Lanfranco Senn



**Università Commerciale
Luigi Bocconi**

Local development within a new scenario of global integration

by Lanfranco Senn

ABSTRACT

The concept and the actual experience of local development has deeply changed in the last two decades.

On the one side the globalization process has been enabled by communication technologies that enlarged the economic, political and social connections among territories. Therefore, administrative boundaries of local economies do not coincide any longer with the much wider spatial interdependence. Location of people and firms is no longer relevant driver of local development and competitiveness as it is, rather, the multiplicity of interconnected networks. From the analytical point of view it is more and more difficult to define and measure what is local.

On the other side we are facing a rapid change of the “mechanisms” that characterize economic and social growth and development: factors such as knowledge, technological innovation, education and labor skills, multilevel governance are only examples of how spatial dynamics has evolved. The paper tries to point out – through a wide literature review and empirical evidence – what are the main new factors that have impacted local development in the global and integrated world.

Keywords: INDUSTRY 4.0, VET POLICIES, FIRMS' NETWORKS

JEL classification: O15, O25, R10, R58



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No 5/2016

**New Manufacturing Trends in Developed
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**Università Commerciale
Luigi Bocconi**

New Manufacturing Trends in Developed Regions

Three Delineations of New Industrial Policies: 'Phoenix Industry', 'Industry 4.0', and 'Smart Specialisation'

*by Alberto Bramanti**, MeRSA

ALBERTO BRAMANTI is Associate Professor of Applied Economics, Department of Institutional Analysis and Public Management (PAM) and CERTeT (Center on Regional Economics, Transport and Tourism), Bocconi University, Milan (IT). alberto.bramanti@unibocconi.it

ABSTRACT

This chapter addresses new industrial policies in the context of advanced regions in England, southern Germany and northern Italy. Manufacturing activities are of the utmost importance for preserving innovative capabilities, ensuring value added and retaining skilled jobs.

The challenge that strong manufacturing regions face lies in upgrading their innovation strategies to emphasise the new *system nature* of manufacturing. The chapter highlights three ways regions may choose to address the challenges of global competition and sustainable growth.

The birth of a 'Phoenix Industry' in the West Midlands (UK), the 'Industry 4.0' programme in the southern *Länd* of Baden-Württemberg (D) and the 'Smart Specialisation' strategy in the Lombardy region (IT) represent three different but converging ways of reinterpreting the innovation vocation of these core regions.

Two policy implications are discussed: the place-based dimension of new industrial policies, and the attention paid to the labour market and the emerging need for new skills. Both of these policy implications highlight a need for multi-actor, multi-level governance structures, which make them some of the greatest challenges in all of the considered regions.

Keywords: NEW INDUSTRIAL POLICIES, INNOVATION, MULTI-LEVEL GOVERNANCE

JEL classification: O30, O38, R50

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WP New Series

No 6/2016

**Fly and Trade:
Evidence from Italian Manufacturing Industry**

by Marco Alderighi and Alberto Gaggero



**Università Commerciale
Luigi Bocconi**

Fly and Trade: Evidence from Italian Manufacturing Industry*

by Marco Alderighi and Alberto Gaggero

MARCO ALDERIGHI is full Professor of Applied Economics, Department of Economics e Political Science, Università della Valle d'Aosta, and CERTeT, Bocconi University, Milan. m.alderighi@univda.it

ALBERTO GAGGERO is Senior Lecturer of Economics Department of Economics and Management, Università degli Studi di Pavia, Pavia. alberto.gaggero@unipv.it

ABSTRACT

This paper offers an empirical investigation on the relation between air transport service and trade, using a panel of 20 Italian regions and 14 European countries observed, half-yearly, over the period 1998-2010.

We apply a Newey-West two-step GMM estimator to produce estimates which are robust to the presence of heteroskedasticity and autocorrelation. Our findings suggest that air transport service positively affects the export of Italian manufacturers and that full-service carriers are mainly responsible for this result.

Keywords: AIRLINES, NON-STOP FLIGHTS, FULL-SERVICE CARRIERS, LOW-COST CARRIERS, EXPORT, MANUFACTURING FIRMS

JEL classification: L93, F14, N7

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**Wealth Inequality, Redistribution and Local
Development. The Case of Land Reform in Italy**

by Marco Percoco



**Università Commerciale
Luigi Bocconi**

Wealth Inequality, Redistribution and Local Development. The Case of Land Reform in Italy

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ABSTRACT

The role of wealth inequality for local development has long been neglected, although some literature has pointed out its relevance in explaining entrepreneurial and education investment.

Among the typologies of assets composing individuals' wealth, land is of paramount importance in underdeveloped economies specialized in agriculture. Land reforms in terms of redistribution of land ownership are hence expected to boost development through an increase in entrepreneurship rate and human capital stock.

In this paper we consider land reform in Italy, which took place in the 1950s in specific areas across the country. By adopting an Oaxaca-Blinder regression method and using data at a city level on the implementation of the reform for Puglia-Basilicata-Molise in the South of Italy and, as robustness checks, for Maremma in the Centre and Delta del Po in the North of Italy, we have found a positive impact of land redistribution on human capital accumulation and a less significant impact on employment and firm location.

Keywords: LAND INEQUALITY, LAND REFORM, LONG RUN DEVELOPMENT, ENTREPRENEURSHIP, ITALY.

JEL classification: O4, Q1



Nuova Serie
WP – N. 8/2016

**ARGE-Alp: esperienze, limiti e prospettive
di una “Comunità di Lavoro” delle Alpi**

di Alberto Bramanti e Remigio Ratti



**Università Commerciale
Luigi Bocconi**

ARGE-Alp: experiences, drawbacks and outlooks of a 'Working Community' in the Alps

by Alberto Bramanti e Remigio Ratti

ABSTRACT

ARGE-Alp is a Working Community of 10 Alpine regions founded in 1972 with the aims to build bridges across borders in the Alpine space and to strengthen the understanding between inner and extra Alpine areas.

This paper starts providing a twofold analysis on the role of territories in supporting growth and on the different forms of regional collaboration. Then it turns to the history of the ARGE-Alp Working Community in the last decade (2006-2016), analysing its project portfolio: 39 full projects in the ecological, cultural, social and economic fields.

The major strengths of the ARGE-Alp experience discussed in the paper are the following three: *i*) the positive matching between 'soft contains' (many projects devoted to community building) and a strongly inclusive method; *ii*) a medium-long term orientation of strategic planning, which enforces a strongly positive learning-by-doing experience; *iii*) and, finally, a good governance, which is a working example also for the functioning of larger Institutions in the Alpine space.

The paper goes on with an assessment of the weaknesses, enlightening the need for a wider and deeper utilisation of the European structural funds and the lack of a complete data-set on the realised projects, as well as a still missing evaluation overview on them.

The paper ends up with a short analysis on the recently approved European Union Strategy for the Alpin Region (EUSALP). It will provide coordinated responses encouraging the participants to re-think new strategies to increase the available opportunities of their territory. EUSALP should represent a wider inter-States collaboration frame, enforcing a bottom-up perspective on co-operation among different regions and therefore bringing out the multi-years experience of ARGE-Alp.

Keywords: TRANS-BORDER COOPERATION, ALPINE SPACE, EUROPEAN TERRITORIAL POLICIES

JEL classification: O18, R10, R50, R58



Nuova Serie
WP – N. 9/2016

**Utility e servizi pubblici locali.
Scenari di cambiamento
e loro ruolo nello sviluppo territoriale**

di Alberto Bramanti e Francesco Silva



**Università Commerciale
Luigi Bocconi**

Utilities and Local Public Services: Evolutionary Prospects and Roles in Territorial Development

by Alberto Bramanti e Francesco Silva

ABSTRACT

Public utilities (PUs) play a central role in the economies of industrialized countries. They supply essential services for production and consumption activities, and they produce and help spread technological innovation. However, do PUs contribute to the growth of local economic systems? Moreover, under which conditions can they be proactive within their territorial markets?

The paper starts by defining PUs and clarifying their role in the Italian economy as well as their evolution over the last four decades from both technological and organizational points of view. It also addresses changes in the public policies addressing PUs.

Specifically, the paper focuses on local public services (LPSs), and on the relation between LPSs and local development. In this regard, three main trends are discussed. The first is related to the shapes of urban organization (i.e., “smart cities”). The second deals with emerging environmental awareness (i.e., the “green economy”). The third is connected to the trend toward active aging with its explosion in new needs and new (urban) services.

At the intersection of these trends, new business opportunities are arising for PUs. Two specific sectors are analysed – waste treatment and local public transport. In particular, we look at the survival conditions for many small PU providers, which are under pressure from strong competition in the market and the need to radically change their strategies, possibly inventing a new role for themselves as local coordinators of multiple services that are devoted to citizen users and territories.

Keywords: UTILITY, LOCAL PUBLIC SERVICES, GOVERNANCE, TERRITORIAL DEVELOPMENT

JEL classification: H41, L97, L98, Q50, R50