Knowledge dissemination and informal contacts in an Italian wine local system

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A well-grounded empirical and theoretical literature shows that local production systems can benefit from external economies generated by a shared ‘industrial atmosphere’ (Asheim, 1996; Becattini 1990; Camagni, 1991; Maskell, 2001; Rabellotti, 1997). Many scholars agree that in contexts as industrial districts, clusters and local systems, production activities and more broadly economic actions are strongly embedded in social and institutional factors. In other words, the industrial atmosphere can be intended as a by-product of social - and mostly informal and personal - contacts developed by agents rooted in specific socio-economic contexts.

The aim of this paper is to address the issues of informal knowledge and information exchanges and their policy implications in a specific local system. More precisely, the research questions addressed are the following:

- understanding the content of “industrial atmosphere”: are firms exchanging information or knowledge? How relevant are those exchanges? How do they differ among different firms?
- contributing at the debate about targeting of local policies: to what extent cooperation has to be a policy priority? Should policy measures be neutral with respect to local actors? And how local factors affects targets?

The empirical analysis has explored the above questions in a wine production area located near Novara, in the Eastern part of Piemonte (Italy).

Data have been collected with interviews based on a structured questionnaire to 26 wine producers, representing the almost entire population of the local system. Moreover, local organisation and key informers have been interviewed.

The empirical findings are analysed with social network techniques. Social network analysis is increasingly applied in different contexts (industrial districts, R&D agreements, organisation studies, etc.) to give account of those interactions, such as knowledge and information exchanges, which escape market opportunistic behaviours; in other words those relations which are mostly based on trust and social ties instead of price transactions.

In the paper we describe and compare the structural properties of the informational and knowledge networks emerging from informal contacts developed by local wine producers. This exercise is aimed at understanding whether and to what extent ‘local rumours’ consist in information or knowledge flows; to what extent they flow through weak rather than strong ties and how the network structure may prevent them to circulate among local actors. The empirical evidence provided is useful to sustain that the effectiveness of local industrial policies cannot avoid a careful and scrupulous investigation of the local relational capital.