



INNOVATIONS FOR SUCCESSFUL SOCIETIES

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Interviewer: Rushda Majeed & Laura Bacon

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* *With translator.*

MAJEED: Briefly we are very interested in looking at the administration of former Mayor Leoluca Orlando, looking at specifically his first administration, 1985 to 1990 and then the second. So most of my questions would relate to—one part would be related to his efforts to push back the mafia and reclaim the city, revitalize the city, but also in terms of your own stint as commissioner and in terms of city administration, some of the changes that you brought about while you were commissioner working with other team members of Mayor Orlando's administration. So broadly that's what I'm looking for.

I have a few specific questions so with your permission I'll start the interview.

FERRANTE: *Just as a way of introduction before you go on to the questions I wanted to say that I worked with Mayor Orlando from March 1995 until April 2000. Even though traditionally I worked on social issues, I was also involved with Confindustria, which is an Italian confederation of industrialists, and I was responsible for the Sicily chapter and the youth chapter and then policies for the south of Italy. So I was never actually involved in politics before with Mayor Orlando.*

MAJEED: Could you tell me about your experiences or your positions before you came to join Mayor Orlando's administration?

FERRANTE: *Before starting I worked as a manager in a woman's clothes and lingerie company which employed 200 workers, all women actually. This is how I got involved in the Confindustria, the industrialist confederation. Even though I was not working in the public sector, I was working in the private sector, I felt very strongly about the mafia problem. Every time I would travel, especially traveled abroad and people would see the name of the company would be Gaffer Palermo, they would rightly think Palermo, mafia. So I felt the negative image had negative repercussions on my work, even though I was in the private sector, not in the public sector.*

So when I was working at the Confindustria, in Palermo as the person responsible for the young wing, the young entrepreneurs, I found there was a very heavy climate, it was a very difficult climate within Confindustria, especially because of the big power groups within Confindustria, especially those who were working with the public sector. They had a very negative opinion of Orlando, a very strong opinion against Orlando.

As the person in charge of the young people, part of the organization, I invited Orlando. It was an opportunity for me to start a dialog with the Confindustria. That was a very important breakthrough because then Orlando realized that he could also have allies within the entrepreneurs, within the business community in Palermo. Then I started a magazine called "Sicilian Business." The first article ever to appear in the magazine was actually written by Professor Orlando.

That created sort of a core of entrepreneurs who would support the Palermo wing and against them was sort of a ring of entrepreneurs who were usually monopolies and usually very involved in public contracts. They were still pretty much against Orlando especially because those tended to gravitate around areas in which the mafia was very present.

MAJEED: Which point in time was this? When did you found the business magazine? Was it during Mayor Orlando's first term?

FERRANTE: Yes, it was 1985.

MAJEED: You said that you had invited Mayor Orlando to speak and he had at that point in time realized that he had allies, could have allies within the business community. Could you tell me a little bit about—there was friction between his administration and the business community to begin with or he had not reached out to them? What was their perception of Leoluca Orlando?

FERRANTE: *Before Orlando, if you will allow me to use a very strong phrase, the city was a dead city. It was a city that was a breathless city in a way. At least speaking for myself as an entrepreneur, I lived in a very circumscribed territory. Basically we lived in our own little bubble. The concept of public good was almost unknown. The major role Orlando played was that he made everyone citizens of Palermo and he showed to everyone that change was possible. So the sense of giving up that had become very common in Palermo started to go away.*

MAJEED: How did he do that? He made everyone feel like they were citizens of Palermo and gave them hope? Can you give me any steps that he took or strategies that he took to include citizens in becoming invested in Palermo?

FERRANTE: *I think the best way he made everyone feel like citizens of Palermo was by his personal example. Everyone thought that all the politicians were just the same, they were all self-interested, interested only in their political allies and political parties. A lot of them thought also that the mafia had the face of institutions. Even if you were trying to protest or rebel you didn't know who to go to because in the end you never knew who was a friend of the mafia and who wasn't. So even if you wanted to break away you didn't know which institution to turn to.*

Especially after Orlando broke away from (Salvo) Lima and the Christian Democrats, he inspired trust in the people. Even something that may be simple, seem trivial today, but he was the first one to talk about [indecipherable] which means the livability of the city and environment. Before all this political discussion in Palermo was about building, real estate, construction, without looking at the context in which these activities took place. He was the first one to change some of the framing of the city for the citizens.

MAJEED: You said that with the business community, did he form alliances with them and if so what kind of partnerships did he form with the business community especially during his first term.

FERRANTE: *He did have alliances with part of the business community, not all of it, as I mentioned before. His objective was to create a city with a context of livability. The first thing that was necessary, there was a need for an institution that was the enemy of the mafia. Orlando did that to the biggest possible extent. Then people started noticing the climate and the way of seeing the city was really changing, people were seeing them as the heroes. They were looking for a new path, a new alternative. I felt I also played a role in this when I was actually working in the Orlando administration.*

Another thing that was important was the level of bureaucratic agility. It means that before if you had need for any information from the public authorities or some paperwork done you had to bribe someone off, like ask a friend to ask for a favor. In order to obtain anything you had to do a favor which entailed either paying people or asking a friend to intervene. Then you'd owe this other friend a favor. It created a very negative circle. With Orlando, it became, there was an objective ease with which all these tasks—it was easier to perform these tasks so that was a very positive thing.

Another example, he chose very young people to put as chairpersons of the utility agencies that were owned by the municipality like gas, light, water, rubbish collection. Before the people that used to manage these companies were older people, possibly without business skills whose only merit was that they had been a commissioner going into politics. They were just entrusted with managing these utilities. In my time these utilities were so well managed that Palermo had some of the lower fees and better services in the whole country.

MAJEED: This was during both the municipality companies and then also when you talked about the bureaucratic agility was it during Orlando's first term or second term, when did it start?

FERRANTE: *In reality there were three terms of Orlando, he was there for fifteen years. The first term it was more like a mixed performance, there was a lot of [indecipherable] in the sense that initially he had to rely on a political compromise with the various political forces within the city council because the election was not a direct election but the mayor was elected by the city council.*

Even though people saw there was a different tempo, different signals being sent, the changes were very difficult to perceive. It was a change of tone but not perhaps not so much a change of practice like it was in the second term when he was elected by the citizens. Then that is when things started to change at the practical level.

In fact Orlando understood that that was the weakness of his first term. That is when he broke away from the Christian Democrats and he started his own Party, The Net, La Rete, with which then he started his own second and third terms.

MAJEED: If I may ask about your own position, can you tell me how you came to be appointed within Mayor Orlando's administration during the second term and what were your main responsibilities as commissioner?

FERRANTE: *I didn't start working with Orlando at the beginning of the second mandate because even though I supported him, I felt there were other younger people who could help him and he had placed a lot of these people in these various agencies. I thought my major role could be played if I still stayed with Confindustria. So in '94 Orlando was sick for a bit and during that period it stalled for a little while. His administration was starting to lose momentum, a little bit, nothing major.*

When Orlando got better he started a new course of his second mandate by hiring external people who had had moments of excellence in what they were doing for the city. So he started bringing excellent people in. I received a call from a friend of mine, a very young entrepreneur who was in one of the utility companies. Then Orlando asked if he could see me at his place because back

then his place was heavily guarded by the police. When I got there in the morning, Orlando basically said, to make a long story short, "If you want to help, I'd like you to be my commissioner." So I accepted and twenty days later after sorting out my various business interests I showed up the first day at the commissioner's building. Someone asked me, "Who are you, where are you going?"

I said, "I am the commissioner, the new commissioner."

I remember sitting on the chair thinking wow, I'm the new commissioner, what does the commissioner do really?

MAJEED: When you became commissioner, when you had the conversation with Mayor Orlando, were there any specific things that he wanted you or your office to accomplish, did he give you a mandate?

FERRANTE: *It is a complex story. But I have enough time. Actually I would like to thank you for this process because, like Professor Orlando, I feel very strongly about someone documenting what happened, not so much for the merit of the people, but for the merit of the city. So that the memories of this very special time are not lost and are documented.*

MAJEED: Thank you.

FERRANTE: *Going back to what I thought my mandate was, I started off by thinking as a citizen of the city what did I want the city to do that wasn't done? And as an entrepreneur as well. So I started from my own personal experience. I went back to my roots as someone from the city center. Then I realized that we would go out but they had to go out as four or five couples, the guys had to make sure they didn't look too easy to be attacked or anything because the city center was under a sort of curfew. No one would go out. People who would go out to the couple of restaurants would be looking around, looking over and making sure nobody had bad intentions.*

As I said before, the licenses for bars and for cafes and restaurants were subject to a quota. What would happen is people would go and buy up all the the new licenses that were issued and then they would sell them off to other people. Also a lot of people stopped their activity and did not give back their license, they would just keep it there. It was a way to restrict supply artificially and increase prices, it was a racketeering type thing. So there were a lot of licenses that had been given in the past but the business was not active.

I created a taskforce of municipal police that went and conducted a census of all the economic activities in the city center to make sure if there was a license in a specific street there was a business still operating. If the business had shut down they would just take the license back from the owner and resell it to someone else. So that was looking at the supply side.

Looking at the demand side I got together with a bunch of entrepreneurs and promised them that they could rent public space relatively cheaply, as long as they would provide nice music for entertainment, not too loud, and I would block one of the major streets in the city center and provide security in the form of extra police patrols. Then people would be able to go out at night.

In fact I found that it was an extreme success. A number of visitors, citizens came out and that was also the first time that Mayor Orlando opened up the doors of the City Hall for citizens to visit at night. It was the first time that some of the citizens had ever been inside because you could only go in if you had business to do. As a citizen you had never been in the City Hall. Then it was very interesting to see how people were reliving the memories, memories that the city had forgotten. They would be walking and saying, 'Do you remember the church?' 'Do you remember the street?' 'Do you remember the place we used to go to back in the day?'

He also kept a suggestion box. One day after one of these events he had 3,000 suggestions of people who had gone out for the night and left a suggestion. So it was by all means a big success.

I found as time went along that I could decrease the amount of police deployed on the streets because actually the entrepreneurs were the best form of policing because their activity would depend on it. They would make sure that the environment around their activity would be safe enough for customers to come. So people started going out with the children as well. In fact if you still go out to the Vucciria market, at night, it transforms itself. It is a street market, at night tables are brought out and people go out. It is very safe. So in a sense the presence of economic activity was the best form of street policing and restricting the territory of the mafia. Then at the same time I worked with the culture commissioner who created a series of events called Palermo on Stage. They were taking place around the city center so it was an excuse to go out. The commissioner for the city center, Dr. [Emilio] Arcuri, started rehabilitating various monuments and gave incentives to private individuals to keep their houses well maintained and so forth.

MAJEED: You mentioned that there was a task force in the municipal police and they were checking up on licenses and even trying to revitalize businesses in the city center. What kind of resistance did you face because there must be businesses that were affiliated with the mafia and were profiting or did not want more commercial activity in those areas? So how did you tackle that?

FERRANTE: *Of course there were problems because in those areas there was a lot of smuggling of counterfeit goods and so on and so forth. What was really the winning point was involvement of the clean part of the territory, of the neighborhood. Like what happened with actual economic activities people were surprised that without knowing people you could obtain a license. I also revolutionized the way the center works. It was very welcoming, it was very professional. The only thing they didn't do was offer you free coffee. But you felt very at home. The mafia is a minority in terms of number. So once you create a circle of trust you can create a positive change in society.*

MAJEED: How did you build trust with people who were living in the historic center and the businesses?

FERRANTE: *It was like self-reinforcing things with other measures. For instance, the one done by Commissioner Arcuri. Commissioner Arcuri is going to talk more in depth about it. I rehabilitated a lot of old public housing, or housing for lower income citizens. The people were astonished because before the whole objective was to let the houses decay so they would be razed to the ground and big new*

speculation would take place over the land. So there was a lot of contention with other sectors.

For instance in the sector of crafts, through the help of the urban European grant, I started new forms of entrepreneurship, up to seventy new businesses in terms of artistic craftsmanship, traditional crafts. We gave each of these places a grant of up to €35,000. The streets became a place where tourists could take a walk. They created a sort of fabric that was self-reinforcing. They created a sort of self-reinforcing event.

I on purpose never went to any openings because I didn't want to give the perception that this was done to gather votes, that it was done for political purposes. I always kept an open-door policy in his office. A guy once managed to get through the secretary and said, "I wanted to get to know you because I just applied for a license this morning and I can already go and open my business this afternoon." I instituted this change. I had created a set of instructions whereby if you brought four or five documents to the city hall office, you could open your license on the same day whereas in the past people could wait years until the license was granted by the city government.

Another example, for instance, I was looking for outside buyers. I was also the commissioner for tourism. So I had this agreement with Air Malta. They had a lot of people coming here for shopping tourism. Basically these people fly in the morning. I set up a bus that would pick these people up from the airport, drop them off in the city center, allow them to do the shopping they wanted to do and then pick them up with a free bus back to the airport so they could get the night flight back to Malta. So it was a little sort of strategy to increase people.

I tried to look at the kind of tourism that creates only negative things. For instance there are a lot of big cruise lines that would come to town. They would drop off the people. They would just get on a bus and go around town and see the cathedral and the major monuments and go back to the boat and to the next place. So I started putting a lot of parking limitations around the major monuments and then I invited the people to talk and sat down with them and tried to create new itineraries whereby they would drop the tourists off somewhere, the tourists would be able to walk a little bit and then they could get an ice cream, or sit down and have coffee, visit the monuments and then walk back. I also reached out to various tour operators and tried to look at educational side of things and got together with the best tour guides in Palermo to figure it out.

There was episode of a Japanese tour operator who asked if they could rent out the whole Teatro Massimo and then I flew in a group of Japanese tourists that filled out the Teatro Massimo because they wanted to see a specific performance. They also brought the performer. So they organized the whole thing. It is even bizarre that I had to rent the theater after all these people filled the whole theater to capacity.

MAJEED: What year was this?

FERRANTE: It was 1997 but the name of the actual director isn't in there so we can look it up.

MAJEED: You mentioned tourism and you said that you were the Commissioner of Tourism. At what point in time were you Commissioner of Tourism? What were your dates of tenure?

FERRANTE: I started off as the Commissioner for Productive Activities and Tourism, at the same time. Then as time went by—.

MAJEED: Is it one position or was it two positions you was holding at the same time?

FERRANTE: I had two separate offices for Productive Activities and Tourism. Originally culture fell under the mayor but then they decided to have a specific commissioner for culture. But it didn't have a physical building so they said why don't you just work out of the tourism building and then what we'll do is you'll be responsible for the programming in terms of cultural events and from my side, from the tourism angle, we'll just take care of the economic spillover of these events. So we were working, in a sense, as a team, two different wheels of the chariot. It was a new arrangement that we had in place.

The way it works, the mayor is in theory responsible for everything but he delegates through formal acts, various functions to various commissioners. So there wasn't in a sense a traditional organogram, but each time he would decide to delegate some of the function to different people. So he decided he would delegate the function of productive activities to one person and then tourism to the same person. There were actual buildings where the headquarters were—this is what I was trying to explain with the tourism and culture thing.

In addition to that I was also the person responsible for the municipal police, for information technology for the city government and then I was also working together with all the companies that belong to the municipality like rubbish, water, airport, everything. At the same time I was also responsible for the Cantiere di Lavoro which are those mechanisms whereby you could employ unemployed people to go a fix the sidewalks for instance. To do that I used what was a defunct regional law which would allow them to do that.

I was also in the end the Commissioner for Traffic and that is when I decided to make the City Center a pedestrian area. I find that its biggest success is the fact that today, despite all that has happened, every Sunday basically the same area I identified, so Via di Libertà which is a street close to where we are all the way to the station which is at the end of the major street in the city center, becomes a pedestrian area. That was to avoid the certification of the city center as people moved to shopping malls in the outskirts. The idea was if you can block access of the cars, the city center is one big open-air shopping mall. So I worked with people to buy new buses because it was also looking at the work of the bus company, not as chairman. So buying new buses. Before the buses were in really poor condition, very dirty. Those were French buses that they're still using today, and also electric busses in the city center.

Then they were trying to close down Mondello which is a sort of fisherman village outside of Palermo. So I had to sign the act that once implemented, in time Mondello would become a pedestrian area. On the same day I got calls—there was so much fighting over the pedestrian area, it was the area which encountered most resistance. The afternoon after I signed, word got out and people had my phone number so people from Mondello started calling me, saying we already filed for bankruptcy. So I was going up against a lot of businesses that thought that closing the streets to traffic would mean that less people would come.

Another initiative that encountered resistance, I wanted to issue fifty new licenses for taxis. Let me explain how it works. I was dreaming of a system like they have in America where you can flag down a cab on the street whereas now as we have to call in.

I found it very strange that people would assign economic value to a logistic, like an act of development. Basically you pay for a license and each license has a market value because it allows you to operate a taxi. By restricting the number of licenses, the license prices go up. So someone who retires can sell off the license to get a sort of end-of-work-life bonus that they can use for their retirement, in addition to their pension. I wanted to distribute them more market regulated.

I ran against a very powerful lobby which is the lobby of the taxi drivers. These are still powerful today, our current national government is trying to liberalize the taxi and it is not going very well. But even though it was the first strike of taxi drivers in the whole history of Palermo during my administration, I still managed to issue these fifty new taxi licenses.

One of the biggest innovations during my administration was this one-stop shop for opening up businesses. It was based on two principles. The public administration should not ask for documents that it already has and second that the public administration should take charge of liaising on behalf of the citizen with other public offices to complete the process. Before what happened, you had to run between offices to get these five, six documents. By the time you were done with the six documents, the first one, the validity of the first one had already expired so you had to run the whole process again.

This way you could go to the office of the commission in the building and apply with just one application for a business. That helped a lot creating new businesses in the city center and also around Palermo.

I find that the best way to fight the mafia is to do so through clear, objective and simple law, procedures that are the same for everyone. For instance they started issuing IDs. You just turn up with a picture and fill in a one-page application. Before you took the birth certificate, the family certificate, all documents the administration has. So they changed the policy. You just show up with a passport-sized picture and the application and you would get your ID on the spot. People thought you had to know someone to be able to get it, someone would do you a favor. Instead it was just a normal procedure.

MAJEED: When was the one-stop shop opened?

FERRANTE: *It was opened in 1999. Actually I'm laughing because they got the award as the best one-stop shop in Italy a week after I stepped down as commissioner. The Minister for statewide reform came down to give the honor the week after I had stepped down. Orlando sent me a telegram thanking me. So then because he was going for his year—just so you know, at the time then when I stepped down it was because Orlando was working on his European principle career. He had to think in terms of partisan stuff. A lot of the technical people like myself had to step down so the political ones could come in play. Then I collected all my stuff and I went back to being a citizen, I didn't want any more public office.*

Regardless, 10,000 licenses were issued in a year. When you look at the net of those not closing down they had 7-8000.

My idea was, because I am an industrialist, I didn't want to rely so much on retail, because retail is a sort of low value-added. Things I was looking mostly at [were] services like restaurants, bars, and then high-quality crafts. I also created an award as the best Palermo-type packaging. For instance if you were selling oil, you would make a barrel of oil to look like the Teatro Massimo, or a famous monument. So I did that as a way to encourage.

MAJEED: You created that award?

FERRANTE: Yes.

MAJEED: In terms of the licenses you mentioned retail and so on, the one-stop shop offered licenses for small businesses only or were there other kinds of licenses that you offered?

FERRANTE: *The one-stop shop would work with any enterprise however, because a lot of the large industries were outside the city boundaries, there weren't a lot of very big ones and the ones that were there were already established. We had one in Brancaccio and we tried to work with these industries in terms of support, in terms of services and infrastructure and those sorts of things.*

Palermo's experience was very important for other municipalities in Sicily. I would often travel around the region to help others replicate the know how Palermo had acquired. I went to a place where they have a lot of greenhouses for fresh produce and tomatoes and so forth. I also found sometimes it would be small municipalities that would come together to create the one-stop shop that would serve a group of municipalities for cost reasons and so on. I felt that the Palermo experience was also very useful for Sicily as a whole.

MAJEED: Where did the idea for one-stop shop come from? Did you travel to other cities to see one-stop shops or how did you think of doing it in Palermo?

FERRANTE: *First the Minister for Reform at the time was very interested in pushing the one-stop shop model around Italy, but then I was very impressed when I traveled to Chicago and saw the Chicago model. As well as the commissioner, I would join missions abroad by the Chamber of Commerce of the region to promote Sicilian entrepreneurs' work abroad. At the one in Chicago I met with the mayor and we shared some experiences. Chicago at the time was experiencing decay of the inner city in favor of the suburbs. So they shared the Palermo practice. The Chicago mayor shared with us their productive activities practice. I was very impressed by the model. It looked like a bakery. You put some water and flour into the oven and a bread loaf comes out.*

I tried to take that kind of setup into the Italian context and make it the same.

BACON: Was it the Minister of Reform that went to Chicago?

FERRANTE: No, I went to Chicago.

BACON: When was that?

FERRANTE: *Towards the end of 1998 I went to Chicago. The end of 1999 was when the one-stop shop was created. I was expected in 2000 but then I had to step down to send one staff from the Palermo one-stop shop to Chicago and one from Chicago to Palermo to cross fertilize.*

Another nice part of my job was that I was also in charge of international relations when it came to productive activity. So I would join the mayor in his international missions. We had a lot of twin cities and we tried to make this twinning process more effective by actually linking it with productive activity and tourism. So I went to Miami, to Santiago de Cuba, to Chengdu in China, to Yaroslavl which is a few hundred kilometers outside of Moscow. I also went to Tbilisi.

MAJEED: Is the one-stop shop still active? Would you be able to comment on how well it is doing?

FERRANTE: *In fact with my business group we rehabilitated an old villa, two restaurants, a bar, and a café. And I myself had to go to the office to apply for a license. While the form was still there the substance had changed a little bit. The disaggregated approach had become again dominant. As a result my old colleagues they told me, "Back in the days when you were here..."*

One of the employees of the one-stop shop was arrested because he would issue the permits to use the public space under bribe so he was recently arrested.

MAJEED: When did you go to get the license for your partnership?

FERRANTE: *That was six months ago.*

MAJEED: I have a few questions on the organization of your office if that is okay going back to your work as Commissioner of Productive Activities. When you came in did you have a strategic plan or did you have any kind of document that you had planned out in terms of the activities you would target as commissioner?

FERRANTE: *In terms of strategic view, going back to the example I gave when I sat in my office and wondered how does one become a commissioner, I started looking at the areas in which I was struggling with as a citizen and entrepreneur. That was what was guiding my strategic plan. For instance, something else to remember is that they used to have a lot of problems with the banks. Some entrepreneurs would get together and create a consortium of entrepreneurs. They would then approach the banks in order to get better deals as a group as opposed to alone.*

But what would happen, because the banks were strong, they used the divide and conquer tactic. They would pick the best entrepreneurs out of the consortium and then give those credit and leave the rest behind. So when I was looking at this one-stop shop, I tried to work together with industrialists and commerce and so on to improve the value as consortiums. I also gave 25,000 Euros as a grant that would act as a guarantee when people in the consortium would look for grants from banks. I also signed an agreement with the banks to decrease the interest rate on loans to entrepreneurs. So that was something else I worked at.

MAJEED: How big was your office? How many staff members did you have?

FERRANTE: When I started there were 180 people but because all the other offices were constantly asking for more staff, there would be public competitions, I had a lot of turnover, willingly so, to let these people go to other places. I also hired some younger people who would be more familiar with IT technology and so forth. So total number of staff went down to 130 and the productivity increased.

MAJEED: 130?

FERRANTE: Yes. I was responsible for all productive activities so for instance advertising, bill boards, agriculture, fishing. There was a new EU directive that came in in terms of sanitary standards for distribution of fish. I got together with the fishermen and tried to improve their handling.

MAJEED: So the main function of the office was licenses. Then you mentioned advertising and working with private businesses. Were there other areas?

FERRANTE: I was responsible for various regulatory plans for various sectors of the economy, commercial activities like advertising, newsstands, taxis. I liberalized the opening times of coiffeurs and barbers and then the Cardinal went into a big public fight with me saying I should not allow barbers and coiffeurs to be open on Sunday because people should go to church.

We read this with Orlando when we were in Miami for a conference and our American counterparts were surprised because [in Miami] you could go into a shop and buy your aspirin at 3 a.m. Basically all of these plans were halfway between a highly regulated approach which was the traditional one and the one that we tried to promote which was a more free market, liberal market approach. For instance back then there was a quota of the total surface of retail space in the whole city so they had to work under that context. There was so much parking space one had to have in order to open a certain commercial activity and so on and so forth.

I also changed the way advertising worked. Before a lot of people put advertisements on public buildings. I allowed advertisement to be put on private buildings so people would just rent out advertisement space, even empty land plots. People that would not want to develop a land plot would just increase benefit from putting up a billboard or something.

MAJEED: One other question I had was you had mentioned that as a commissioner you had a number of responsibilities and some of them were quite fluid in how they were assigned. Could you talk about Mayor Orland's junta and how many commissioners there were and how did the responsibilities get divided up? What was the structure of the cabinet and who were the people involved?

FERRANTE: There were nine of them. There was a culture, city center, who was also the Vice Mayor, environment. There was a total of ten, sorry. Culture, historic center, who was also the vice mayor, environment, public works, budget, school, minors, health and social services were one. Then there was one in charge of personnel and [one in charge of] parks, recreation, and sport.

The biggest areas in terms of budget would be culture and school, for obvious reasons, especially school because we were trying to fight all this high level of school dropouts especially in the suburban neighborhoods. For culture and schools we were trying to foster a new society. My commission, productive

activities, was fairly big and then historic center was very big. The person in charge of the budget was Mr. Cappellani who was also very effective. In general Mayor Orlando worked very effectively as an orchestra director in a sense. He would manage to coordinate all the various instruments and obtain results.

MAJEED: How often did you meet with Mayor Orlando? Was it weekly meetings or monthly meetings? How did you coordinate between different commissioners and with the mayor?

FERRANTE: *So there were two types of meetings. On the last point, I was also responsible for city markets, for fruit and vegetables, for fish, and for the public slaughterhouse. One of these [treatments?] was trying to renovate the buildings for the fruit and vegies market and also to promote the image of the market because before people would just bring in produce from outside Palermo. I tried to incentivize people buying produce produced within Palermo.*

In terms of the meetings, there were two types of meetings. There were administrative meetings, Giunta Amministrativa, where they would just meet in the city council and present. When I wanted to make a pedestrian area within the traffic plan, those plans would be debated and approved.

Then there were political meetings, Giunta Politica, in which we were trying to identify which were the priorities of the cabinet as a whole in order to be able to allocate different budgets. Usually I was the one who managed, leveraged more outside the bounds of my activities so I would be the one with less weight on my budget compared to other commissioners. That's the way we would deliberate.

MAJEED: How often would these meetings be?

FERRANTE: *The administrative meetings would be once a week and we would just approve 100, 150 documents or motions and political meetings would be once every two weeks.*

MAJEED: Who was part of the administrative meetings? Was it only the commissioners or were there other people involved and also for the political meetings?

FERRANTE: *The administrative meetings would have all the commissioners. On occasion, every two or three months, the CEOs of the municipal utility companies would also be present, even though I would be the referent on the normal basis. If they had some points to bring they usually bring them to me.*

Have you heard about the rhythm of Orlando? We would hear him talking on the phone and say "I'll meet you at 3 a.m." or he would call people up at 3 a.m. "Are you up? Did I wake you up?"

"No, it's okay, I'm just walking the dog."

He had very high stamina. Once we were in Spain for an official meeting and we had this very big dinner after, it was very heavy dinner. After we were done we said good night, see you tomorrow, he said, "Do you mind actually coming down in fifteen minutes so we could start working on some stuff?" He had very high stamina.

MAJEED: Thank you. One thing that you mentioned which was very interesting. You said you were also responsible for city markets, the fish and the fruit markets and slaughterhouse. Those markets have traditionally been controlled somewhat by the mafia and also there seems to be extortion and protection associated with them. Did you get resistance and how did you kind of tackle the mafia in these particular areas?

FERRANTE: *The ultimate is to create a very positive interaction between different institutions. For instance, the Prefecture, which is the representative of the Italian state in the various parts of Italy. We would work with them against the racketeering activities. In addition to that people knew that the city administration was on their side against the mafia and was working with the Prefecture, with the Italian state.*

Here's an example. I was also responsible for neighborhood markets which was a very difficult issue because 99% of them were working illegally, practicing without a license. Because I was both in charge of traffic and municipal police, I got with the representative of the sellers and explained to them, "Well you can't just have the markets whenever you want; we have to regulate them. We have to ensure everyone is issued a license and pays a fee." Everyone was kind of tense because it was very difficult to do so because there was a lot of illegality around there.

So I spoke to the Prefecture and asked them to send 100 policemen, Carbonari policemen. Then I sent half of the municipal police force ones. I had them clear one of the specific areas. After that I would make sure that every area where the markets would take place there would be enough police presence there. Then I actually got a lot of revenues for people paying the fees for having the stalls at the right place.

MAJEED: Thank you.

FERRANTE: *I felt that we were protected by Orlando because he would take all the responsibility and because he was under heavy protection. People understood that they could eliminate some of the commissioners but someone else would be replaced since Orlando was carrying all the decisions. In a sense he would protect the commissioner himself. I've never received any threats or anything except the one time when I tried to regulate the markets. All the people went to see me and one of the guys said either I kill you or I kill myself and he started pouring oil, gasoline on himself. Then he told me so what are you going to do now? So I put a hand in my trousers and pulled out a lighter and said, "You can go ahead." Then everybody started laughing and the tension was diffused.*

MAJEED: I have a few more questions if that is okay with you.

FERRANTE: Okay.

MAJEED: One thing you mentioned earlier, you mentioned the labor unions and you mentioned that there was the lobby of taxi drivers and they resisted the car-free kind of initiative. Could you tell me a little bit about how you worked with them in terms of resolving and diffusing the situation? You said the first strike in Palermo.

FERRANTE: *What I said is nothing was happening one at a time, all the actions were thought to reinforce each other. So for instance, the taxi drivers were really grateful because I did not give in to the pressure of not closing down the Centro Storico*

to cars. So the only people who could go in were the taxis and the busses. The taxi drivers really profited from the move and they understood that there was a project behind the city, it wasn't just to move—they weren't the only people targeted but different regions were targeted at different times to improve the welfare of the city as a whole. So, for instance, I also created restricted lanes for busses and taxis. I reestablished a phone booth at taxi stops so you could just call your taxi driver.

Palermo was the first city to have debit card equipment in taxis. I don't know if they are still working. In general then taxi drivers understood that if you create the demand but don't create a way to respond to this demand through rules, then illegal operators start. If there is more demand for taxis when the city shuts down the pedestrian area and there are not enough taxis, people will start working as illegal taxi drivers. So you need these licenses once you have increased demand. That was the way. I got their respect because people finally understood there was a project behind this.

MAJEED: You also mentioned Mondello and there was resistance there. You said they resisted when the law was supposed to be passed a week later. Was the law ever passed? What happened?

FERRANTE: *I never gave up, so Mondello got the pedestrian area, after granting the funds. Now business owners call the municipality and ask it to keep the pedestrian areas every once in a while. In the end, business owners understood that that was beneficial for them. If you go to Mondello you'll see there are poles to prevent people from driving through. It was very messy because you would have cars parked all over the place, street sellers. I had to remove some people who were selling second-hand books and the guy told me I was against culture and I was ignorant because I didn't want him to sell books. Now this guy actually has a shop nearby. The two bars that were there were given licenses to use the public space to put up tables and stuff. If you go in the summer it is actually very nice and the city is very appreciative of the Palermitans.*

MAJEED: You mentioned that there was an award that you started when you were commissioner and you promoted using symbols from Palermo which shopkeepers could showcase. Which year did you start and does it continue?

FERRANTE: *The award was called Welcoming Palermo. It started towards the end of my term, 1999, then it went on for another year. Now it is not given any more. In addition, we would encourage hotels to give a small, Palermo-related gift. This was part of my idea that you have to think of the city center as a big open-air market. Now recently the big shopping center opened and had 250,000 visitors in the first five days. Like tradition, like suburban shopping center. They decided to go for this model and now the gains from this model don't stay in Palermo. These are international chains.*

So if the chains decide at some point that they want to shut down because it is no longer profitable, then we're not going to have the old shops or the new shops either. Looking at why some of these things are the way they are now, in the first five years the mayor - and this may be caused by us but we can check on this and we'll probably find that it's true - the new mayor was able to continue the work that was prepared toward the end of Orlando's previous term.

I spent a lot of time creating a methane gas network. It took years to construct and was a big headache because we had to dig into streets and those sorts of things, but the ribbon-cutting ceremony was done by the new mayor. The same with some of the pedestrian areas that I had refurbished and rehabilitated. They were eventually opened.

In the second term things didn't go as well, and now the mayor [who followed Orlando] is under investigation for misuse of public funds.

One example would be the rubbish collection company, which had a very efficient service and very low fees. They were thinking actually, when I was leaving, to lower the fees because it is so much profit they were actually thinking of investing with the surplus of cash.

Then he went to a political figure. They started opening an office in Dubai because they thought they would be able to do business there but it didn't work out. They overextended themselves. Another one was bankrupt. Basically if you stay for the next week or ten days you'll find that if by the end of this month they don't double up fees and taxes, the municipality will go into insolvency.

BACON: When you said the mayor carried on some of the things and not others, does he mean the interim mayor or the mayor that came—?

FERRANTE: *No, the [mayor who served the next full term of] five years. But he didn't carry on. He just lived off the fact that some of these long-term projects were completed during his first term. So like something big in the infrastructure that was started and laid out toward the end of Orlando's term, then had its ribbon-cutting ceremony in the new mayor's term.*

MAJEED: So [the new mayor] benefited.

FERRANTE: *He benefited a lot. Like any reforms you do it takes time until all the profits are realized. If you're around next week you'll probably see a lot of strikes because they have to make some very painful economic decisions. The mayor is nowhere to be found because he is under investigation. There is this Spanish proverb that I like that says, "Time goes by and you forget your pain; what is left of us is what we've done." This I think is a good way of saying how I see the way the past few years have gone.*

BACON: So Mayor Orlando recruited a lot of outside expertise and consultants and technical professionals like yourselves. It seems like it made a big difference in the city. I'm curious what the incentives were for people like you to go into public service. In other places we've researched sometimes the pay is lower, sometimes people have no incentive to leave the private sector. So I'm curious, was it salary? Was it the excitement of contributing to your city? Was it Orlando? What made people like you work for the government?

FERRANTE: *Why did Orlando decide to use external people, people that were not political by affiliation? Because in my opinion, when you work with politicians, even if you do it unintentionally, with the best intentions, you create a structure that is based on your personal following, within the people you work with. While I was the commissioner, someone came into my office. This was the time when we had all the café contractors, all these open-air concerts and I was being seen in the newspaper, eating outside with the people. I was a very well known figure. So*

this person comes into my office and tells me, unannounced, someone I didn't know, that I would never have had a political career because, he said, "You just create rules and make people follow them. No one ever remembers that. If you once did a favor to someone that they were not supposed to get, these people remember you forever and give you a vote."

My predecessor had a photographer in his office so whenever he would grant a license, the photographer would come and take a picture. This license would have taken years to be granted so people would remember it.

And why did I leave my job in the first place? It was very difficult, it took me a while because there were risks. If I got involved in politics, the mafia could have also targeted my business. There could have been negative repercussions, not mafia-related, to the business. So I spoke to my brothers and I split up my business and made institutional arrangements. But the reason why I chose this is because I spoke to my wife who is also someone who is very idealistic, very militant in social issues. She told me, "if you don't take up this challenge then you're a coward, so you have to take it."

I always felt that life is such a finite gift that is given to you. There is this Italian proverb that says you're better off living one day as a lion than 100 days as a sheep. That is why I ended up taking the job in the first place.

MAJEED: How would you define success? What were some of the things that you did or Mayor Orlando's administration did that were successful. What were the metrics that you used to define success?

FERRANTE: *One measure through which you can measure success was that people were just happy to be living in Palermo. For instance, with these café concerto events people were able to walk around the city and enjoy all of this without having to sit down and actually have a meal; they would just enjoy all this for free. These were people who perhaps before would not have been able to get close to this kind of very high-profile culture events because it would have been expensive to attend. People were living in a dream-like disbelief in a sense.*

Even those ideas that were nurtured during Orlando's time—for instance, the new administration continued the café concerto event for two years and then we discontinued those because we were too tired with Orlando's image. We didn't want to do that. Then we found that people still did them of their own accord. They just paid for the music and whatever. Of course without finance and perhaps not within the regulations because they were using public space for private gain.

Perhaps one criticism one could make to those times were that after Orlando there was no managing, no set of managers that would continue the project. There was a certain sense of rivalry between those who came after and those that Orlando had done. Even though you have some remains, if you don't keep it, it is like yeast. If the yeast is not there the thing is not going to go into shape. So this fermenting energy that was keeping all of this initiative from snowballing into something bigger ended up not being there at some point and that sort of stalled the whole project.

MAJEED: On that point you said there was no set of managers. With Mayor Orlando and his team were there efforts made to create some sort of sustainability so that things could continue, or were there no efforts made to institute changes that could outlast Orlando's administration?

FERRANTE: *At the core of all of Orlando's success was good management. It is not an issue of budget. I was able to implement a lot of things without looking at the budget, getting resources from the budget whereas the guy that came after me started pumping a lot of money, a lot of money into this café concerto so some people would benefit and he would get votes out of it.*

For instance, the Commissioner for schools had this project, adopt a monument and it was very successful. Then after that, public funds for that project were cut because they weren't spent on in first place and they had to be taken out of some projects. So basically the kids were doing it on their own time and paying for their own transportation in a way to get to the place so it didn't last.

At the time we were trying to use public funds to keep some school-like programs running in the summer so the mothers could go to work, to encourage labor force participation by women. Of course when the administration started mispending the programs were cut first. Especially if you have a commissioner that wants to launch a political career then they are more likely to be bending the rules or doing favors and so on and so forth.

When I was working in China—I worked in China for a little while after, not as a commissioner, just as an entrepreneur. I thought maybe I should try and go down to Chengdu and see if there are any reasonable opportunities for stuff that will happen. They told me, "Well, we cancelled our training with Palermo because no one ever followed up so we let it collapse." The only way we could have made it sustainable would be if we had won the elections, if we hadn't made the political mistakes that they did during the electoral campaign.

There were some internal rivalries between the left-wing coalition versus Orlando, someone who was a very decent and legal person but who wasn't able to win the votes. Then the Berlusconi camp came along and it was a certain political culture and people started hiring the sons and the daughters of the city councilmen and city council-women into the companies owned by the municipality. So there was just poor management of public resources which meant that all the good things could not be funded which meant that everything went into decay. That meant that at the end there weren't enough public resources. Basically the virtuous circle had been reversed into vicious circle. It is like everywhere, like in the United States where you had Bush first and then Obama. The differences are very strong and if Obama loses and then you have McCain, you're back to square one. Then you start exporting democracy. If McCain comes back, you go back to that kind of mentality.

MAJEED: People talk about the Palermo model which is the model that Mayor Leoluca Orlando brought about along with esteem. It seems that other countries and other cities may have adopted this model. Can you speak a little bit about whether this model has spread elsewhere?

FERRANTE: *Professor Orlando has a foundation called Palermo Renaissance which is a way of sharing with other the experience and knowhow of Palermo's lessons.*

Through his Foundation he has been invited to Mexico City and places in Europe. For instance, someone from Austria contacted me to see if they could get Professor Orlando to speak at a conference and he went and found 400 people. So he shared the experience of Palermo.

He is especially popular in German-speaking countries because he studied in Germany so he is very liked there. In general, also he promotes this model where you have this central figure and a lot of capable technical people aside. But the real actor is the people, the citizens, especially in context of very little economic freedom and people are always waiting for this messianic figure, this savior.

When he went around during the last campaign and someone came up to him and said, "Can you ensure a job for my son?"

He said, "I can't do that."

"Then I have another lead into a possible job for my son."

MAJEED: Thanks you.