

EUROPEAN FINANCIAL GEOGRAPHIES IN FLUX: THE CHANGING URBAN
GEOGRAPHIES OF THE ADVANCED PRODUCER SERVICE COMPLEX

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**Internationalization of Italian banking system
and foreign trade patterns of Italian SMEs:
a co-development case study**

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Since their foundation, Italian banks were of primary importance for the development of the local systems of firms. In a geo-historical perspective, the evolution of the “savings banks”, “cooperative banks”, “rural banks” and the other forms of credit service developed in Italy at local level, mainly from the XIX century, have been intertwined with that of firms localized in the same local socio-economic systems. This led to mutually inter-influencing processes: adaptation, synergies, stimulus as well as conflicts and crisis. This relationship can be seen as a co-development case study that has significantly marked the Italian territory and its development in terms of geographies and economic policies as well as the urban patterns and the relative position/rank of cities.

The effects of reforms of the Italian banking system due to international, European and national impulses, recalling the classic Claude Raffestin model, have clearly had an impact: local systems have undergone in territorializing, de-territorializing and re-territorializing processes, and, lately, further pushed in globalization and financialization processes. Among these reforms several facts are pointed out in this paper and the focus is given to those affecting Italian small and medium enterprises (SMEs).

This paper presents the current development of a research on the relationship between Italian banks and SMEs, arguing that banks due to the crisis and the development of new technologies are shifting their role from financial service provider to advance strategic service providers (AS²P) where internationalization and foreign trade services are one of the new sector chosen in this diversification evolution. In particular, the methodological approach is based on mapping internationalization patterns of Italian banks, Italian trade data and SMEs value chains as well as interviews.

Financial institutions’ global financial knowledge and their networks, therefore, are a strategic assets in the opening and renewing firms’ value chains outside the national borders, and, at local level, where the Bank-SMEs relationship was an effective co-developing process, the impact of the post-Lehman bankruptcy crisis in cities and local productive systems resulted in a less negative re-territorialisation.