



The Role of Private Funding and Collaborative Networks in Southern Italy's Socioeconomic Development: Insights from The Fondazione Con Il Sud

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Abstract

This study examines the impact of private funding and collaborative networks on socioeconomic development in Southern Italy, with a specific focus on Fondazione Con il Sud's (FCS) strategy. The Foundation strongly emphasizes social cohesion and social capital, moving beyond traditional economic indicators such as GDP to drive sustainable development in marginalized regions. The evaluative study examines the effectiveness of FCS's funded projects using a "positive thinking approach" as a framework. It aims to identify the key factors contributing to long-lasting positive changes in local communities, offering hope and optimism for socioeconomic development in Southern Italy. A mixed-methods approach applied to 205 projects funded by the Foundation, covering a wide range of sectors, including social, educational, environmental, and cultural domains. The results indicate that the type of network strategy used during project implementation significantly influences medium—to long-term outcomes. These strategies, including opportunistic collaborations, third-sector networks, and community-based relations, have significant implications for socioeconomic development. Projects that foster stable partnerships and active community involvement tend to create more sustainable and enduring impacts. In contrast, opportunistic collaborations, primarily driven by short-term funding goals, cannot often generate lasting structural change. The findings suggest that long-term success is more likely when projects emphasize inclusive, multi-stakeholder collaborations and prioritize the active engagement of local actors.

Keywords: Southern Italy, Relational Contexts, Evaluation Research, Community Development

1. Introduction

The socioeconomic development of Southern Italy remains a critical and urgent issue. Despite numerous public investments, the Mezzogiorno continues to face a substantial economic gap. Alternative development models are increasingly needed. This study explores the transformative potential of Fondazione Con il Sud (FCS), which supports local development through private funding and collaborative networks.

Focusing on social cohesion (Colozzi, 2008) and human capital, FCS promotes projects that strengthen the social fabric of Southern Italy, overcoming the limits of top-down and purely economic approaches. To analyze the complexity of these interventions, this study applies the Positive Thinking Inquiry Framework (Patton, 2011), a research strategy designed to reveal what has worked, even in challenging conditions.

This framework, effective in complex environments with unpredictable social, political, and economic interactions, moves beyond comparing expected versus actual results to examine the conditions that foster success, even in unforeseen situations (Hirschman, 1967).

Through an analysis of 205 projects completed between two and four years before the research, this study investigates local configurations that drive positive change. Data collection combined structured questionnaires for project managers with semi-structured interviews with key stakeholders. This approach highlights relational dynamics supporting sustainable interventions, focusing on the contexts where collaborations among local actors develop, and collective efforts align with shared community goals. By emphasizing the interconnected roles of diverse stakeholders, the research underscores how these partnerships foster resilience and adaptability, helping to overcome structural barriers to economic and social advancement in Southern Italy.

2. Literature Review: from the limitations of mainstream approaches to innovative frameworks in evaluating complex social interventions

The evaluation of complex social interventions has sparked significant theoretical and methodological debates, particularly regarding the limitations of traditional models such as Randomized Controlled Trials (RCTs), which rely on counterfactual comparisons (Campbell & Stanley, 1963). Although RCTs have long dominated the field, a growing body of literature (Stame, 2016; Weiss, 2008; Pawson, 2006) critiques their inadequacy in addressing the intricate social dynamics present in variable and uncertain environments. Social interventions often operate in heterogeneous contexts where mechanisms of change (Pawson & Tilley, 2007) are unpredictable and influenced by local actors, unforeseen factors, and specific circumstances (Rogers, 2008; Patton, 2011). This complexity challenges mainstream evaluation models, particularly those based on linear causality, which assume stable conditions and predictable causal links. Scholars argue that traditional approaches, dependent on such models, fail to capture complex interventions' emergent and non-linear nature (Rogers, 2008).

2.1. Alternative approaches for evaluating complex interventions

In response to the limitations of traditional models, recent literature has explored more flexible evaluation methods. Participatory approaches (Chambers, 2017), for example, emphasize the direct involvement of local communities in the evaluation process, an essential aspect in marginalized contexts. Developmental evaluation (Patton, 2011) also advocates for continuous adaptation and learning throughout the intervention, while the concept of collective impact (Kania et al., 2018) supports long-term evaluations that recognize the evolving interactions among diverse stakeholders. These alternative approaches respond more

effectively to the challenges of social complexity, enabling more adaptive evaluations that can respond to changes in the local context.

2.1.1. Positive Thinking Approaches: a shift in evaluation perspective

More recently, Positive Thinking Approaches have emerged as a response to the need to rethink evaluation methods in complex settings (Patton, 2011; Preskill & Catsambas, 2006). Rather than focusing on deficits or deviations from initial objectives, Positive Thinking highlights successes, including unexpected ones. This approach proposes that learning and adaptation are better achieved by understanding what went right rather than by solely analyzing failures. Unlike traditional models, Positive Thinking does not limit itself to verifying whether predefined goals were met. Instead, it examines how positive changes emerge—whether expected or unexpected—and the conditions that enable them.

The Positive Thinking framework promotes a "double loop" learning process (Argyris & Schon, 1978), encouraging new theories and strategies that are better aligned with the needs and contexts of local actors. Recognizing success in challenging environments strengthens resilience and fosters ongoing innovation. Horizontal benchmarking, which leverages effective strategies across different contexts, can amplify these successes and offer critical insights for areas facing similar challenges.

2.2. From theory to practice: a positive thinking evaluation approach to investigate the factors sustaining FCS's success in marginalized communities in Southern Italy

The literature review underscores how the limitations of traditional evaluation models have led to the development of more adaptable and context-sensitive methodologies. Among these, Positive Thinking emerges as an approach that shifts the focus from strict adherence to predefined outcomes to an analysis of successes that emerge organically within complex and dynamic environments. This perspective is particularly valuable for initiatives like those of Fondazione Con Il Sud, which operate in contexts marked by deep structural challenges, where the capacity to adapt to local conditions and reinforce the social fabric is essential.

Building on these insights, this study adopts Positive Thinking as a framework for examining the factors that sustain the success of Fondazione's interventions in complex, marginalized contexts in Southern Italy. Through this lens, the research aims to explore the relational dynamics and social capital structures that contribute to sustainable socioeconomic development driven by social cohesion and local networks.

The study seeks to provide a methodological contribution applicable to similar interventions, offering a deeper understanding of the configurations that support long-term development.

3. Subject of research: FCS's intervention strategy

This study evaluates FCS's overarching intervention strategy, a pioneering initiative to foster social infrastructure in Southern Italy. Rather than focusing on individual projects as case studies, the analysis explores FCS's broader approach to development, which emphasizes the creation of social infrastructures: networks that connect individuals and communities, facilitating dialogue and collective action (Celardi, 2023).

What distinguishes FCS's approach from traditional public-sector interventions in Southern Italy is its focus on social cohesion (Coleman, 1990) rather than purely economic indicators like GDP growth or public investment.

The Foundation posits that the region's economic stagnation stems from weak social ties rather than a lack of financial capital. FCS argues that sustainable development cannot be

achieved through financial investment alone; it requires a concurrent strengthening of social capital (Bourdieu, 1997; Donati, 2014) and human capacities.

Despite decades of economic support, the persistent developmental gap in Southern Italy underscores the need for an approach rooted in local knowledge, aspirations, and capabilities (Borgomeo, 2013; Trigilia, 2011). This calls for a paradigm shift, away from the traditional logic of development that has dominated past regional policy efforts, towards identifying and leveraging local resources such as environmental and cultural assets, historical traditions, and existing knowledge networks. Although financial support remains critical, FCS emphasizes that such support must foster partnerships among local actors rather than substituting their efforts. The Foundation does not directly intervene in local affairs; instead, it funds initiatives led by local organizations in collaboration with institutional and economic stakeholders, aiming to catalyze and amplify the ideas, energy, and expertise already present within communities.

Although the Foundation's approach differs from traditional public-sector interventions, this does not guarantee its effectiveness in practice. This study aims to evaluate under what conditions the Foundation's strategy has led to improvements in the complex local contexts where its projects have been implemented. By examining the experiences and perspectives of local actors, the research seeks to identify the specific factors and configurations that have contributed to positive local change.

4. Method

The analysis is based on a mixed-methods research approach, integrating structured questionnaires and in-depth interviews with key stakeholders involved in implementing the Foundation's projects. All funded projects completed at least two to four years before the start of the research were examined.

4.1. The questionnaire

A structured self-assessment questionnaire was sent to the project leaders to gather information on the medium- to long-term changes achieved by the projects. The first part of the questionnaire aimed to collect information on the achievement and consolidation of the project's goals and any challenges and obstacles encountered during the change process. The second part focused on assessing how the projects had contributed to increasing social infrastructure in the areas of intervention. The concept of social infrastructure was operationalized through several dimensions:

1. Establishing and consolidating partnerships and networks (with an indication of the organizations or institutions with which collaborations were still ongoing post-project).
2. The continuation of project activities and the level of long-term beneficiary engagement.
3. Impacts on the local context (e.g., revitalization of public assets, creation of new organizations, employment outcomes generated).

Out of the 221 initiatives contacted, 205 responded, yielding a response rate of 92.76%. The responses from the self-assessment questionnaires were subjected to content analysis. Responses were systematically coded into thematic categories, corresponding to three primary dimensions of long-term impact: (1) transformations in the physical and social environments of the intervention areas (places); (2) capacity building at both individual and organizational levels, including skill enhancement and institutional strengthening (subjects)

and (3) the creation and reinforcement of collaborative networks among stakeholders (relationships).

The questionnaire results revealed that the projects performed well, achieving the expected short-term outcomes. Most of the projects (131) continued to show concrete results at least two years after the funding period ended. In 12 cases, the results were no longer observable, while in the remaining 74 projects, the outcomes were still partially evident.

Regarding the nature of the results, most projects focused on supporting individuals in need and urban revitalization. Only 30 projects initiated social infrastructure processes that directly impacted economic development.

The main challenge identified was the difficulty faced by third-sector organizations in securing resources to continue their missions. This represents a significant obstacle to the long-term sustainability of these initiatives.

To delve deeper into these findings, interviews were conducted to examine cases where these challenges were mitigated or overcome, aiming to understand how and why this was possible.

4.2. In-depth interviews

Qualitative data were collected through a series of in-depth interviews¹ with 80 key stakeholders², including project operators (e.g., educators, social workers, psychologists, architects), community leaders (e.g., religious figures, third sector representatives), and local stakeholders with extensive knowledge of the social and territorial dynamics in the intervention areas.

The semi-structured interviews allowed for the exploration of predefined themes while also providing flexibility to pursue issues that emerged organically from the respondents. Given the study's positive evaluation framework, the primary objective was to understand what worked well, where, and why. Interview questions focused on the characteristics of the local context, key challenges, particularly regarding project sustainability, and the strategies employed to overcome these obstacles.

This approach allowed for a thorough examination of success factors and barriers, offering crucial insights into the initiatives' long-term sustainability.

The interview data were analyzed using the framework analysis method, which is particularly well-suited for applied research and the evaluation of complex interventions (Ritchie & Spencer, 1994). This method allows for a systematic yet adaptable approach to identifying patterns in the data while remaining open to new themes emerging during the analysis process (Gale et al., 2013). It was especially appropriate for this study, as it enabled the evaluation of project performance within specific socioeconomic contexts, highlighting factors that contributed to positive outcomes.

The analysis process unfolded in two main phases: a) contextual reconstruction and b) trajectories of change.

¹ Due to the COVID-19 pandemic, most interviews were conducted remotely via video conferencing platforms or, when necessary, by phone to comply with social distancing measures and ensure participant safety. Although in-person interviews were initially planned, the shift to remote formats did not diminish the depth or richness of the data collected. Each interview lasted between 60 and 90 minutes and was recorded, with participants' informed consent, to ensure accurate transcription and data integrity. Ethical protocols, including strict confidentiality measures, were followed throughout the research process.

² A purposive sampling strategy was employed to ensure a diversity of perspectives, which was crucial for understanding how various contextual factors influenced the success or challenges of the projects. Selection criteria focused on the interviewees' roles in project implementation and monitoring, as well as their ability to provide insights into the broader socioeconomic impacts within their local contexts.

The first phase, contextual reconstruction, involved mapping the socioeconomic and relational contexts before and during project implementation. This phase provided a comparative analysis between the projects' original objectives and their observed long-term outcomes. The analysis revealed how context-specific factors shaped project trajectories by reconstructing the social and economic environments in which the projects were embedded.

The second phase identified the transformation pathways across the different projects. This phase aimed to determine internal and external conditions that contributed to the initiatives' success or failure and factors that influenced their durability.

Once the socioeconomic context was reconstructed, the interview transcripts were systematically coded³ based on thematic categories. Some categories were predetermined, corresponding to the three primary dimensions identified in the quantitative analysis: (1) transformations in the physical and social environments of the intervention areas (places); (2) capacity building at both individual and organizational levels, including skill enhancement and institutional strengthening (subjects); and (3) the creation and reinforcement of collaborative networks among stakeholders (relationships)⁴.

Additional themes also emerged organically from the interviews, particularly those related to strategies that helped overcome challenges to sustainability.

5. Results and discussion

The interviews revealed three key collaboration strategies (Celardi, 2023) that were critical in determining project outcomes: *opportunistic partnerships*, *third-sector networks*, and *community relations*. Each strategy was evaluated based on four criteria:

- a) the existence and continuity of collaborations beyond the project's lifespan
- b) the purpose of the collaboration
- c) the involvement of external actors
- d) the inclusivity of third-sector actors in external partnerships

5.1. Opportunistic collaborations

These partnerships arose primarily in response to the need for external funding, with organizations frequently aligning their objectives to match available funding opportunities. While effective in achieving short-term, funding-driven goals, they rarely led to lasting change. Once funding ended, the partnerships often dissolved, and without a long-term strategy, the positive outcomes quickly dissipated. Limited community involvement and lack of sustained efforts further diminished the potential for long-term impacts. Therefore, although opportunistic collaborations can achieve short-term success, they fail to foster enduring community development.

³ Coding was conducted both manually and with the aid of qualitative data analysis software, which facilitated the identification of recurring patterns and key differences across projects.

⁴ To enhance the reliability and validity of the findings, a triangulation strategy was employed. This involved cross-referencing data from self-assessment questionnaires with insights from the in-depth interviews. By integrating multiple data sources, the study constructed a more nuanced and comprehensive understanding of the long-term impacts of the projects. Triangulation helped identify consistencies and discrepancies across the different types of data, further strengthening the overall conclusions of the evaluation.

5.2. Third sector networks

Third-sector networks—comprising social cooperatives, nongovernmental organizations (NGOs), and nonprofit organizations—demonstrated a more substantial capacity to generate sustainable outcomes. Human resources played a pivotal role, with these networks focusing on delivering services such as social reintegration, job orientation, and care for vulnerable groups. Beneficiaries accessed rights and services that might otherwise have been out of reach, with third-sector organizations acting as intermediaries. This model fostered long-term social cohesion and territorial revitalization improvements by bridging the gap between beneficiaries and institutions. Overall, third-sector networks proved to be an effective collaboration strategy that promotes sustainable welfare improvements at the local level.

5.3. Community relations

Community relations-based collaborations involved diverse actors, including citizens, public authorities, private businesses, and third-sector organizations. A distinctive feature of the projects initiated within this logic was the participatory design process, particularly in the regeneration of urban areas and community spaces. This process mobilized local citizens and increased volunteer participation. This participatory approach ensured that the projects were deeply rooted in the community's needs and aspirations, fostering a strong sense of ownership and producing more sustainable outcomes.

One noteworthy aspect of these initiatives was the community-based assistance model, which relied on mutual aid networks. Every social actor—from citizens to institutions—was responsible for providing direct support or referring individuals to appropriate services. This system fostered community solidarity, strengthened stakeholder ties, and created a culture of mutual support, addressing social needs using local resources.

These collaborations facilitated social cohesion and significantly contributed to economic revitalization. Urban regeneration often integrated vocational training and social inclusion initiatives with the physical redevelopment of underutilized spaces, transforming abandoned buildings into community centers or social enterprises. This dual focus on social and economic activities led to broader, more sustainable changes.

A critical factor in the success of these initiatives was their ability to ensure sustainable development through diversifying funding sources. By strategically combining public and private resources, community contributions, and volunteer efforts, projects became more resilient and adaptable to changing conditions, ensuring continuity over time.

The findings highlight apparent differences in the effectiveness of the three collaboration strategies. While efficient in achieving immediate objectives, opportunistic collaborations lacked the depth and continuity necessary for long-term impact. Their reliance on external funding and limited community engagement hindered sustainable outcomes.

In contrast, third-sector networks demonstrated greater resilience through their service-oriented approach, helping to reduce the disconnect between beneficiaries and institutions. These networks achieved sustainable impacts beyond the project's scope by leveraging human resources and institutional linkages.

However, the most successful strategy emerged from community relations-based collaborations, which engaged a wide range of local actors. The participatory design process and the alignment of social and economic activities were instrumental in promoting lasting change. By integrating diverse stakeholders, these projects fostered social cohesion and contributed to economic development. Ultimately, the results suggest that inclusive, community-driven approaches are the most effective in achieving broad-based, sustainable development.

6. Conclusion

This study examines FCS's role in promoting socio-economic change in Southern Italy. It shows that transformative impact arises from financial support, solid local alliances, and shared objectives. Adopting the "Positive Thinking Approach," the analysis identified expected and unexpected successes, highlighting how flexible and adaptive strategies can foster resilient community responses and progressively reduce reliance on external interventions.

6.1 Contributions to theory and practice

This approach contributes to developing more adaptive evaluation models at both theoretical and practical levels. It moves beyond predefined results to view successes as opportunities for learning. The findings also reveal that lasting impact is linked to collaborative networks rooted in trust and shared goals, which are essential for sustaining change beyond the project life cycle. Finally, the study underscores the importance of local alliances and effective governance as essential resources for driving transformation in marginalized contexts, even without continuous economic support.

6.2 Practical recommendations for funding organizations

On an operational level, the results suggest that funding organizations prioritize projects that demonstrate established or promising networks of trust. This would foster local autonomy and reduce dependency on external support. A continuous support model based on phased funding linked to intermediate goals could further strengthen communities' durable relationships and self-sustaining capacities.

6.3 Future research directions

Future research could explore the evolution of collaborations through social network analysis and longitudinal studies to identify which configurations yield sustainable outcomes. Extending this research to other regions or similar contexts would help determine whether similar or unique dynamics emerge based on local characteristics. Finally, investigating the indirect economic impact of local alliances and governance could provide insights for more integrated intervention models that cohesively combine social policies and economic development.

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