



E-PARCC

COLLABORATIVE GOVERNANCE INITIATIVE

Syracuse University

Maxwell School of Citizenship and Public Affairs

Program for the Advancement of Research on Conflict and Collaboration

“OLTRE LA NORMA!”¹ Collaborating for the Reconstruction of Teatro Petruzzelli in Bari²

“*Oltre la Norma, Oltre la Norma!*”. While Laurence Tournier was enjoying a plate of Bari’s famous orecchiette pasta served with turnip tops, the exclamation she was so used to hearing from her Italian Professor of Public Administration at Sciences Po in Paris suddenly sprang to mind. As she was French and not from Apulia, she didn’t think to question whether it was the taste of the turnip tops that was responsible for this memory, as in the first pages of Proust’s *Recherche*; instead, her mind went back to the difficult task of advising the Mayor of the City of Bari: she had to suggest an acceptable solution to fund the reconstruction of Teatro Petruzzelli for all concerned and in the shortest possible time. Teatro Petruzzelli had been ravaged by fire on the night of October 26th 1991 and the entire city of Bari, the capital of Apulia and one of the most important cities in Southern Italy from a cultural point of view, was pressing the City Council to restore one of the symbols of the city’s *grandeur*. What was the best official solution? How could she convince everyone that the Theatre could only be guaranteed a future if they all pulled together? What was the best path to take?

This case was an honorable mention winner in E-PARCC’s 2012-13 “Collaborative Public Management, Collaborative Governance, and Collaborative Problem Solving” teaching case and simulation competition. It was double-blind peer reviewed by a committee of academics and practitioners. It was written by Ornella Larenza, Greta Nasi and Alex Turrini of SDA Bocconi School of Management, Bocconi University, Milano. This case is intended for classroom discussion and is not intended to suggest either effective or ineffective handling of the situation depicted. It is brought to you by E-PARCC, part of the Maxwell School of Syracuse University’s Collaborative Governance Initiative, a subset of the Program for the Advancement of Research on Conflict and Collaboration (PARCC). This material may be copied as many times as needed as long as the authors are given full credit for their work.

¹ “Beyond the norm”. The case title refers both to *Norma*, the last opera which was put on stage at Petruzzelli the night before the fire that destroyed the theatre, and to the need of going ‘beyond rules and norms’ in collaborative process.

² Even if the case is based on real facts it is made only for teaching purposes and it might include declarations that are slightly different from the real ones.

Suddenly Laurence felt discouraged. Notwithstanding her skills and her experience as a consultant in Europe and the United States (see **Appendix A** with Laurence's short résumé), it was a complex situation and not just because of the ongoing investigation into the fire or the shortage of funds. Nevertheless, the smiling face and friendly attitude of the waiter drove away these thoughts and she immediately began to run over the information she had one more time. In the afternoon, she was going to submit her solution to the Mayor. So, she took out her notebook and started reading...

From its beginnings to the fire: A brief history of Teatro Petruzzelli in Bari

In 1854, Bari was celebrating the inauguration of the Piccinni Municipal Theatre; there was no doubt in anyone's mind that the event was the fortunate conclusion of a public policy aimed to fulfil a need felt by the local population for some time: a theatre that could be enjoyed by the general public. But the policy failed miserably, as Alfredo Giovine, a historian from Bari, noted: even though the theatre was funded by the City Council to the tune of 1200 ducats a year, it was soon flying the standard of the city's wealthier classes. To calm public protest, the City Council approved a motion during the session of May 1st 1877 to build a "National Arena" subsequently called the "Politeama Alla Marina". Over the years, a number of projects were submitted to local government officials, who, in the end, decided to assign the work to the Petruzzelli family. They were the only applicant to plan a theatre with masonry walls, a great improvement over all of the other plans submitted. Subsequently, in view of the debt of 600,000 lire underwritten by the family to build the theatre, the City Council granted its request to name it after its owners.

This is how the brother-in-law of the Petruzzellis, an engineer called Messeni, came to be put in charge of turning the city's vision into reality. The Petruzzelli Theatre opened its doors on February 14th 1903 with a performance of Meyerbeer's "Les Huguenots" and its acclaim grew steadily in the panorama of Italian theatre, so much so that in 1916 it was acknowledged as the fourth most important theatre in Italy, coming only after the San Carlo in Naples, Teatro Massimo in Palermo and La Scala in Milan.

The relationship between the local authority and the theatre's owners was governed by an agreement signed in 1895, subsequently revised over the years (until 1901) to cater for amendments to the original project. In 1992, this public act was the first and only tool available for reconciling the public-private interests linked to the theatre and its activities. At the time, the City Council had donated the public land needed to build the theatre but agreed explicitly with the grantee that the land would not be used for any other purpose on pain of its immediate repossession by the local authority. Moreover, the City Council would also be entitled to regain possession of the theatre or sell it at public auction should it be abandoned, for example if the Theatre failed to open its doors for eighteen consecutive months or if the Petruzzelli family failed to undertake the necessary maintenance to the building. The agreement specifically stated that the grantee would have to rebuild the theatre within three years should it ever fall down. The City Council also protected the owner's investment by agreeing not to donate any council land for the construction of other permanent theatres.

Years went by and the theatre was run by managers chosen by and on behalf of the Petruzzelli family, and indisputably became one of the most eminent theatres in Italy as well as an increasingly important cultural institution for the citizens of Bari and beyond.

This led the State to bestow the status of "historical and artistic heritage" on the prestigious theatre; this status meant that the State had to adopt all the necessary measures for its restoration and conservation, despite the theatre remaining under private ownership.

The State's granting of the status of "teatro di tradizione" was also a crucial moment, giving it, along with a few other theatres in Italy, the "duty to promote, facilitate and coordinate musical activities taking place within their respective Provinces...". The Petruzzelli also gained access to special government funding thanks to this status; in turn, the theatre was obliged to employ Italian opera singers and sell tickets for at least a quarter of its performances at a reduced price. For additional funding, it had to perform opera composed by new Italian artists or works staged for the first time in the local area or old Italian operas that had not been performed for at least two decades. Further grants were also given for operas that the theatre took abroad in virtue of them being considered "traditional".

The list of official endorsements bestowed on the Petruzzelli Theatre was completed with its status as "regional heritage", granted by the Region of Apulia, which became one of its most important public *stakeholders* together with the State and the City Council as well as one of the financial backers of the theatre itself.

Over the last century, the theatre also went through some critical times, as a result of questionable programmes chosen by the managers appointed by the family. However, any bad decisions did not tarnish the theatre's prestige, as it attracted the likes of Herbert von Karajan, Rudolf Nureyev, Frank Sinatra, Ray Charles, Liza Minnelli, Juliette Greco, Eduardo De Filippo, Riccardo Muti, Carla Fracci, Luciano Pavarotti, Giorgio Gaber, Queen and many other artists to Bari.

After the fire: Reactions

After that fateful day, the State, Region and City Council added a new item to their "to do" list: protecting public and private interests and getting the Petruzzelli theatre up and running again. The theatre remained under private ownership but its public importance was acknowledged by law: despite the conflicting opinions of some sectors of society in Apulia, it seemed logical to expect solutions to be forthcoming from both sides. From a legal stance, since the theatre did not collapse entirely, the clause envisaged in the 1895 Convention, whereby the private owners would be responsible for its reconstruction in the event of the building collapsing (or they would be required to return the land to the City Council), was not applicable.

A joint effort was also expected since about 20 billion lire (about 15 million Euros) were needed just to start rebuilding and the total expenditure was estimated at about 30/35 billion lire (about 15 million Euros). It was not viable for the family to pay out such an amount. Nevertheless, the stakeholders involved issued various statements in the aftermath of the fire and several proposals were put on the table:

The daughter of a descendant of the family

"My great grandfather built the Theatre. A theatre to meet the needs of the city of Bari and its great love for the theatre. He spent 1,600,000 lire: at the time, it was the equivalent of all the shares in FIAT (the share capital of FIAT was 1,800,000 lire). And despite this being a city with only about 80,000 inhabitants ... it was a really forward-thinking operation at the time. This is why we don't want to sell the Theatre but it doesn't seem fair either that we have to rebuild it on our own"

A direct descendant of the family

“The Petruzzelli in the hands of the Petruzzelli family? Well, it’s pointless pretending the family isn’t working to achieve this. We are the owners of the last great private theatre in Italy and we intend to resume direct management of our jewel, naturally when the contract with the current manager expires. i.e. 1993. But the theatre will have to be rebuilt first”

The son of a descendant of the family

“We could get huge public funding by letting some public institutions take part in the management of the theatre without impacting on its private character. I have a solution in mind founded on two companies: Teatro Petruzzelli Spa and the C***** Foundation³. My family will grant the Petruzzelli Spa twenty years usufruct rights on the entire property, including the theatre. The C***** foundation, a prevailing partner in the Petruzzelli Spa, will collect the funds provided by private institutions and organisations and all the public authorities will participate in the foundation. The operation would be covered by the Cassa di Risparmio di Puglia bank, backed by the guarantee of 100 percent of the SPA shares, so it would be willing to grant loans for the operation”

The lawyer assisting a direct descendant of the family

“Despite who will run the theatre 10 billion could be raised by pre-selling the exclusive rights to the best seats in the boxes and the stalls, about 800 for 10 years. We could limit individual subscribers to just one performance of each show. The future proceeds from the sale of the seats could be assigned to a factoring company that would advance the money needed, recovering their outlay with the sales. We appeal to businesses and individuals who were subscribers before the fire”

A member of the Italian Parliament

“The family should grant exclusive use of the parts of the Theatre used for theatrical activities, the ancillary areas as well as the right to the exclusive use of the name. It should grant it to a Foundation, given the job of rebuilding the Theatre with the backing of the Region of Apulia, the Province of Bari and Bari City Council. The license should come into effect on the date of the completion of the reconstruction work and last for the next 40 years. Starting from the first year of the license, the Foundation would pay the family a fee of €500,000 for the exploitation of the business operations. This fee would include the family’s share of the cost for the reconstruction of the theatre. Basically, the public authorities would pay the initial investment, whereas the family would repay their share over the 40 years of the Foundation’s management by reducing the proceeds from the license.

The President of the Region of Apulia

“The Apulia Region should sign a Memorandum of Understanding with Bari City Council and co-finance the reconstruction of the Petruzzelli using EU MOP funds (Multifund Operational Programme). However, this funding should only be granted if an agreement is signed between Bari City Council and the family for the management of the theatre. A "Reconstruction Committee" should be formed consisting of a representative of the Region, the City Council and representatives of the family if they agree, and possibly other public and private entities willing to contribute to the reconstruction with at least one billion lire funding. The Committee should be the recipient of all public and private funds for the reconstruction of the theatre. Under the Committee’s general supervision, the family should take care of the reconstruction work and subsequently initiate the establishment of a foundation with full use of the theatre for twenty

³ C***** is the last name of one descendent of the Petruzzelli family.

years and any additional charges, such as royalties, receded "one-off" to the heirs for the exclusive use of the Petruzzelli name, the use of ancillary rooms, etc. At the same time, the authorities participating to the Foundation should guarantee an annual contribution of no less than 150 million lire, each.

A businessman, spokesman for a spontaneous Committee for the reconstruction of the Petruzzelli

“We immediately opened a fund-raising account via the local newspaper. Our aim was to promote a Foundation for the rebuilding of the theatre: by December 15th, we had raised 624 million including nine and a half million lire raised by a *burraco* (card game) tournament. A pittance, especially if you think of the estimated cost for the reconstruction, so much so that in the last few days, the Committee itself decided to cancel the idea considering it a failure: nevertheless, an initial purchase offer was made in its name to the owners of the Petruzzelli for ten billion, followed by another offer of twenty”

The Minister of Cultural Heritage and Affairs

“We must try to satisfy the interests of everyone, but primarily those of the city of Bari. We will resort to legal repossession if necessary and should no other solution be forthcoming. The public interest must come first and the Cabinet might propose the Parliament to pass an emergency decree depriving the family from the possession of the Theatre for emergency reasons.”

A member of a leftist party in the City Council

“The private ownership of the Theatre is not at all clear-cut in legal terms, given the fact that the property stands on land owned by Bari City Council and will be rebuilt at the taxpayers’ expense at the end of the day. In the past the theatre was used as a cinema for B- and X-rated movies. It’s a shame. The municipality should intervene having the guarantee that when the theatre is rebuilt residents will have tickets for free”

A hairdresser, who rents one of the units in the theatre complex

“I have a shop in the block outside the Theatre and I paid rent willingly to the Messeni Nemagna family: I considered it my contribution to the maintenance of the Petruzzelli”

The Theatre manager

“When Teatro Petruzzelli was operating, it was a business model for other theatres. Many said they were golden years; whatever we did seemed to turn into gold. Running a theatre means having public funds or private gifts, but the theatre might increase its commercial activities. Shops within the theatre should pay higher rents and the programming might include less opera and more pop concerts. Immediately after the fire, my goal is to keep hold of the people who worked with me and run the theatre in this direction”

A world famous opera singer

“When the Theatre was set on fire, it was a true tragedy for me, as I did not only lost my voice there, I also lost my heart. We have to restore it otherwise I will mobilize the international arts community”

A world famous étoile

“I brought dance to the Petruzzelli; I brought the repertoire; I brought tradition. When it burned down, it was like a beacon being switched off, a beacon in the world of theatre and culture I cannot give money but I can mobilize support.”

The tenor who sang during the last performance at the Petruzzelli

“Chance, combination, destiny. Norma! Think of Norma, the opera that finishes with a pyre and the Theatre that became a pyre itself that evening!”

A journalist

“The Petruzzelli was like a dream, a provincial town that became a European capital of music. We have to rebuild it. It was a business with a turnover perhaps 10 times less than other opera houses but nevertheless it was able to stage great works and remain at their level, at least apparently. To quote the manifesto posted by the Managing authority on the theatre doors after the fire, we must stick together, the theatre goes on. This is the prevailing feeling in the city”

A local businessman

“I consider any initiative taken before the legal situation of the theatre has been cleared up to be inappropriate and ineffective. We must not hinder the public intervention and the investigation by the magistrates”

... Laurence looked up from her notebook, the red façade of the Teatro Petruzzelli in all its majesty was hiding a mountain of burnt ruins. In all this confusion, Laurence did not have much time to decide what was the best path to follow in order to restore the links in the network of local actors: the final meeting with the Mayor was scheduled in a few hours' time and last time he was very clear:

“I don't have a solution to this tragedy. Only with the contributions of other actors we can have an happy end. You have to give me a piece of advice on which solution is the best, how to govern the process, which stakeholders I should engage, who are to be excluded, how to arrange meetings, how to decide together, which is the process I have to follow. Elections are very close and I need to win them. The city is waiting for an answer from me and if you succeed in finding a collaborative solution among all these actors you will be the one in charge of developing the process of collaboration among the different actors involved in this *piece*. I know your love for ballet and opera and your commitment!”

Laurence was a little bit puzzled in recollecting the Mayor's words. This time the challenge was really tough. She immediately tied back her hair, dishevelled by the sea breeze, and turned on her laptop to prepare the usual vital set of slides for such an official and important public presentation. “Remember: rules are important dealing with *government*, but when we talk about *governance* they are not enough. You have to tighten a network of actors and the best cord is trust!” So said her Italian professor at Sciences Po. He was right: she could succeed also this time. Actually, the re-enactment of the story of the Petruzzelli had given her food for thought and she had a few ideas even if the task awaiting her was enormous. Recollecting her beloved Italian professor she started composing the first slide of her powerpoint presentation for the Mayor: “Oltre la Norma! A proposal to engage stakeholders in the reconstruction of Teatro Petruzzelli in Bari”.

APPENDIX A
Laurence Tournier's Short Resume

PERSONAL INFORMATION	
Name	Tournier Laurence
Date and Place of Birth	2nd October 1980, Paris
Address	Resident in Milan
Nationality	French
Mother tongue	French, Italian
Other languages	English: fluent. Spanish: fluent. German: fluent
STUDIES	
Doctoral Degree	PhD in Public Management, Kennedy School of Government, Harvard "Collaborating: factors provoking stalemates" Final Mark: Excellent with honors
Master	MPM, Master of Public Management– SDA Bocconi School of Management (Scholarship SDA Bocconi, with Honours)
M.Sc.	M.Sc. Politics, Sciences Po (Institut d'Etudes Politiques de Paris) M.Sc. International and Diplomatic Sciences, University of Turin, Final Marks: 110/110 with Honours
Executive Education	Global Colloquium on Collaboration, Harvard Business School (Boston) ITP (International Training Program) – Kellogg School of Management – Northwestern University, Chicago
CURRENT POSITION	
2008-	Independent Consultant in France, Italy, Spain, UK
OTHER EXPERIENCES	
2005-2007	Consultant for RSO - Consulting company Business Unit: International and National Public Sector
EXPERTISES	
Fields	Public Management, Organisation and Human Resources Management, Motivation, Public Management Reforms, Collaboration, Leadership