

## Article

# Small Municipalities Attracting Rural Newcomers and Fostering Local Cohesion: Innovative Approaches for Rural Regeneration in Italy

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**Abstract:** The phenomenon of population decline—with all its associated economic, environmental and social consequences—characterizes many small rural municipalities. This study aims to discuss the role that small rural municipalities can have in addressing this phenomenon by promoting rural regeneration and attracting newcomers. The framework of the analysis is based on the neo-endogenous theories of rural development, which consider the interaction between endogenous and exogenous resources and forces. To analyse the role of small rural municipalities, this paper refers to the findings of a case study on the Italian rural village of Castel del Giudice and of the “confrontation” activities carried out in another village, Malito. The research suggests that a participatory process activated by a municipality can produce positive social and economic benefits for the local community. This process can enhance territorial cohesion, contribute to halting emigration, and favour the establishment of newcomers. Nevertheless, the research highlights that this approach requires adequate organizational knowledge, including political and administrative functionaries with appropriate skills who are also capable of experimenting with new modalities of fundraising. Moreover, it emerges that non-local resources and forces can support a solid participatory process focused on valorising local resources rather than having an extractive approach.



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**Keywords:** rural regeneration; social innovation; networking; rural newcomers

## 1. Introduction

Depopulation is one of the bigger challenges that small rural municipalities are facing. The effects of this ongoing process are visible not only in demographic terms but also in the deterioration of the environment, lack of services, loss of social cohesion and economic viability [1].

In Italy, several rural villages are affected by ageing and population loss. Schools and health facilities for the elderly are very limited; young people, in order to acquire higher education and job opportunities, are forced to migrate. In agriculture, the last census data highlights a decrease of farms led by young managers (under 40 years old); compared with 2010 to 2020, where the percentage fell from 11.5% to 9.3%. Even if Italy is one of the European countries with a higher number of farms, data show a decrease in the total number of farms (from 1.615.590 to 1.133.023 units) and in the UAA (−2.5%) between 2010 and 2020 [2]. Small municipalities have limited budgets and most of the development projects implemented in the territory have to refer to resources coming from a higher administrative level such as the provincial, regional, or the national government.

To address these issues, place-based policies and innovation promoted by a local actors' agency are increasingly recognised as crucial in shaping the evolution and transformative patterns, with a view to a rural regeneration [3–5] aimed at improving the local quality of life [6].

At the local level, “innovations occur if actors combine knowledge they have at their disposal or if they use knowledge they gather from other resources” [7] (p. 2). Social innovation promoted by collective initiatives and strategies involving different actors such as citizens, entrepreneurs, and public institutions enable rural society to cope with crisis by developing a greater capacity to respond to change [4,8].

Rural regeneration at the local level is therefore also influenced by the capacities to create, recognize, access, comprehend, and adapt information and knowledge through a collective learning process [7,9] which also involves networking capacities. Nevertheless, the extra-local environment, such as regional, national or European funding, may have an influence on the regeneration process. Furthermore, new social forces, such as rural newcomers and external entrepreneurs—with their knowledge, networks and resources—may contribute to shape the rural social context and foster the development of innovation [10].

The dialectic interplay between endogenous and exogenous elements—linking place-based resources to external stimuli—is framed by the neo-endogenous rural development approach aimed at overcoming the dualistic opposition among exogenous-endogenous rural development models [4].

Within this framework, the paper moves from the main research question of how small municipalities may support the rural regeneration and generational renewal process, helping both to halt emigration and attract newcomers, thus slowing the depopulation process. It is conceived that local authorities may have a role in facilitating and fostering participatory community processes and innovation, resulting in an enhancement of local resources and territorial cohesion, and the attraction of external actors and resources. This paper analyses the factors influencing this process, the constraints and enabling elements, and the modalities of actions, by discussing the results of a case study on the promising practice of Castel del Giudice, a small Italian municipality, and of the confrontation activities carried out in another municipality, Malito.

## 2. Theoretical Perspective on Neo-Endogenous Approach to Rural Development and Social Innovation for Rural Regeneration

The endogenous approach to rural development—emerging in Western debate during the 1970s and adopted by the European Union in the 1990s—focuses on local social mobilization toward the achievement of common goals, with an emphasis on the development of local capacity—in terms of knowledge, capabilities and skills—through the promotion of local planning processes [11]. The European Commission, in its well-known document “The Future of the Rural World,” argued that: the diversification of rural economies will have to be increasingly reliant on the exploitation of “indigenous potential”; on the growth of small and medium-sized enterprises; rural development actions should be tailored to local contexts [12] (pp. 6–8). The document clarified the principles of this new approach, and local communities were encouraged, enhancing local resources to find their way to development. In this vision, rural development strategies must be coordinated and integrated, and characterized by multi-dimensionality, sustainability and subsidiarity [13].

Endogenous development, therefore, includes: (1) local determination of development options; (2) local control over development processes; and (3) maintenance of development benefits in the local area [14].

Nevertheless, it has been underlined that local development should not only be based on local resources. External elements can, in fact, be employed in the local style in a way that “ensures maximum correspondence with local conditions, perspectives and interests” [15] (p. 68). A truly endogenous development “may be an ideal but is not a practical proposition in contemporary Europe”, as any rural areas include a mix of local and extra local forces [16] (p. 5).

A hybrid approach to rural development, the neo-endogenous approach, has been proposed. Ray [17] (p. 8) describes it as an “endogenous-based development in which extra-local factors are recognised and regarded as essential but which retains a belief in the potential of local areas to shape their future”. The activation and enhancement of local resources to promote the social and economic regeneration of territories is the result of a combined action of forces and sources of different origins. Thus, on the one hand, the neo-endogenous approach highlights the role of local participation and capacity building; on the other, the abilities of local actors to engage strategic partners at the extra-local level [13,17–20]. It is the interaction between exogenous and endogenous elements, external stimuli and internal potential, that characterizes the initiatives developed [19]. The resources of the area and the ability of policy makers and local actors to recognize and promote endogenous actions define the success of this process.

Rural regeneration in this framework requires the involvement of different stakeholders, both public and private, the creation of networks, and community engagement to address local problems. It is also related to the integration of external resources, collaborations and knowledge [19].

Rural development strategies may also involve “institutional integration (local, regional, national and European) and brokering connections between town and country and new urban-rural and local-global relationships” [13] (p. 246).

The neo-endogenous approach thus seeks to overcome the dichotomy between the top-down and bottom-up perspectives, while recognizing local control of the process as its constitutive element [4].

Social innovation plays a central role in promoting rural regeneration, so it is important to understand how this can emerge. According to Neumeier [21], three phases can be distinguished in the process leading to the development of a social innovation.

The first is the “Problematization”. A small group of actors identifies a need and seeks a solution. This is done on the basis of an initial “impetus” that spurs them to cooperate.

The second is the “Expression of interest”. Other actors join the initial group driven by some kind of advantage for themselves in participating.

The third is the “Delineation and co-ordination”. Actors agree on adopting a new mode of collaborative action/collective organization. Mutual learning occurs through the exchange of knowledge and skills among the actors. This new form of collaboration is widely accepted and practiced by the actors.

To be successful, a social innovation should be “innovative with regard to the user, context or application; . . . meets needs more effectively than pre-existing alternatives; . . . provides long-term solutions; and . . . it is adopted beyond the initial group/network that developed it” [22] (p. 35). In this sense it is understood as the result of a collective learning process that is given through the social networks of the actors involved [23].

The involvement and integration in the communities of rural newcomers—preventing problems of fragmentation within rural communities—can foster social innovation processes, as shown by studies on asylum seekers and refugees dislocated in several rural villages by the Italian government. The arrival of migrants has enabled the maintenance of many essential services. It has also contributed to satisfying the demand for workers in tourism, pastoralism, forestry, agriculture, and elderly care. Scholars have analyzed practices implemented under the National Protection System for Asylum Seekers and Refugees (SPRAR), recently renamed SAI, which has been funded by the Italian Ministry of the Interior since 2002. Municipalities design the reception projects that are managed with the collaboration of nonprofit associations. Numerous scholars have pointed out that these projects can be an opportunity for small municipalities to counter depopulation and to revitalize the local economy. The social innovation related to this phenomenon is the focus of numerous analyses and studies [24–26]. Several cooperatives have been created, involving refugees, asylum seekers and local residents. Innovative strategies for social inclusion were experimented with in several sectors, such as agriculture and social farming activities [24], handicrafts and cultural activities [27].

Scholars have also pointed out that public-private partnerships can promote social innovation that meets local needs and can activate local development processes that can attract or involve new residents [28].

### 3. Material and Methods

The empirical research, carried out as part of the H2020 RURALIZATION project, was developed in two phases. In the first phase, a case study was carried out on Castel del Giudice, a promising Italian rural regeneration practice.

In the second phase, the results of the case study were presented and discussed in a similar context (Malito) in another Italian region, to sharpen the lessons learned in the case study.

#### 3.1. Data Collection

In the first phase (case study), a desk analysis of secondary data (online evidence, grey literature; scientific publications and basic statistical data related to the context) was carried out. On the field, data were collected through in-depth interviews. The main aspects investigated include: objectives pursued; local/non local resources activated, activities implemented, innovation introduced, networking and synergies developed; institutional support received; impact and perspectives. A total of nineteen in-depth interviews were conducted from December 2020 to June 2021 with representatives of the municipality and of the LAG; people involved in the different initiatives activated; and rural newcomers. One interview was with a key informant. The respondents were recruited by the snowball method. All the interviews were registered and transcribed. Personal data have been pseudonymized and anonymized.

In addition, a focus group with stakeholders to gather further information, and a meeting to present research results and collect feedback, were also executed in June–July 2021.

The research aims were explained to all participants in advance and written informed consent was obtained. Due to the COVID restrictions, most of the interviews were conducted online with a few of them by telephone; the focus group and the restitution meeting were conducted online.

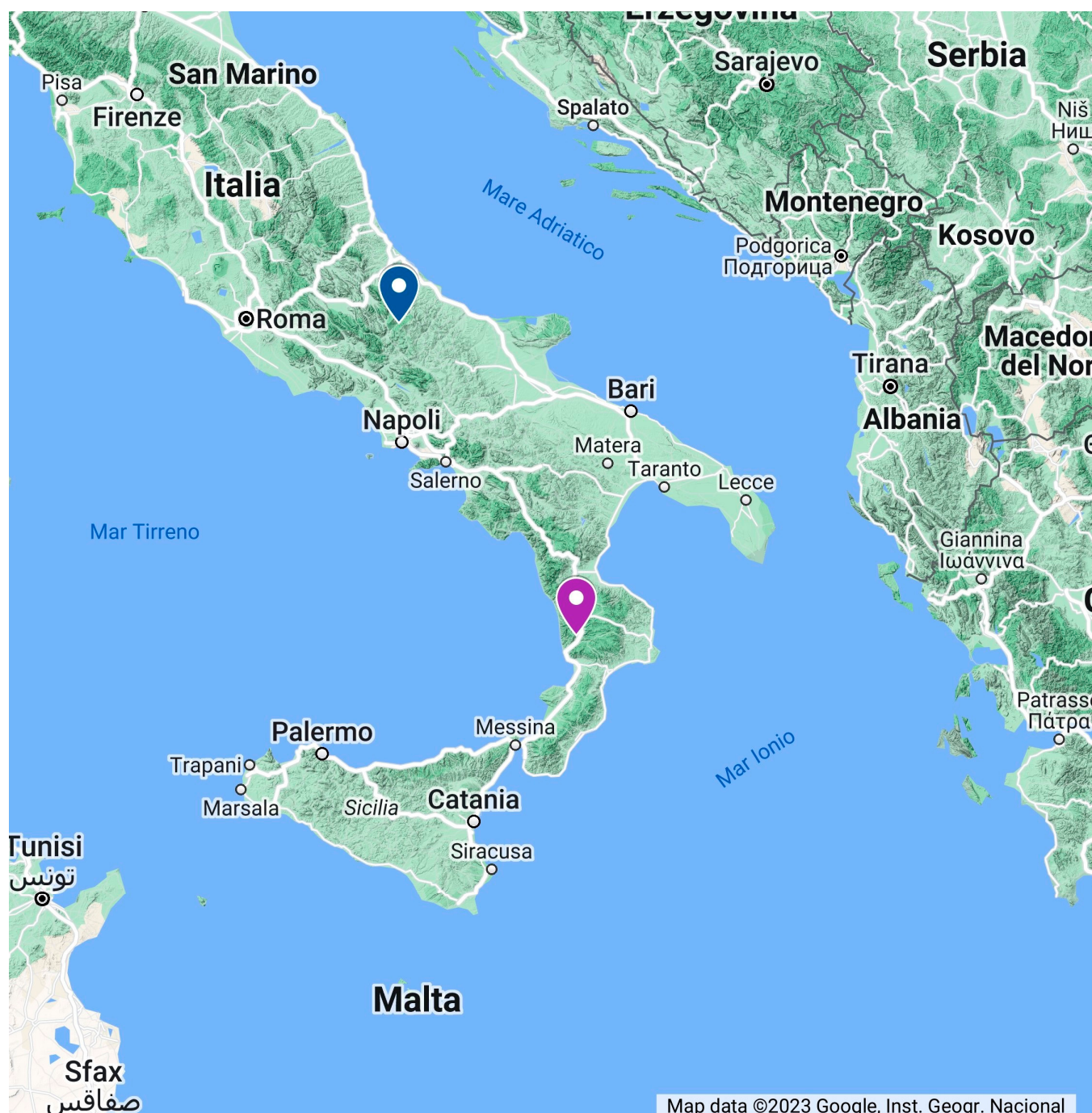
In the second phase (confrontation activities), three brainstorming sessions and a focus group were executed in November–December 2021. The participants included local politicians, municipal employees, entrepreneurs, youths and citizens.

The stakeholders were introduced to the objectives of the RURALIZATION project and were made acquainted with the contents of the practice in a plenary session. After an initial evaluation of the interest in implementing such a practice in their context, the participants were split into 3 groups and the brainstorming sessions facilitated by one researcher were initiated. In total 22 people participated.

The goal of the brainstorming sessions was to ascertain the suitability of the practice for the context, and to identify critical factors for successful implementation and for potential barriers within the context. The consolidated critical factors and barriers that emerged were presented in a focus group in which the participants (10 people) were invited to propose measures to overcome the identified barriers and potentially make the transfer of the presented practice to the context possible.

#### 3.2. The Study Area

The research focused on two small rural villages located in southern Italy: Castel del Giudice in the Molise region, and Malito in Calabria (Figure 1). Both regions are included in the “less developed category” by the Cohesion policy 2021–2027 [29].



**Figure 1.** Location of the study areas (in blue Castel del Giudice; in purple Malito).

Castel del Giudice is a small mountain municipality located 800 m above sea level, with a total area of 14.81 km<sup>2</sup>. The population counts 322 inhabitants (153 female). Malito is also a small mountain commune situated at 728 m above sea level, a territory with a total area of 16.92 km<sup>2</sup> and 747 inhabitants (378 female) [30].

The data show that the ageing index, although higher in Castel del Giudice in 2018, has decreased significantly over the years (316% in 2018; 206% in 2021), even falling below the regional index; Malito, on the contrary, registers an increasing trend showing an index quite higher than the corresponding regional data (Table 1).

**Table 1.** Ageing Index 2018–2021.

|                    | 2018   | 2019   | 2020   | 2021   |
|--------------------|--------|--------|--------|--------|
| Molise             | 217.87 | 226.04 | 233.06 | 239.32 |
| Castel del Giudice | 316.12 | 309.67 | 282.35 | 206.82 |
| Calabria           | 163.52 | 169.49 | 173.29 | 178.56 |
| Malito             | 262.33 | 282.19 | 286.11 | 271.23 |

Our Elaboration on ISTAT Data [31].

According to data available on the ISTAT (Italian office for national statistics) database [31], population ages 0–14 (% of total population) are significantly increasing in Castel del Giudice (9.94% in 2018; 13.66% in 2021), while Malito registers a slight decrease (10.09% in 2018; 9.77% in 2021).

In 2018, the resident population income of Castel del Giudice (EUR 16,543) was higher compared to that of Malito (EUR 13,335), but they are both under the medium Italian level of more than EUR 21,000 [32].

The context of Malito is quite similar to the one in Castel del Giudice for what concerns the fragmentation of the property of land and the abandonment of agricultural activities.

#### 4. Results

In Castel del Giudice, the administrative and political context was crucial in starting the transformative practice. Since 1995, the municipality strengthened the relationships between the public administration, citizens and entrepreneurs, allowing Castel del Giudice to use, in a very integrated manner, private and public resources. In this framework, the latter are not the end but the means to achieve the objectives; tools to facilitate development and investment.

The municipal council of Castel del Giudice is made up of professionals who use their expertise and knowledge for the common well-being by developing innovative rural regeneration strategies.

*“The idea is that we have to put in place new processes, do something new or that has never been done in the past, maybe even experiment new models that are not yet defined”*  
(Castel del Giudice, int. 4)

This approach, which has been characterized by a continuous informal consultation of the citizens, led over the years to a new managerial class for the public administration capable of experimenting with new instruments of public and private resources mobilization. Indeed, the municipality has been able to involve private entrepreneurs in this process, thus making it possible to activate several projects that have been co-financed by both parties.

In any case, it is beneficial to read the practice of Castel del Giudice as dilated in time over 20 years of policies. The activities implemented can be seen as pieces of a puzzle aimed at curbing depopulation and attracting new residents.

Paradigmatic of the cooperation activated among the municipality, the citizens and the private entrepreneurs are the establishment of three public-private companies.

First, in the year 2000 a public-private company was set up to convert the disused primary school of the village—which was closed due to a lack of pupils—into an assisted care residence (RSA) for elderly people. The RSA “San Nicola” is jointly owned by the municipality of Castel del Giudice (30 per cent), by the inhabitants of Castel del Giudice, and by an entrepreneur. The RSA accommodates about 30 people and employs around twenty people.

Second, the agricultural company “Società Agricola Melise srl” was set up in November 2003 with the aim of recovering about 40 hectares of abandoned pastures and farmland, and cultivating organic apples. Involved in the project were two entrepreneurs who have succeeded each other over time, and 75 citizens who—together with the municipality—now

own the company. The farm employs four people full time and about 20 seasonal workers. To diversify the production, an agricultural brewery “Malto Lento” was recently set up, accessing RDP measures. A young brew master arriving from another Italian region was employed for the management of this activity.

Third, the public-private company Vello S.p.a. was established in 2016. The goal was to create a widespread hotel (“albergo diffuso”), called Bogo Tufi, by recovering the old abandoned stables located on the edge of the village. An original form of accommodation pioneered in Italy in which rooms and bathrooms are located in different buildings (although close to each other) referring to the same reception desk. The idea creates tourist accommodation by enhancing the existing housing stock and thus avoiding further land consumption. The hotel employs five full time and five part time people.

In addition, other initiatives have been launched over the years with the support of the municipality, always taking a collective perspective.

A SPRAR/SAI project funded by the Italian Ministry for the Interior was carried out. Hosting refugees and asylum seekers is understood by several Italian policymakers as “an opportunity for the local economy, particularly in small municipalities in remote areas where the risk of depopulation is high” [33] (p. 6). Castel del Giudice, for example, has enabled four African families initially hosted by the project to find a home, a job (one person is employed by Melise srl), and to send their children to school.

In 2017, a community cooperative “Artemisia” was set up; it is currently operating as a multiservice company of the village. It runs the only grocery store in the village, and manages the SAI project and the laboratory for honey production. The latter activity is related to those carried out by the community apiary; another innovative initiative established in 2021. It has been the result of two courses on beekeeping realized with the support of the University of Molise and the associations Volape and Legambiente. About 15 people are involved in it.

*“The apiary wants to put in evidence that the advantages of being together are always far superior to the sacrifices, especially in territories like ours where the dimensions are so small that it would be impossible to carry out any kind of activity at individual level”* (Castel del Giudice, int. 6)

The honey is sold through a common trademark and the revenues complement the individual incomes of the participants. The initiative also gives an important contribution to the maintenance of the local biodiversity.

All these different actions, implemented over 20 years, have found a coherent framework in the Local Food Plan, that was presented and approved in 2019. Food is defined as a strategic lever for local development, and consequently a coherent policy framework has been designed with the support of the University of Molise. With a view to a circular economy and environmental protection, the Plan aims to establish a green plastic-free and carbon-free community based on sustainable, healthy lifestyles and pesticide-free agriculture. Several concrete actions are planned, such as the creation of a Community Supported Agriculture (CSA); the reuse of abandoned land—for example, to produce medicinal herbs; food and environmental education workshops in the schools; activities to reduce food waste; traceability of products; enhancement of the local production chain; organization of experiential tourism proposal; and protection of agrifood biodiversity. Borgo Tufi, Melise and the RSA San Nicola are also mentioned in the Plan as active actors involved in its implementation.

Indeed, the municipality is relying on the skills of local young people and is empowering them to take the project forward by promoting new innovative initiatives. For instance, a census of the properties in Castel del Giudice was conducted by architecture and engineering students. They classified the use of the properties (e.g., rural, warehouse, dwelling, etc.) and the rate of use (less than 30 days, 60 to 90 days, etc.). They also worked out through renderings the possible interventions to be made, such as opening co-working spaces, internet points, a bed and breakfast, etc. At the time of the field research, they were

working on a plan to homogenize the village's pavement and its Color Plan, with the goal of improving the image of the place.

This collective strategy, that is clearly on the base of the development of Castel del Giudice, has contributed to attracting various people under 35 from surrounding areas and has allowed many young people who had moved away for study or work to return. Several of them, together with partners, opted to (re)settle in the village because of the employment opportunities that enhance their competencies. Meanwhile, all the youth interviewed appreciated the opportunity to lead a life in contact with nature, the affordable housing situation, and the integration into a community in movement.

In both Malito and Castel del Giudice, it emerged from many interviews and from the brainstorming sessions how traditionally in Southern Italy a collaborative culture is often lacking; there is a marked inclination to manage one's resources individually, and a hesitancy to come along when individual economic interests are at stake.

Field research shows the role that a local authority can play in turning a territory's weakness into opportunities. The alignment of diverse practices under a common vision and strategy and the adoption of a collaborative attitude represent an innovative way of managing natural and rural resources collectively, and provide a clear perspective to Castel del Giudice's development trajectory.

During the brainstorming sessions and the focus group held in Malito, the active participation of people from different age groups and with different roles (local politicians, entrepreneurs, youths, local administrations officers) indicated the strong interest in consultation and participation that has been the pre-condition for the practice of Castel del Giudice. Many participants recognized that it was the first opportunity for a collective discussion on the development of the territory. They showed a particular interest in the path followed by Castel del Giudice to activate the many successful initiatives aimed at fostering a sustainable and integrated regeneration of the area, curbing depopulation, and attracting newcomers. In the discussion, many participants also recognized the similarities between the two contexts in terms of the local resources available.

However, constraints similar to those successfully addressed by Castel del Giudice also emerged during the brainstorming sessions.

On the use of abandoned land for agriculture, the main obstacle highlighted in Malito was the conservative mentality on renting land. The fear of landowners is to lose possession or ownership of their fields. In addition, a lack of local infrastructure and processing facilities is a disincentive to the installment of agriculture activity.

In addition, for buildings, the fragmentation of properties and the difficulty in contacting owners—who have often migrated elsewhere—have made it difficult to activate urban regeneration activities. In addition, the high costs of such initiatives were highlighted. Without external financial resources it would be very difficult to renovate abandoned buildings.

There are no ongoing public-private partnerships in Malito, and attempts to date have been unsuccessful, such as in the case of an agreement to manage the public swimming pool. It was underlined that, while continuing to act as a catalyst, it is not the municipality that should take steps towards local entrepreneurs; on the contrary, they should ask for specific support, including information on calls for tenders. The simultaneously servile and predatory attitude—that has often characterized, in this context, the actions of private actors in addressing the public ones—may explain this position.

Indeed, a factor limiting these steps is the widespread idea among young people that the public administration is a possible employer and not a partner to initiate joint projects; the youths involved in the brainstorming session have shown a lot of mistrust of the prospect of becoming active actors of collective initiatives. Nevertheless, regarding the municipality's proactive role in initiating public-private partnerships, participants agreed that the circulation of information and a practice of co-planning could push many actors toward joint action to enhance the area, with favourable outcomes for the general interest of each and all.

In addition, the difficulty in accessing information on available public resources and the low capacity of local civil servants to plan projects and raise funds were highlighted.

Possible measures to overcome the above barriers were proposed during the focus group.

In relation to access to land it was suggested that the municipality could have a role of guarantor for the landowners. An innovative initiative could be the establishment of an “Associazione fondiaria—ASFO”. This tool has been promoted by some Italian regions. For example, the Piedmont region has enacted a regional law (No. 21-2016) that promotes and finances this type of association that aims to group together agricultural and forestry land that has been abandoned or uncultivated. Members of the association retain the ownership of the land, which cannot be usucapted, avoiding the main concerns of landowners, as highlighted in Malito’s discussion. The association manages the properties; identifies the best technical and economic solutions for the land; and leases the land to individuals who want to implement sustainable agricultural projects. Municipalities can play a relevant role in promoting and supporting these kinds of initiatives [34].

In order to facilitate community activation and participation, which is a strong feature of Castel del Giudice’s practice, the proposed measures refer to: the implementation of social innovation laboratories; territorial animation activities, such as holding meetings and public debates that stimulate young people to realize their dreams and/or that illustrate the opportunities offered by multifunctional agriculture and tourism activities. In addition, the establishment of youth centers is indicated as a very relevant tool in rural areas to foster the exchange of ideas and knowledge and the activation of young people in promoting new regenerative interventions. An information desk to support youths—for accessing public funds, solving bureaucratic issues, and informing on farming opportunities connected to multifunctional farming—has also been mentioned as a useful instrument that should be created.

To support public officers in acquiring skills and knowledge on rural regeneration opportunities and on available financial resources, it was claimed a major assistance from the Regional Government. The solution that was suggested was the creation of an information hub (whether online or not) where local civil servants can easily find information and get support in organizing participatory project planning.

## 5. Discussion

The confrontation activities conducted in Malito provided useful information related to the potential transferability and upscaling of the Castel del Giudice practice. The critical factors discussed (proactive role of the municipality and fundraising capacity; economic activities jointly managed by the municipality, entrepreneurs and citizens; use of abandoned land; recovery and utilization of abandoned buildings; community cooperatives; SPRA/SAI project; local food plan) can theoretically be implemented in the Malito context, as all the participants underlined. Nevertheless, what clearly emerged is that the social and economic context is not ready for such a process of regeneration. Key enabling factors should be put in place.

In Castel del Giudice, evident is the fundamental role played by the mayor and city council in creating these conditions, which are linked to community participation and the availability of private resources.

The development of a social innovation process is what characterizes this practice. Analytically, the three stages as identified by Neumeier [21] are as follows:

- The municipality had to cope with the depopulation and ageing processes that were underway. It was necessary to find solutions to counter these phenomena, being aware that this would be a complex and long-term action. Nevertheless, it was necessary to start acting by experimenting with innovative initiatives. The first idea was to re-use the abandoned school building by turning it into an RSA. The benefits identified in this action are not only creating a service for the elderly, but also providing new jobs as well as reusing a public asset. However, substantial economic resources were needed (Problematization).

- A territorial animation action towards the population and the involvement of an entrepreneur allowed other actors to converge on the idea (Expression of interest).
- All the actors involved created a new form of collaborative organization by forming the public-private company that manages St. Nicholas RSA (Delineation and co-ordination).

This organizational model has been replicated with the actions that gave rise to the Melise Agricultural Society and Borgo Tufi.

The small number of the population (322 inhabitants) was certainly a factor that favoured the adoption and success of this approach. However, in transforming the individual approach to a community one, crucial were the local government's openness to citizen proposals, and ongoing informal consultations with the citizens to identify new development opportunities.

Furthermore, it has to be underlined that the support of entrepreneurs, while significant in economic terms, has never translated into imposed decisions and actions; which have instead always been shared with the community. As "socially responsible entrepreneurs," those involved in the Castel del Giudice practice seem to view investment in these activities not from the standpoint of merely creating economic value; rather, they link it to the need to foster the development of the local community with a social sustainability perspective. They are "affective entrepreneurs," according to the definition given by the Mayor of Castel del Giudice. They are emigrants who have been successful in other territories and represent a "relational asset" for the territories of departure.

It is crucial the role that the municipality played as connector between the professional skills and resources of the territory with the opportunities that arrive from outside. Local resources are the starting point for development, but it is clear that non-local forces also influence it.

It therefore becomes important to have the ability to intercept exogenous resources and opportunities, such as national and European funds. Small rural municipalities have been progressively impoverished by the various national reforms, but it seems to be difficult accessing information on new funding opportunities. Civil servants need to gain a better understanding of the opportunities arising from rural development practices and policies, and new tools that could be promoted at the local level, such as community cooperatives or ASFOs. It also seems that there is a need to develop new skills that may be required for the implementation of innovative actions, in participatory planning and new administrative procedures.

Regional hubs where civil servants of small rural municipalities may find technical support to develop skills and acquire a more comprehensive understanding of rural development policies would be a relevant policy measure to fill these gaps.

For a social innovation to be successful and sustainable over time, it requires not only the active participation of local actors, but also the support of partners outside the local community [22]. For this reason, the development of networking capacity, not only at the local level, is crucial to gaining access to social infrastructure and resources that are not available locally [8].

Castel del Giudice has been able to build a widespread network. Many initiatives have been supported by external actors, such as the University of Molise, Volape and Legambiente. In 2016, the municipality was the promoter of the "Alto Molise" LAG, involving Borgo Tufi and Melise. It also participates in the "SNAI Alto Medio Sannio" project, involving more than 30 municipalities and funded by the National Strategy for Inner areas (SNAI). All these networks, and the high level of expertise developed over the years by the municipal officers, have allowed them to raise a lot of external financial resources. Significant is the very recent funding of 20 million euro, received within the so-called "Bando Borghi" under the National Recovery and Resilience Plan (NRRP). In the Malito context, the level of networking is limited. The development of this capacity is another element to be considered for scaling up the practice.

From a broader cultural and environmental perspective, farming is a key multifunctional occupation for the establishment and protection of a number of rural resources, such as landscapes and cultural heritage, as well as for the sustainable management of land and natural resources in general [35,36].

The Local Food Plan of Castel del Giudice recognizes that primary production has a specific role in the rural economy, since it is positioned at its core. In Malito, on the other hand, awareness of the opportunities associated with enhancing agriculture, from a multifunctional perspective, has not emerged. On the contrary, there is still a widespread idea that this sector represents an area of action with little opportunity for development. Public action to raise awareness of the meaning and the potential offered by agricultural multifunctionality therefore seems to be necessary.

Finally, housing accessibility, quality of life and relationships, and contact with nature are all elements that can encourage the arrival of new inhabitants. However, in small rural municipalities, as Castel del Giudice shows, young newcomers can be attracted by promoting collective and integrated strategies that lead to the creation of new jobs. However, as is clear from the interviews, it is also important that the municipality recognizes their skills and abilities, trusting and supporting them in the initiatives they propose. This mode of action fosters capacity building and motivates young people to become active actors in the promotion of territorial development of the area, overcoming the sort of distrust about the future that permeated the youth of Malito.

## 6. Conclusions

The research suggests that to cope with the depopulation and ageing that characterizes most of the small rural Italian municipalities, the agency of local authorities can play a crucial role. The promotion of a participatory process favouring capacity building and social innovation seems fundamental in fostering rural regeneration, resulting in positive social and economic benefits for the local community.

From the comparison of Castel del Giudice with Malito, it emerges clearly that in small rural communities this mode of action seems to be pursuable. However, it requires an explicit political will of the administration, as well as the capacity to develop appropriate knowledge and organizational skills on the part of civil servants.

An enabling factor is therefore the presence of a managerial class in the public administration which has the expertise to mobilize and consult the local community; the capacities to recognize abandoned local resources as opportunities to be enhanced in order to attract external actors and create new job opportunities; the willingness to experiment with new modalities of fundraising. In case of weak local institutions, the regional authorities may play a role supporting local municipalities with information hubs and training activities for local authorities and civil servants.

To overcome constraints related to the mistrust of collaborative action, continuous informal consultation of citizens by local government, social innovation laboratories, and animation actions promoted by local authorities can be useful tools to initiate and consolidate collective planning initiatives. These modalities of action are facilitated in smaller rural municipalities such as those studied, as interactions between local authorities and citizens are more frequent and easier. Paradigmatic is the cooperation activated in Castel del Giudice to set up the three public-private companies involving citizens, private entrepreneurs and the municipality.

Fostering collective planning to enhance local resources from a common perspective, including the use of local infrastructure, can strengthen territorial cohesion, halt the migration process, and encourage the settlement of newcomers. The latter may be attracted, not by single measures such as the “Houses for 1 euro” project pioneered by several Italian municipalities with mixed results, but rather by an integrated and participatory project that offers them the opportunity to live in a social, lively and stimulating environment. Moreover, in order to encourage young people to stay/return/arrive, it is not only the creation of jobs that is important, but also the openness and support of the municipality to

their proposals, ideas and projects. Participatory action cannot therefore be activated only occasionally, but should be a systematic mode of action within the framework of a broad and long-term project, as the case of Castel del Giudice shows.

Various pro-active local development strategies may be promoted by small rural municipalities according to the diversity of local resources. Having the ability to recognise them as opportunities is the first step; collectively identifying ways to enhance them is the next.

Furthermore, networking capacities are crucial to allow an exchange of knowledge and information, to gain resources, and to receive support from extra-local forces. As in the case of Castel del Giudice, these (e.g., entrepreneurs, newcomers, etc.) should support a solid participatory process based on local resources rather than having an extractive approach.

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