

Dynamic Historical Analysis of Longer Term Migratory, Labour Market and Human Capital Processes in Italy

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Executive Summary

In recent decades, Italy has been significantly affected by manifold migratory systems as a consequence of demographic and socio-economic changes in Italian society. Overall, this is a complex process, driven by the country's social conditions, and whereby in around twenty years Italy has changed from a country of emigrants into the destination for huge migratory flows. Immigration is therefore a consolidated component of the country's social and demographic structure; indeed, it is today the predominant factor in population growth. To understand its dynamics, it is necessary to take a medium-long period approach which also considers changes in world migratory systems, especially in regard to Europe.

The Country Report accordingly analyses the migratory phenomena that have affected Italy. It considers these various dimensions by focusing on the impact of both endogenous and exogenous factors with respect to the Italian context. The fact that Italy has become a destination country for large migratory flows has without doubt been due to internal factors partly analogous to those of other, more traditional, migrant settlement countries in Europe (Chapter 2 and Chapter 4): the economic growth that began in the 1950s and 1960s (which improved health, environmental and socio-economic conditions in the country, with the most significant progress recorded by the fall in infant mortality rate), demographic change (characterized by a marked increase in life expectancy and fertility therefore the ageing of the population), growth of the female activity rate, the wages structure, and organization of the welfare system.

Whilst the labour demand generated by economic development was for a certain period met by internal migration (especially from the *Mezzogiorno*), in the 1970s also Italy, like other Euro-Mediterranean countries, began to recruit workers from abroad. Already in the early 1970s the number of immigrants exceeded that of emigrants, however a marked growth of inflows was recorded especially in the past decade: the migration balance in the decade 2002-2011 was equal to 3 million 350 thousand people, a huge figure which evidences the extent to which Italy's demographic growth has been primarily due to migratory dynamics.

As will be illustrated in the Report (Chapter 3), a highly significant dimension in the analysis of migration concerns governance of the phenomenon. The reference is in particular to immigrant entry and integration policies. The Italian state has pursued an array of immigration policies. The overview provided in the Report highlights the changes that have taken place over the decades, but it also emphasises some important continuities (mainly identifiable in rejection of an active immigration policy, high administrative discretionality in the treatment of foreigners, and the legal obstacles raised against stabilization of the regular foreign population). It also evidences the impact of constraints due to the Italian constitutional order and to the international conventions signed by Italy.

These continuities in the governance of immigration have had an important role in defining not only the composition of the foreign population in Italy and the characteristics of its socio-economic integration (Chapter 4) but also Italian society's perception of immigration (Chapter 3). In regard to the former point, to be noted is the extent to which the effects of this political perspective are apparent in the high number of irregular or illegal entries into Italy, and in the structural segment of irregular immigrants employed in the underground economy, as well as in the vulnerability of numerous foreign workers. In regard to the latter point, analysis of the surveys conducted in recent decades on the attitudes of Italians to immigration shows that, alongside profound changes over the years (which have led to acceptance of the foreign presence in Italy and to the increasing perception that immigrants assume numerous work tasks deserted by Italian labour), there are several recurrent features. Whilst, on the one hand, numerous Italians continue to prefer restrictions on the number of new immigrant entries and see immigration as a threat to public order and security, on the other they agree on the need for policies to stabilize immigrants already present in the country.

1. INTRODUCTION

1.1. Methodology

As is known, migration is a phenomenon complex to study because of its multiple interrelations with other aspects of an economic, social and cultural nature. In this report, bearing migration's central role in mind, the aim is to describe the general framework that has characterised and still characterises the Italian situation in terms of demographic change and socio-economic development.

Where possible, the data presented and analysed in this report are drawn from official data collections and surveys carried out by the Italian National Institute of Statistics (ISTAT).

The features of immigration into Italy has changed remarkably over time, and the analysis of its evolution is possible essentially since the Census of 1981, and thereafter with the introduction of information on citizenship in various official data collections compiled by ISTAT. At the same time, many local-level surveys carried out by universities and group of researchers expand the general informative framework

The main difficulties encountered are due to the different definitions adopted. Discussing the foreign population in Italy is to deal with a relatively new phenomenon presumably not easy to measure in all its multiple features. The segment of the foreign population taken into account by official administrative sources is generally the resident foreign population – the sub-population most embedded in the host society. The main sources are:

- Form Istat P.3. This data collection of the foreign resident population and its structure by citizenship carried out by ISTAT since 1993 allows calculation of the demographic balance of the foreign resident population and gives the number of foreign residents for each year, by sex and citizenship. Data are collected at the municipal level using the Form Istat P.3. The foreign resident population is represented by individuals without Italian citizenship but having regular residence in Italy. It is calculated for each municipality as on the December 31st of each year following the population census, adding to the foreign population enumerated by the census the foreign population inflows and outflows recorded during each calendar year.
- STRASA data collection (Foreign resident population by age and sex on 1st January) carried out by ISTAT since 2003 from Italian Population Registers. Data are available yearly for all municipalities. The total population is equal to the official total population (Form Istat P.3). Cross-classification by age and country of citizenship is not available.
- General Population and Housing Censuses¹: The population and housing census collects information on persons usually resident in each municipality. The 9th of October 2011 is the reference date for the 15th Italian General Population and Housing Census. This census has benefited from a number of methodological and technical innovations intended to simplify field organization, improve administrative data, ensure on-time data dissemination, and reduce the burden on respondents. Compared to the previous editions, questionnaires were mailed to all the households included in municipal registers. For the first time, respondents had the option of returning questionnaires online, by return post, or by delivery to municipal collection offices. Another new feature was the collection of certain socio-economic data from a sample of households. This was accomplished by the use of two questionnaires: a short form, including questions necessary to comply with EU Regulations,² and a long form, covering all the topics planned in the enumeration programme. Questionnaires were

¹ More details are available at <http://www.istat.it/en/population-and-housing-census/population-and-housing-2011>.

² Regulation (EC) No 763/2008 requires compliance with the essential features of population and housing censuses, the use of harmonized definitions, technical specifications, topics and breakdowns. The Census regulation foresees unified reporting years (the first being 2011), a common EU dissemination programme, technical standards for the data transmission and the establishment of quality reports for European purposes.

administered to meet national and international requirements and the new census methodology, ensure international comparability, meet user needs, and guarantee the continuity of various time series.

- Persons registered in and cancelled from the population register due to change of residence (Form APR4). This is the data collection procedure that measures national and international inflows and outflows at individual level.

Apart from these sources, there are other important *ad hoc* ones which collect data on the foreign population. One of them is the data collection on residence permits.

A residence permit is an authorization issued by the competent authorities of a country allowing third-country nationals to stay legally on its territory. Data on residence permits are collected by reasons for issuing such permit. The main reasons are: education, family, employment, and other reasons (including stay without the right to work, international protection, etc.). These reasons allow to take into account specific categories (e.g. among students, researchers, highly-skilled workers etc.). National administrative registers and databases are the main sources for these statistics.

The evolution of residence permits at country level reflects the migration system's diversity and the influence of European immigration policy. Other factors – such as characteristics of third-country nationals, legal framework, and characteristics of countries involved in the immigration process like the geographical proximity or language ties – can also be important.

Other important characteristics of the foreign population are studied through information drawn from the Labour Force Survey and other sample surveys on social and economic conditions.

These exhaustive data collections and sample surveys make it possible to measure the foreign population and describe it. At the same time other sources allow description of demographic phenomena involving the foreign population. Of particular interest is the data collection of births recorded in the municipal registers of the resident population, given the growing importance of the foreign component in calculation of the total fertility rate.

An individual survey on live births registered in the resident population registers (Mod. Istat P.4) has been carried out by ISTAT since 1999. The variables for each live birth registered are sex, date of birth, place of birth, citizenship, mother's date of birth, father's date of birth, mother's marital Status, father's marital Status, mother's citizenship, father's citizenship.

All the above sources refer to the foreign population resident or legally present on Italian territory. The problem is measuring the irregular component. However, this can be estimated from data collected by local field surveys or on the basis of foreigners regularising their legal positions on the occasion of regularisation programs.

1.2. Definitions

Some definitions are of particular interest because they are crucial for the collection of data on immigration and the foreign population in Italy.

One of them is certainly the definition of the resident population: namely the resident population recorded at the municipal register office (*anagrafe*). In order to register, non-EU citizens must demonstrate their legal status in the country. This conceptual approach is currently used to quantify the foreign population and to monitor national /international flows and the registration of newborns and cancellations for death. However, this approach differs slightly from the one considered in this report (usual residence, see glossary)

As mentioned above, non-EU citizens must demonstrate their legal status through possession of a residence permit. This document issued by Ministry of the Interior confirms that a non-national has the right to live in Italy during the permit's period of validity (residence permit, see glossary).

2. HISTORIC-DYNAMIC ANALYSIS OF LABOUR MARKET, HUMAN CAPITAL AND MIGRATION DEVELOPMENTS

2.1. Political and Socio-Economic Overview

As result of the profound economic change and development after the end of World War II, Italy became one of the largest economies in the world. It boomed between 1950 and 1970, continued growing during the 1980s and through to the late 1990s. In the 2000s the Italian economy entered a phase of stagnation characterized by extremely low growth. Finally, at the end of the first decade of the 21st Century, as a result of the global economic crisis, the country entered a period of recession.

Over the years, the administrative divisions of the country have changed several times. In 1954 the province of Trieste was ceded back to Italy and was once again included in Italian vital statistics, It was, nevertheless, included in the 1951 Census. At present the territory of Italy is divided into 5 territorial units (NUTS 1), 20 regions (NUTS 2) and 110 districts (NUTS 3). Furthermore, Italy has a quite high number of municipalities (*Comuni*).

Italian is the official language of the Italian Republic, although in some regions the informal use of local dialects is still widespread, especially among the older generations. The Italian language spread in the past mainly due to the extension of education but also due to the crucial impact of television. Twelve minority language groups are recognized and protected in Italy. Linguistic minorities in Italy are protected by specific national and regional laws. Article. 2 of Law 482/1999 recognizes the existence of twelve linguistic minorities defined as 'historic' and stipulates protection of their languages: "In implementation of Article 6 of the Constitution and in harmony with the general principles established by the European and international organizations, the Republic protects the language and culture of the Albanian, Catalan, German, Greek, Slovenian and Croatian minorities and those speaking French, Franco-Provençal, Friulian, Ladin, Occitan and Sardinian". Some minority languages recognized by the law 482/1999 had previously received recognition from state laws (German and Ladin in Trentino-Alto Adige, Slovene in Friuli-Venezia Giulia, French in the Aosta Valley, Albanian in the South), or regional laws (the Friulian language in Friuli-Venezia Giulia, the Sardinian language in Sardinia).

The main category used in the current demographic statistics and population censuses is 'resident population'. This category includes all persons permanently resident in the country and registered on the municipal resident population registers.

After the Second World War Italy underwent a period of major reconstruction, but for the South of the country it did mean in many cases a period of construction because also before the War this area was quite poorly developed. These were the years of great internal flows from the South of the country to the big cities of the North. This migration accelerated the urbanization process.

Despite considerable outflows (see next section) the Italian population grew, increasing from 47 million 539 thousand in 1952 to 59 million 434 thousand according to the 2011 Census. In the first period the increase was mainly due to strong natural growth, whereas in recent decades it has been due to immigration and the subsequent growth of the foreign population, with its greater propensity to have children.

The infant mortality rate is a key indicator of a country's evolution in terms of health development –, especially for women during pregnancy and for mothers and newborns at the moment of delivery. From a more strictly demographic point of view, the rate also helps identify the different phases of the demographic transition process. The progressive decrease from the value of 63.8 death of children less than one year of age per 1000 live births recorded at the beginning of the 1950s to the rather small value of 3.2 observed in 2010 testifies to the conclusion of the demographic transition

process – in the mid-1970s (with a value just over 20 per thousand) – and then the start of the second demographic transition³.

This strong decrease generated a clear increase in the general survival level measured through life expectancy: this was 67.2 and 63.7 respectively for men and women at the beginning of the 1950s, whereas by 2011 it had risen to 79.4 for men and 84.5 for women.

Besides socio-demographic developments, also macro-economic ones are crucial. In the 1950s and early 1960s, the Italian ‘economic miracle’ took place, with record growth rates. This rapid and sustained growth was due to the opening of new industries, to the modernisation of most Italian cities, such as Milan, Rome and Turin, and to the aid given to the country after World War II (notably the Marshall Plan). The 1970s and 1980s were characterised by investments in the South of the country (through the funds of the "Cassa per il Mezzogiorno"). At the beginning of the 1990s, Italy became the fourth economic power worldwide, overtaking France. But in recent decades, Italy's economic growth has been particularly stagnant. The application of measures to reduce internal and external debt, to liberalise the economy, and to stop tax evasion allowed Italy to enter the eurozone. In most recent years Italy's strength has no longer consisted in big enterprises or corporations, but in small to medium-sized family-owned businesses, mainly located in the north-western ‘economic/industrial triangle’ (Milan-Turin-Genoa).

Until 2007 the GDP per capita continued to grow; thereafter the ‘global’ economic recession severely affected the country. Economic growth since 1970 has concerned the services sector in particular. The level of GDP recorded in the agriculture sector was low at the beginning of the 1970s, and subsequent growth was slower than in the other two sectors. These trends are confirmed by looking at the time series of employed persons by economic sector. The share of employed persons in services was 46% in 1977, not much higher than the share in industry (38%); the gap has gradually increased to respectively 68% for services and 28% for industry. Definitely less important is the share of employment in agriculture, which was 16% in 1977 and decreased to 4% in 2011.

It is of interest to recall that in 1958 Italy was one of the six founding members of the European Economic Community (EEC) with Belgium, France, Luxembourg, the Netherlands and West Germany. Upon entry into force of the Maastricht Treaty in 1993, the EEC was renamed the European Community (EC) in order to reflect its coverage of a wider policy range. This was also when the three European Communities, including the EC, were merged to constitute the first of the three pillars of the European Union (EU), which the treaty also founded. The European integration process has moved through important stages and enlargements until the present composition (27 countries; since July 2013 also Croatia joined EU). Italy was also among the countries that adopted the euro as its official currency from the outset.

³ The pattern of the demographic transition is a model that allows us to describe the transition from a population with high levels of fertility and mortality in a population with low birth and mortality rates. In the transitional phase, increasing the gap between levels of birth rate and mortality occurs a phase of expansion. In the post- transitional phase, the gap between birth and mortality rates is the same of the pre-transitional phase but the levels are low with a tendency toward zero population growth.

The slow and inexorable decline in fertility in some developed countries including Italy, has reached extremely critical levels and has led some important demographers, notably Ron Lestaege and Dirk Van de Kaa, to speak of a “Second Demographic Transition”. This is a theory that associates the decline in fertility to family changes that have taken place since the Second World War but it does not present a model with phases, as occurred in the First Transition. Such changes consider the more prolonged stay of young people in the family of origin, often more than 30 years, the net delay in marriage or even the renunciation of marriage for consensual unions. Concerning in particular fertility, even in the framework of a general reduction in the number of children, decreases the number of legitimate ones in respect of children born outside of marriage.

2.2. Development of international migration

Italy has had a long history of emigration since the unification of the country in 1861.⁴ After World War II, besides the traditional destination countries on the other side of the Atlantic (in particular Argentina, United States of America, and Brazil),⁵ European countries became major new destinations, especially Switzerland and Germany. Emigration from the South was mainly transoceanic (United States, Canada, Latin America and Australia) whereas northern Italians mostly emigrated to Europe due to the shorter distance – and consequent lower costs. This was particularly the case of migration flows to Germany because of application of the Gastarbeiter ('guest worker') model, according to which the so-called Gastarbeiter were recruited as low-skilled workers in the industrial sector. Children born to Gastarbeiter received the right to reside in Germany, but they were not granted citizenship. On a smaller scale, the Netherlands and Belgium had a similar scheme.

As a matter of fact, the amount of Italian emigrants who chose Germany as destination is progressively growing: in 1911 emigrants in Germany were almost 65 thousand (in the United States were more than 190 thousand) whereas in 1961 they reach the peak of 114 thousand (in the United States they were 16 thousand). We assist at a real change in preferences to choose destination countries, presumably also in consequence of restrictive policies of United States (see next paragraph).

During this period, remittances were crucial for revitalizing the current account of the Italian balance of payments. In the North-East, return migration was encouraged; but in the South it encountered a more difficult environment, most of all in terms of re-entry into the local labour market and of possibility of investments.

As said, especially in the 1950s and early 1960s the destination of mass internal migration from the South of the country was the industrial North.

Italian emigration reached its peak in the mid-1960s; then, after the oil crisis of 1973, when traditional immigration countries applied stricter immigration policies, Italy changed its role in the international migratory context. Indeed, Italy, like the other countries on the northern shore of the Mediterranean, began to be an attractive destination. Thereafter the theoretical approach of the Mediterranean immigration model was created: the situations, especially in Italy and Spain, were similar (high unemployment rates and a highly segmented labour market which immigrant workers could enter).

In the 1970s and early 1980s a first wave of immigrants consisted mainly of Tunisian workers employed in Sicilian agriculture and the fishing industry, and of immigrant women from Latin America, Asia and the former Italian colonies in Africa who found employment in domestic work. The number of immigrants progressively grew, and so did the number of nationalities involved. Citizens from Maghreb countries confirm their relevance but at the same time West European citizens became increasingly important. In particular, immigration from the Balkans was one of the new features of migration to Italy in the 1990s, and it involved three main countries of origin: Albania, Romania and the former Yugoslavia. Italy had to manage population flows with different characteristics because large masses of people came to Italy, in many cases women and children fleeing war in the first half of the 1990s and needing assistance, care and specific protection. After the conflicts, two significant increases in immigrant flows (in 1996 and 1999) occurred as a result of two regularisation laws legalised the residence in Italy of illegal immigrants from the Balkans.

⁴ Italian unification was the political and social process that agglomerated the states in the Italian peninsula into the single state of Italy. On 17 March 1861, the Parliament proclaimed Victor Emmanuel II King of Italy, and on 27 March 1861 Rome was declared Capital of Italy, even though it was not actually in the new Kingdom.

⁵ Large amounts of Italian emigrants also went to Venezuela and Canada, and further Italian colonies were installed in Chile, Peru, Mexico, Paraguay, Cuba and Costa Rica. Mass emigration to America substantially ended in the 1960s, even if it continued to a lesser extent until the 1980s to Canada and United States.

Albanians and Romanians took most advantage of the regularisation (Bonifazi, C., Conti, C., Mamolo, M., 2006).

The subsequent waves created a kaleidoscope of citizenships that evolved also considering the other characteristics of migrants. The progressive feminisation of the flows was apparent, as well as a stabilisation process whereby it is often more appropriate to speak of families rather than individuals (marriages in Italy, children born in Italy, family reunifications).

At the same time, the amount and the composition of the foreign resident population in Italy has been connected with the migration policies adopted and with the various EU enlargements. In this general framework, it is important to note that dependent workers are the main beneficiaries of regularization programmes (in particular blue collars and women employed in domestic service to families). A further crucial factor has been the entry into the EU of Romania in 2007, and the subsequent growth of immigrants from that country able to stay in Italy by directly enrolling on the municipal resident population registers.

2.3. Evolution of Migration Policy and the Legal System

Italy began evolving into an immigration country most significantly in the 1970s. However, before that decade migration flows into Italy were more moderate in size yet well rooted in local migration systems which were fairly well organized (Sciortino and Colombo, 2004).

Nevertheless, before the European countries which represented traditional destinations for migration flows closed their borders, the presence of foreigners in Italy was considered a marginal issue, and much less discussed than Italian emigration abroad.

In the early 1970s it was rather easy to enter Italy because the controls were not rigorous, as in all the other European countries of the Mediterranean area at that time. In fact, only documents were checked at the border, and it was ascertained that the foreigner had sufficient economic resources to be able to stay in the country for the period stated. There were no specific rules for foreigners intending to work in Italy because this situation was not considered by the laws. For over a decade Italy was marked by a legislative vacuum in this regard, and it used regularisations to legalize the positions of foreign citizens who had been settled in Italy for years. In particular, when analysing Italian immigration policy and the recruitment of foreign workers, a paradox should be highlighted: “the same political system that has always stressed the importance of an active management of (defined-as-needed) labour flows (...) has never paid a consistent effort to the design and implementation of programs targeted to reach such a goal” (Sciortino 2009, p. 3).

The Italian legislative vacuum of the 1970s as regards immigration, despite increasing inflows, is therefore also explained by these structural difficulties in regulating the flows of foreign workers. By contrast, in other European countries, where immigration had already become a consolidated reality, increasingly restrictive migration policies were implemented.

The first legislative provision on immigration of 1986 introduced equal rights between foreign and local workers, together with family reunification procedures and the possibility to enter Italy upon an ad hoc request from an Italian employer (“sponsor”). However, this first provision did not take account of the foreign citizens regularly present in the country, nor did it introduce any entry policy. In fact, it did not provide any measure for the integration of the resident foreign population, which continued to rely on short-term residence permits. The entry policies were too complex to be implemented, so that the entire responsibility lay with the employers. This mechanism, however, favoured the entry of more irregular immigrants. The decision to enact this provision was only partially influenced by the growth of the foreign population, and the main factor regarded institutional mechanisms. Indeed, in 1975 Italy endorsed Convention no. 143 of the International Labour Organization aimed at limiting the spread of irregular immigration and granting equal rights

for migrant and local workers. Italy strongly wanted this convention because it was concerned to protect Italian workers abroad, many of whom were irregular immigrants or suffered discrimination in access to services or legal protection. However, this diplomatic success required major changes also in Italy, but they started to appear only eleven years later.

Therefore the adoption of Law 943/86 was a certain step forward in recognizing the presence of immigrants in Italy, notwithstanding numerous contradictions. However, the various failures in this regard (the failure of entry policies and the absence of instruments to stabilize and integrate the resident foreign population) would also be apparent in subsequent legislation on immigration. Also regularisation, which was now officially used for the first time, soon became a constant political instrument and, according to the legislators, an inevitable one. In short, as Sciortino (2009, p. 4) writes, “unsurprisingly, the real kernel of immigration policy for most of the '90s was the tolerance of entries through the back door, thus constantly producing a sizeable segment of irregular workers that, at nearly regular intervals, was absorbed into the official labour market through an amnesty”.

The growing number of irregulars finally led to approval of Law 39/90 in 1990, usually referred to as the Martelli Law, and the aim of which was to remedy the deficiencies of the previous legislation. It focused on three fundamental matters: disciplining entries and stays, abolishing the geographical limitation for refugees, and launching a new regularisation procedure involving self-employed workers as well. This law is especially noted for the large number of people that it involved (around 350 thousand). However the real core of the provision was the extreme rigidity of the entry conditions established. In those years the immigration issue had attracted public attention. Immigration was now viewed as a dangerous phenomenon. For the first time it was perceived as a threat, and fear became typically associated with the collective image of the foreigner. However, the pressure of public opinion was not the only factor pushing for restrictive policies on entries. The European parameters on border controls, with which Italy had to comply after subscribing to the Schengen Agreement in June 1990, had a role in this development.

In 1992 a law on citizenship came into force. It was centred on the *ius sanguinis* and was not designed to address or resolve the situation of the increasing number of foreign residents in Italy. The law, in fact, represented a major advantage for those who had blood ties with Italian citizens, also in the case of distant descendants, or with citizens of the European countries.

The most ambitious attempt to restructure migration legislation systematically was the Turco-Napolitano Law (40/1998). Its main aim was to adjust the fragmented framework by acknowledging the fundamental role of the local authorities in receiving foreigners and dealing with their social integration. This law reformed control systems, regularised migration flows, and integrated resident foreigners. It provided for the issue of a governmental planning paper (every three years or longer) establishing the general criteria for acceptance of non-Community workers in order to render the number of immigrants compatible with the so-called ‘carrying capacity’ (compatible with the availability of working positions, dwellings and services). The entire procedure was based on the notion that the demand had to match supply prior to the entry of foreign workers.

Law 40/1998 also introduced the residence card (a long-term permit which can be requested after five years of uninterrupted residence in Italy in the absence of crimes and with an adequate income), and the sponsor, but also the strongly-criticized detention centres (CPT). The law envisaged the possibility of involving the states of origin and transit in the regularisation, establishing preferential quotas of citizens from those countries which had accepted the agreement.⁶ The law also introduced a new coordination instrument: the Local Immigration Council (CT) for the various actors, both public and private, that dealt with immigrants at a local level. These bodies had to analyse the immigrants' needs and promote the relevant measures. However, the role and scope of these councils were

⁶ The annual quotas were set at levels considerably lower than requirements, and the sponsorship mechanism was rarely used.

controversial: in fact, the decision to put the civil governor, a body with no competences in social policies, in charge of the creation and operation of the councils, together with the absence of funding for specific initiatives, hampered their impact on policy decisions. On 25 July 1998, Law 40/98 became a *Consolidation Act on the provisions concerning the disciplining of immigration and the standards on the condition of foreigners*, including old and new provisions.

Finally, the Italian policies of the last decade were based on the idea of immigration as a cause of social conflicts which led to measures intended to restrict entries but also the rights of legally resident immigrants. For these reasons, the expression 'low-conflict interaction' was coined to indicate a limitation on immigrants' rights in order to favour their acceptance by the local population, which should be reassured by the legal disadvantage of newcomers.

The issue was then partially changed by Law no. 189 of 2002, which came fully into force in 2005, and by the so called 'security package' (Law 94/2009) containing measures aimed at closer control of immigration and its more rigorous regulation.

The legislation of 2002 led to a series of restrictive measures presented as proposals alternative to the European Community directive on entries and stays. Therefore, three significant differences ensued with respect to the 1998 Consolidation Act: the residence period necessary to obtain a residence card became six years (instead of the previous five); the conditions for issue of the residence card were tightened; and the deadline for the residence permit's renewal at the police headquarters was prolonged to 90 days before expiry. Furthermore, the so-called 'residence contract' was introduced. This explicitly bound entry into Italy for work purposes to the existence of a job offer prior to entry, so that renewal of the permit depended necessarily on uninterrupted status as an employed worker.

In 2009 further restrictive legislation on public safety was approved, and mainly addressed the issue of irregular immigration (already mentioned in the 'security package'). Law 94/2009 thus introduced the controversial offence of 'illegal entry and/or stay', which was punished with a fine from 5.000 to 10.000 euros imposed on foreigners who entered and stayed on Italian territory illegally. In 2011 the European Court of Justice did not endorse the offence of illegal entry and/or stay introduced in Italy because it appeared to conflict with the European directive on the repatriation of citizens from third countries. Amongst the measures introduced by the 'security package' were extension of the period of stay in the Centres for Identification and Expulsion – CIE – by up to 180 days, and more severe punishment for illegal immigrant smuggling. Moreover, restrictive amendments were made to the provisions on citizenship in order to combat marriages for the sole purpose of acquiring Italian citizenship, and on family reunification.

In 2010 the Italian government introduced the "Integration agreement on foreigners applying for a residence permit" (as provided by the 'security package'), which came into force in March 2012. With this agreement between the Italian state and citizens from third countries entering Italy for the first time and requesting a residence permit of at least one year, the foreigner pledged to learn the Italian language (certifying at least level A2 of the Common European Framework of Reference for Languages), acquire a sufficient knowledge of civic culture and civil life in Italy (in particular as regards healthcare, the school system, social services, work and tax obligations), fulfil the obligation of education for minor children, and respect tax liabilities and social insurance obligations. This agreement was structured as a credits system, so that the foreign citizen could gain or lose credits depending on his/her activities.⁷

⁷ For example, credits were awarded if the foreign citizen demonstrated a higher level of knowledge of the Italian language or if he/she had carried out activities such as attending a vocational training course, engaging in voluntary work, etc. Conversely, credits were cut in cases of with the commission of criminal, administrative or tax offences, or if the foreigner failed to attend the sessions on civic education and general information on life in Italy specified by the agreement.

At the end of 2010 the Council of Ministers approved the 'second security package' (structured between a decree-law and a draft law). This contained measures on the forced expulsion of Community citizens for public order offences, and the repatriation of foreign prostitutes. The package also called for a long-term initiative which will attribute the task of renewing the residence permits to the local authorities for the purpose of simplification and the best use of resources. These measures have not yet been fully implemented and should be interpreted in light of the current situation in Europe.

Since the unification of Italy migration was considered as a simple business transaction but the first Italian emigration law in 1888 represents an important step in the path of recognition of the special right of emigration. However, the effects of Italian emigration policies on the flows and directions of emigration were rather scarce. More important were the policies adopted by the destination countries. For example, the United States first in 1917 prohibited entrance to the illiterate, reducing in this way the immigrants from southern Italy, and then in 1924 introduced the quota system restricting the right to a limited number (about 5000) of Italians.

With the fascist regime the legal system built to protect emigrants was practically dismantled and the emigration was generally prohibited: the role of the emigrant disappeared. The "place in the sun" claimed by Mussolini refers instead to the expansionistic projects towards colonies that Italians could spoil to help Italy during the Depression.

After the Second World War the protection of Italian workers abroad became the most relevant point in emigration legislation. In this framework other topics of interest are family reunion, remittances and social security.

It is worth noting that the First Italian Conference for Emigration was held in 1975 to discuss characteristics and problems relative to emigration, emigrated workers and return migration to Italy. The Second Italian Conference for Emigration took place in 1988, but it had a less significant impact; in this case the debate focused mainly on Italian residents abroad and not on outflows. Held in 2000 was the First Conference of Italians in the World, with particular regard to the recognition of rights.

3. NATIONAL POLICIES AND PERSPECTIVES REGARDING INTERNATIONAL MIGRATION

3.1. Legal and Policy Framework on International Migration

The central law regulating asylum and migration in Italy is the Consolidation Act on Immigration (legislative Decree no. 286/1998) which was partially amended in 2000. Over the past three years, important new legislation has been enacted (EMN/IDOS 2012).

As mentioned above, the 'Security Package' of 2009 entailed changes to the length of detention and imprisonment of irregular immigrants, and funding for the return of aliens. In 2010 the so-called 'Integration Agreement' was formulated to define the main lines of action and tools to be adopted in promoting the successful integration of immigrants, thus meeting the needs of both security and reception.

Law 129/2011 (conversion law of the decree-law no. 89/2011) made a number of important changes to the regulation of expulsions and the movements of citizens from countries outside the EU. In particular:

- 1) in order to verify fulfilment of the requirement to possess economic resources sufficient for the stay of Community citizens enrolled on study courses or unemployed, or with a family, the overall situation of the person concerned must be assessed with particular regard to the cost of the dwelling, whether rented, lent for use, personal property, or held on the basis of another subjective right;
- 2) minors who are able to prove that they have been in Italy for at least three years, and that they have attended an integration project for at least two years, can obtain a residence permit until they reach majority age provided they are under guardianship and have obtained a positive assessment from the Committee on Foreign Minors;
- 3) the provisions as regards cases of third-country nationals being expelled or rejected can never extend beyond a period of 18 months, even if based on later administrative expulsion provisions adopted for different reasons;
- 4) excluded from access to the assisted voluntary return project are third-country nationals for whom an extradition provision or a European arrest warrant or an International Criminal Court arrest warrant has been requested.

The conditions for the entry of foreigners into Italy may vary not only according to the country of origin (whether an EU or non-EU country), but also according to the length of the stay and the reasons for entry. The procedure for entry into Italy generally follows the regulations of the Schengen System. In May 2011, a Decree of the Ministry of Foreign Affairs implemented the new EU regulations but still contained 21 different types of visa, some of which have been redefined.

As for third-country nationals, a distinction must be drawn between refugees and asylum-seekers, on the one hand, and citizens requesting a residence permit for different reasons, on the other .

Differences in the entry conditions for foreigners depending on the length of the stay.

As already mentioned, the conditions for entry into Italy by foreigners vary according to the length of the stay.

Law no. 68/2007 established that foreigners intending to stay in Italy for a period shorter than three months for the purposes of study, visit, tourism or business do not have to apply for a residence permit, but must instead sign a declaration of stay. In the case of a stay for a period longer than three months, the foreigner must apply for a residence permit (within 8 working days from entry for

those entering Italy for the first time). Foreigners already resident in Italy must apply for renewal of the permit no later than sixty days prior to the permit's expiry date (in the case of a fixed-term work permit; instead, ninety days in the case of a permanent work permit). Foreigners who request a residence permit for other reasons, such as custody, asylum-seeking, elective residence, study (for more than 90 days), religion, mission, professional internship, dislocation or nationality re-acquisition, family or work reasons must submit their application to the police headquarters by sending the relevant 'kit' obtained from dedicated post offices ("Friendly Desk"). Instead, the 'One-Stop Desks for Immigration' (located at the prefectures) handle the entry request procedures for workers, as well as for family members, in the case of family reunification. Finally, certain types of residence permit must be requested directly at the police headquarters for statelessness, political asylum, medical treatment, sports competition, access to the courts, integration of a minor, humanitarian reasons, minority age.

- *Entry for work.*

It is necessary to obtain an entry visa to work in Italy. For this visa to be issued, the employer must receive, for each worker living abroad, a special authorisation termed 'work clearance'. The authorisation can be requested within the entry quotas established by the 'flows decree' issued by the President of the Council of Ministers. These quotas are set annually, and they establish the maximum number of foreign nationals who can be accepted yearly into Italy for work purposes. Since 2007, the requests must be sent online by registering on the website of the Ministry of the Interior. The requests for clearance are assessed by the One-Stop Desks for Immigration, and a ranking is drawn up based on the day and the time when the request has been sent. This procedure also requires a clearance from the police headquarters. The entry visa is an authorisation issued by the Italian diplomatic and consular authorities in the foreign citizen's country of origin or permanent residence. It is stamped in the passport and allows the foreign national to enter Italy. As said, within eight working days from entry the foreigner must request a residence permit of the type indicated on the entry visa. Highly specialized staff, executives, university lecturers and professors, researchers, translators, interpreters, workers on training courses, nursing staff, seafarers, athletes and workers in show business can obtain a special entry visa for work (pursuant to art. 27 of legislative decree no. 286/1998). This visa is issued (outside the normal entry quotas set by the yearly flows decree) upon work clearance issued on request by the employer. In order to establish an employment relationship for seasonal, fixed-term or permanent work with a third-country national living abroad, the employer, whether Italian or regularly resident in Italy, must submit a specific request for clearance (within the flows decree) to the relevant One-Stop Desk for the place where work will be carried out. The seasonal paid employment authorisation has a minimum validity of 20 days and a maximum validity of six or nine months (depending on the duration of the seasonal work or with reference to shorter work activities carried out for different employers). Once the clearance has been issued, the foreign citizen must complete the request and withdraw the entry visa from the relevant consular authority within 6 months. Then, within 8 days from entry into Italy, the foreigner must sign the residence contract at the One-Stop Desk and then withdraw the tax code and the application form for a residence permit. The residence permit for seasonal work can be converted into a residence permit for paid employment only after the second entry for seasonal work, provided that the foreigner returned to the country of origin when the first residence permit for seasonal work expired. This conversion must be requested at the relevant One-Stop Desk within the yearly flows decree.

A foreign citizen who intends to enter Italy as a self-employed worker must submit a request for a 'provisional clearance'. The citizen must fulfil the moral and professional requirements demanded by Italian law to exercise its own activities, including enrolment on the professional register where necessary. The foreign citizen must also request the relevant administrative authority to issue a declaration confirming that there exists no reason to prevent issue of the approval certificate and professional authorisation (for instance, at the Chamber of Commerce for registration on the commercial register, at the Municipality in the case of a business whose start-up only needs

notification from the Municipality). To exercise a profession, the professional qualification obtained in a country outside the EU must be recognized. As regards the healthcare professions, even if exercised occasionally, qualifications must be previously recognized by the Ministry of Health. The Ministry of Justice supervises professions such as: exchange agent, agronomist, social worker, lawyer, biologist, chemist, accountant, job consultant, geologist, surveyor, journalist, engineer, agricultural technician, technical engineer and psychologist. Moreover, the foreign citizen must request a certificate on the availability of the resources necessary to exercise the profession, and s/he must have an adequate dwelling. Finally, the foreigner must submit the necessary documentation to the relevant Italian diplomatic authority, requesting an entry visa for self-employment. This visa is valid for 180 days and allows the worker to apply for a residence permit for self-employment.

- *Acceptance conditions in the case of family reunification.*

According to art. 29 of legislative decree no. 286/1998, a third-country national can request family reunification for the following categories of family members:

- spouse not legally separated and aged over eighteen;
- minor children, also of the spouse or born out of wedlock, not married, on condition that the other parent, if any, has given his/her consent
- dependent children of majority age if they cannot satisfy their basic needs due to invalidity;
- dependent parents if they have no other children in the country of origin, that is, parents aged over sixty-five, when the other children are unable to take care of them due to certified serious health.

Family reunification can be requested by a) a foreign citizen possessing an EC residence permit or a residence card for a period of at least one year issued for paid employment or self-employment or asylum, study, religious or family reasons; b) an Italian citizen residing in Italy; c) a Community citizen residing in Italy.

Acceptance of an application by a foreigner for family reunification is subject to two requirements: an adequate dwelling, and a sufficient income. As regards the dwelling, it is necessary to produce a certificate confirming the satisfactory sanitary conditions of the dwelling which will accommodate the other family members. As for income, the applicant must demonstrate that he/she has a yearly income deriving from legal sources not lower than the yearly social allowance, increased by half of the amount for each dependent co-dwelling family member. In order to define the income, also the overall yearly income of the family members co-dwelling with the applicant is taken into account. Once these conditions have been assessed, the One-Stop Desk for Immigration issues either the family reunification clearance or the refusal. Once arrived in Italy, the family member must present the clearance at the One-Stop Desk within eight days in order to activate the subsequent application for a residence permit. Finally, the family member must submit the residence permit application, issued by the One-Stop Desk, from an enabled post office.

- *Acceptance conditions for refugees and asylum seekers.*

The right of asylum in the Italian system is based on the third sub-section of art. 10 of the Italian Constitution: “a foreigner who, in his home country, is denied the full exercise of the democratic freedoms guaranteed by the Italian Constitution shall be entitled to the right of asylum in the territory of this Republic under the conditions established by law”. In the Italian constitutional system, the right of asylum has a necessary content: namely the right of the foreign citizen to be accepted into Italian territory at least in order to submit the request for asylum and have it assessed. However, the Italian Constitution does not require that the right of asylum be implemented in accordance with a single refugee protection regime, and it recognizes more than one status.

Since 1 January 2008 and issue of legislative decree 251/2007 transposing European Directive 2005/85/CE, the Italian system has implemented the European asylum curriculum common to all the Member States of the EU. This has led to the identification of three forms of asylum:

- a) *international protection – former refugee status*. This is granted under the Geneva Convention of 1951 (ratified with law 722 of 1954). By ‘refugee’ is meant a foreign citizen who, because of proven risk of persecution based on race, religion, nationality, social rank, political opinion, is outside his/her own country and cannot avail him/herself of protection in that country. S/he can also be a stateless person outside the territory where s/he previously had habitual residence because of the same risk of persecution, and cannot return to his/her country (however, the causes for exclusion listed in art. 10 still hold).
- b) *subsidiary protection* This is granted if the foreign citizen does not fulfil the requirements for recognition as a refugee, but there exist sufficiently proven reasons to believe that if s/he returned to the country of origin, or in the case of a stateless person to his/her previous country of residence, there would be an actual risk to the citizen of suffering severe damage, and due to such risk s/he does not intend or is not able to be protected in that country.
- c) *on humanitarian grounds (according to art. 5 comma 6 legislative decree 286/98)*. This status is granted by the relevant commissioner of police (questor) to a foreign citizen who does not fulfil the requirements of the international standards but needs protection by the Italian system.

The request for international protection/political asylum must be submitted to the relevant police headquarters. The local Commission for refugee status recognition will assess the request, and after interviewing the asylum-seeker, will decide whether to grant the status of international protection, subsidiary protection, or protection on humanitarian grounds, or whether to reject the request (in this case the applicant can submit, within five days from the rejection, a request for further analysis of the request to the president of the commission, also producing other items for analysis not considered during the first assessment). In the period after the request for refugee status has been submitted, the local police headquarters must issue a six-month residence permit which can be renewed for a further six months if the local Commission has not yet summoned the applicant. This permit also allows the citizen to enter the labour market. In the absence of the necessary documentation, including personal identification papers, the applicant stays in a reception centre until identification has been made. The citizen granted refugee status must for no reason return to the country of origin; should s/he do so, the refugee status may be withdrawn. Foreign citizens who have requested international protection and are entitled to reception, and for whom no placement can be found in the centres funded by the National Fund for Asylum Policies and Services, can request the “first assistance contribution for asylum-seekers” provided for personal subsistence, support to studies and work, integration into the labour market, as well as healthcare and medical treatment.

- *Acceptance conditions for foreign minors.*

Foreign minors, even if they have entered Italy irregularly, are entitled to all the rights guaranteed by the New York Convention on the Rights of the Child of 1989: right to education, healthcare and to work. Furthermore, unaccompanied foreign minors (minors in Italy without their parents or other adults legally responsible for their assistance or representation) are also entitled to protection and assistance (including placement in a safe haven and protection or custody within a family or community). They have the right not to be expelled and the right to a residence permit for minors.

- *Acceptance conditions in the case of requests for EC residence permits for long-term stays (former residence card).*

The EC residence permit can be requested by a foreign citizen regularly present in Italy for at least five years, with an employment contract of at least one year, and with a sufficient income for self-

subsistence and the subsistence of his/her family members. This type of permit is permanent and allows the citizen to move across the EU without needing a visa, as well as to work and to access public services. As said, since 9 December 2010 in order to be able to request this type of permit, the applicant must possess an Italian language certificate (certifying language skills at least at A2 level).

Recent political and institutional developments on immigration and asylum

In light of this information, now required is a brief discussion of political and institutional developments on immigration and asylum which draws on the EMN/IDOS Report (2012). The core of the standards is still the *“Consolidation Act on the provisions concerning the disciplining of immigration and the standards on the condition of foreigners”* amended by Law no. 189 of 30 July 2002, and Law no. 94 of 15 July 2009, and containing “provisions for public safety” (the above-mentioned ‘safety package’). Governmental strategy for immigration remains focused on ensuring the protection of the citizens (by reducing illegal immigration) and social cohesion (by implementing measures for the reception and integration of regular immigrants).

As regards specific agreements and the promotion of bilateral relations, over the last few years the idea of liberalising visas for citizens from strategic areas has gradually come to the fore. In fact, the national standards allow exemptions from the visa regime and there is no obligation to request an entry visa for tourism, missions, business, invitation, sports competitions – for stays no longer than 90 days – on citizens of Albania, Andorra, Antigua and Barbuda, Argentina, Australia, Bahamas, Barbados, Bosnia-Herzegovina, Brazil, Brunei, Canada, Chile, South Korea, Costa Rica, Croatia, El Salvador, Former Yugoslav Republic of Macedonia (FYROM), Japan, Guatemala, Honduras, Hong Kong, Israel, Malaysia, Macao, Northern Mariana, Islands, Mauritius, Mexico, Monaco, Montenegro, Nicaragua, New Zealand, Panama, Paraguay, Saint Kitts and Nevis, Serbia, Seychelles, Singapore, United States, Taiwan (non-recognized territorial entity), Uruguay, Venezuela. Furthermore, since 1 September 2010 citizens exempt from the visa obligation for short stays can enter Italy for periods not longer than 90 days for study purposes without needing the relevant entry visa for study.

Italy has stipulated multilateral agreements including nine EU cooperation agreements with third countries linked to readmission agreements. Based on these agreements, citizens from the countries involved benefit from easier procedures for issue of an entry visa. Currently, agreements for fast-track entry visa procedures are in force between the European Community and the Russian Federation, Albania, Bosnia-Herzegovina, the former Yugoslav Republic of Macedonia, the Moldavian Republic, the Serbian Republic, Ukraine, Georgia. These agreements signed by Italy may be interpreted as promoting legal migration, since they facilitate the entry of third-country nationals from countries sharing diplomatic and economic relations with Italy (EMN 2012a).

In 2012 the political and media attention focused on three issues (EMN/IDOS 2012): the access of migrants to the labour market in a period of economic recession with reduction of undeclared employment; the entry into force of the integration agreement between the state and the foreign citizen; the proposals for amendment of the law on citizenship acquisition. As regards the labour market, to be stressed is the implementation of two Community directives, namely Directive 2009/50/EC and Directive 2009/52/EC since they entail: a) the introduction into Italian legislation of specific provisions on the entry and the stay of highly qualified workers through issue of the “EU blue card”; b) the introduction of more rigorous penalties for employers who employ third-country nationals without regular residence permits. Instead, there has been no change in the legislation on entries for work, even though specific simplifications have been made to allow the entry and recruitment of seasonal workers. To be noted is that the duration of the residence permit for dislocated citizens has been extended from 6 to 12 months in order to support unemployed foreign citizens.

3.2. Perceptions of International Migration

The attitudes of public opinion towards such a multi-faceted and complex phenomenon as immigration are not the mere result of the magnitude and characteristics of the phenomenon in itself; they are also the outcomes of the interaction among numerous other factors. In Italy, the various aspects of immigration are perceived with increasing intensity and are carefully observed by the media.

In 1987-88, 1991, 1997 and 2002 the *Institute for Research on Population and Social Policies of the National Research Council* collected data on attitudes and opinions towards immigrants and immigration. After the very radical positions and fears recorded in 1991 (probably due to the large-scale landings of Albanians on the Italian coast), in 1997 opinions were more considered, less connected with emergency situations, and generally more realistic and able to identify positive and negative aspects of the phenomenon. In 2002, 60% of the people interviewed stated that the number of immigrants in Italy was excessive, and the result was similar result in 1997. It is interesting to note, however, that these opinions were not based on the actual magnitude of the phenomenon. This survey sheds light on another general aspect: the population's opinion on immigration as a positive factor in cultural exchange. The shift of opinion on this question between the last two surveys is highly significant: within a five-year period the Italians who agreed on this point increased from 41.7% to 62.5%, an increase of more than twenty percentage points. By contrast, in the period considered, Italians slightly changed their minds as regards the relation between immigration and crime: indeed, always prevalent has been the idea that increased immigration fosters the spread of terrorism and crime. Between 1997 and 2002 a 9 percentage point decrease was recorded for respondents who believed that 'Italy belongs to the Italians and there is no room for immigrants'. 12.8% of the respondents who expressed extreme positions in 2002 also represented the lowest level of agreement recorded by the surveys.

The latest survey reveals particularly interesting changes in the opinions of Italians on the role of immigration in the national labour market. The most interesting aspect concerns the question of whether immigrants are needed to do work that no longer interests Italians. A surprising 60.7% of interviewees shared this view of immigrants as substituting for Italian workers in *socially undesirable jobs*. Hence this figure had tripled since the 1997 survey.

In this respect, the Italian public opinion might share the feeling that the immigrant workers substitute the national workforce in several jobs and qualifications that the latter deserts. Again a large majority, almost three quarters of the total, who previously thought that the government should restrict the number of immigrant workers decreased by over 13 points between 1991 and 2002. Although this is the lowest figure in the surveys, it confirms the existence of a majority in favour of the government's central role in the management of migration flows.

In the 2009 Eurobarometer survey the position of Italians on immigration appeared more rigid, and this could also be observed in all the European countries: the main priorities for respondents were clearly economic issues and immigration. The Italians also thought it crucial to develop a common immigration policy (32%), whereas the European sample gave more importance to social matters (26%), and only secondly to immigration (24%). Furthermore, 50% of the interviewees thought that immigrants of different ethnicities cause insecurity (an interpretation prevalent also in Europe, with 45% of respondents in agreement). Also from an economic point of view, the Italians appeared rather critical as regards the integration of immigrants of different ethnicities. Although a majority of interviewees (45%) considered that the country needed foreign labour in a number of specific economic sectors, 47% of the sample were still convinced that the arrival of immigrants of different ethnicities contributed to increasing unemployment nationwide. The relative majority of Italians (41%) opposed the idea that the arrival of immigrants, generally of young age, was beneficial to the country's demographic situation because it counterbalanced the ageing of the population. Only 35%

of the sample saw a demographic advantage. Generally, most Italians thought that even legal immigrants benefited from the Italian welfare system more than they contributed to it, and this was the opinion of 40% of the sample against the 32% who believed the opposite. Obviously, the gap between these two positions widened when Italians express their views on immigrants in general, and not just legal ones. In this case, 48% of the interviewees saw immigration as a burden on the national healthcare and welfare system. Only 25% supported the opposite idea. 39% thought that the presence of other ethnic groups in Italy enriched the cultural life of the country. However, the same amount of respondents believed the opposite. It is interesting that the supporters of the cultural advantages of immigration had increased with respect to the 35% recorded in 2006, while the supporters of the opposite idea had decreased from the previous 41%. Students were the main supporters of the relation between immigration and cultural value in Italy: in fact 50% of them shared this opinion, way above the national average. The most critical group was represented by people aged over 65 years (42% objections), but also young people who had recently entered or were about to enter the labour market.

More recently, ISTAT (July 2012) has published the results of a survey on the perception of foreigners in Italian society ("Migrants Seen by Citizens"). It contains interesting data which confirm a two-fold perception of immigrants in Italy. The majority of the interviewees (80%) expressed opinions based on their personal experiences of immigrants, who were above all colleagues, neighbours and friends. 65% of the interviewees thought that the number of immigrants was excessive. An idea expressed by the majority was the existence of discrimination in Italy against immigrants, as well as the idea that any discriminatory behaviour must be punished: 89% thought that there was no justification for ridiculing a student (89.6%) or treating a worker less politely (88.7%) only because "they are immigrants". However, although 59.5% of the interviewees agreed that immigrants are discriminated against, 55.3% still believed that "in the allocation of social housing, on equal conditions, immigrants should follow Italians in the ranking". Moreover, 48.7% agreed with the following statement: "if jobs are scarce, employers ought to consider Italians first, and only secondly immigrants". 63% of the interviewees agreed that "immigrants are needed to do work that no longer interests Italians". However, 35% thought that immigrants took work away from Italians; 30.4% believed that the increase in mixed marriages and couples was positive, but 85% would have problems if their daughter intended to marry a Rom or a Sinti. The latter, indeed, would not be welcome as neighbours for 68.4%, followed by Romanians and Albanians (nearly 25%). The same emerged as regards religion: the majority (59.3%) considered themselves tolerant, but 26.9% were against the opening of other places of worship near their homes, whereas 41.1% were opposed to the opening of a mosque. Even though mistrust is still present in the Italian population, the idea that children born in Italy can be recognized as Italian citizens had gained ground: 72.1% were in favour and 91.4% thought it right that immigrants requesting Italian citizenship after a certain number of years of regular residence in the country should be granted it. Young people, especially women, and residents in Central Italy showed themselves open to immigrants on every aspect investigated by the ISTAT survey.⁸

Finally, worth mentioning are the findings of *Transatlantic Trends: Immigration*, a prestigious survey conducted in several European countries and the United States. It emerges from the data collected by this survey, carried out in summer 2011, that 8% of Italians considered immigration to be the most difficult challenge facing the country. However, this figure was decreasing (in the previous year it had been 10%). Also this survey showed that immigration has lost importance in the Italian public debate, whereas the sense of emergency deriving from the economic crisis and unemployment prevailed. For slightly less than half of Italians (48%) immigrants were "too numerous". However, this

⁸ This shows a very interesting combination of attitudes. On the one hand it supports the labour immigration of foreigners (this is not there in other SEE countries we analyse and this might promote in itself further immigration), but there is an increasing concern over security, crime etc. This might envisage a relatively open but at the same time restrictive regime in migration.

position had become more moderate owing to the widespread awareness of the economic benefits of immigration. In fact, from 2008 until 2011, according to *Transatlantic Trends: Immigration*, around 70% of Italians thought that foreign workers helped remedy the shortage of national labour without taking jobs away from the local population. Nevertheless, issues regarding security still attracted the harshest criticisms on immigration, followed by welfare issues (51% of the interviewees thought that immigrants are a burden on the social services). Also the latest data collections of the Standard Eurobarometer 75 (2011) confirm that Italy is still the only European country where immigration is a major concern, in particular with reference to public safety and social expenditure.

4. RECENT SITUATION AND DEVELOPMENTS IN THE LABOUR MARKET, HUMAN CAPITAL AND INTERNATIONAL MIGRATION

4.1. Social and Economic Development

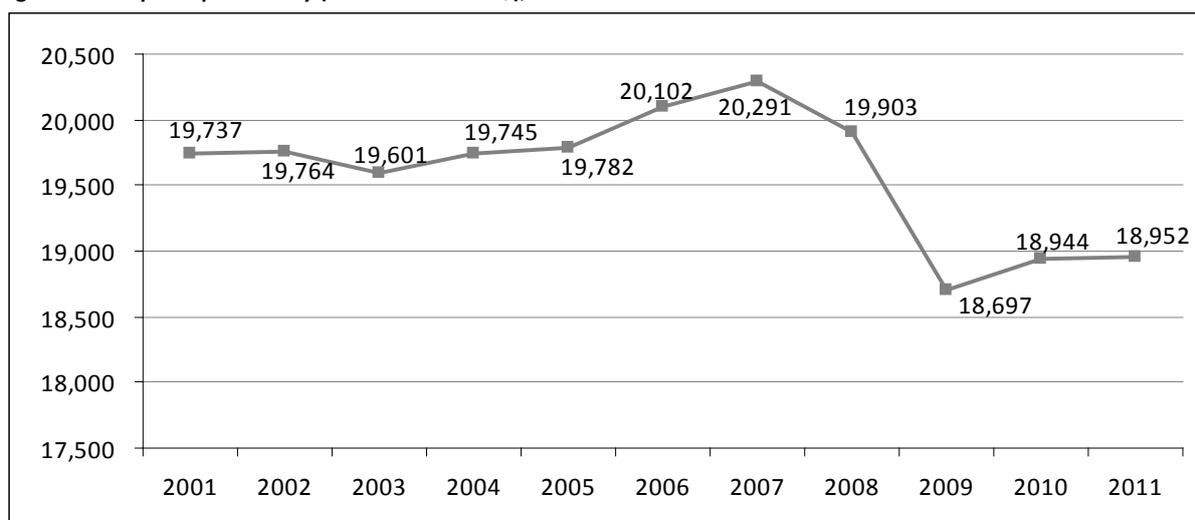
4.1.1. Economic development

The first ten years of this century were a crucial decade for Italy. In the 2000s the Italian economy entered a phase of stagnation characterized by extremely low growth. Finally, at the end of the decade as a result of the global economic crisis, the country entered a period of outright recession (see subsection 2.1). On the 1st of January 1999 the country entered the Euro area and adopted the new currency. In Maastricht, Netherlands, on 7 February 1992, upon signing the Treaty on European Union (the Maastricht Treaty), Italy agreed with the other signatory countries to be bound by the parameters imposed by the Treaty. These parameters, also called 'Maastricht criteria' or 'Convergence criteria', consisted of ceilings set on the levels of annual public deficit and public debt (expressed in percentages of GDP), stability of the exchange rate (which put a halt to currency depreciation) and long-term interest rates. In fact, for Italy, between 2001 and 2011 compliance with the convergence criteria resulted in low levels of inflation and the cost of money. But because Italy did not take advantage of these favourable conditions to carry out the necessary reforms, such compliance also resulted in a general contraction of the economy and employment.

The most frequently used measure of economic development, GDP per capita, reflects this abrupt slowdown. After five years of substantial stability and a timid recovery in 2006 and 2007, 2008 and 2009 were years of sudden decline which led to the recent low levels: at the end of the decade, the value of the indicator, expressed in constant 2000 US\$, was lower than at the beginning (respectively less than 19 thousand 2000 US\$ per person, compared to almost 20 thousand) – Figure 1.

In the presence of a substantially stable population (56,995,744 as on 21 October 2001, 59,433,744 inhabitants as on 9 October 2011, according respectively to the 14th and 15th Population Census), which has increased only due to immigration by foreign nationals, the trend of per capita GDP highlights the difficulties of the Italian economy.

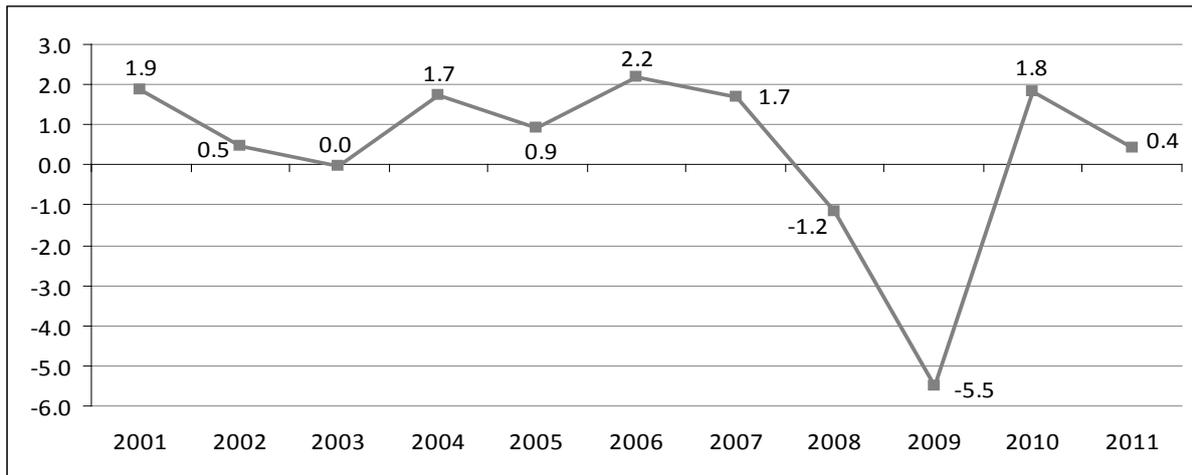
Figure 1: GDP per capita in Italy (constant 2000 US\$), 2001-2011



Source: World Bank national accounts data, and OECD National Accounts data files.

Also the real GDP growth rate trend reflects an economy that struggled to maintain a small amount of growth in the first part of the decade (never higher than 2.2% - 2006), recorded negative performances in 2008 (-1.2%) and 2009 (-5.5%), and seemed to recover only in 2010 (Figure 2). After 2011, in the most recent years, the rate has once again been negative. Summarising, Italy in the last decade experimented a relatively slowing down economy, with major internal problems yet non resolved. This negative framework is supposed to have an impact also on immigration. Actually in the last years fluxes from abroad have been constantly decreasing (512.000 in 2010, 414.000 in 2011, 351.000 in 2012).

Figure 2: GDP growth in Italy (annual %), 2001-2011



Source: World Bank national accounts data, and OECD National Accounts data files.

Nonetheless the Italian economy is still one of the largest in the world by size. It is in fact tenth in the ranking of countries for gross domestic product (expressed in purchasing power parity).⁹ Italy is also a country heavily oriented to foreign trade, being ninth in the world by value of exports and seventh for the value of imports.¹⁰

Italian industry is dominated by small and medium-sized enterprises (SMEs) engaged in most types of manufacturing, while large enterprises are very few in number. This is called 'industrial dualism'. Recently, small and medium-sized enterprises have come under pressure from growing competition by emerging countries, especially those in East Asia (China, Vietnam, Thailand), which have focused on the manufacturing sector for their development thanks to the low cost of labour. Italian companies have reacted by outsourcing part of production or relocating it to developing countries, or focusing on high quality production. Moreover, the Italian economic system suffers from problems that limit its competitiveness and development. These include a high tax burden, a huge public debt, political corruption and widespread organized crime. At the end of the 1990s Italy began to introduce legislation to deregulate the labour market, making it particularly flexible.¹¹

Foreign direct investment (FDI) is a direct investment made in production or business in a country by a company in another country, either by buying a company in the target country or by expanding the operations of an existing business in that country. FDI is defined as the net inflows of investment (inflow minus outflow) made to acquire a lasting management interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor. FDI usually involves participation in management, joint-venture, transfer of technology and expertise.

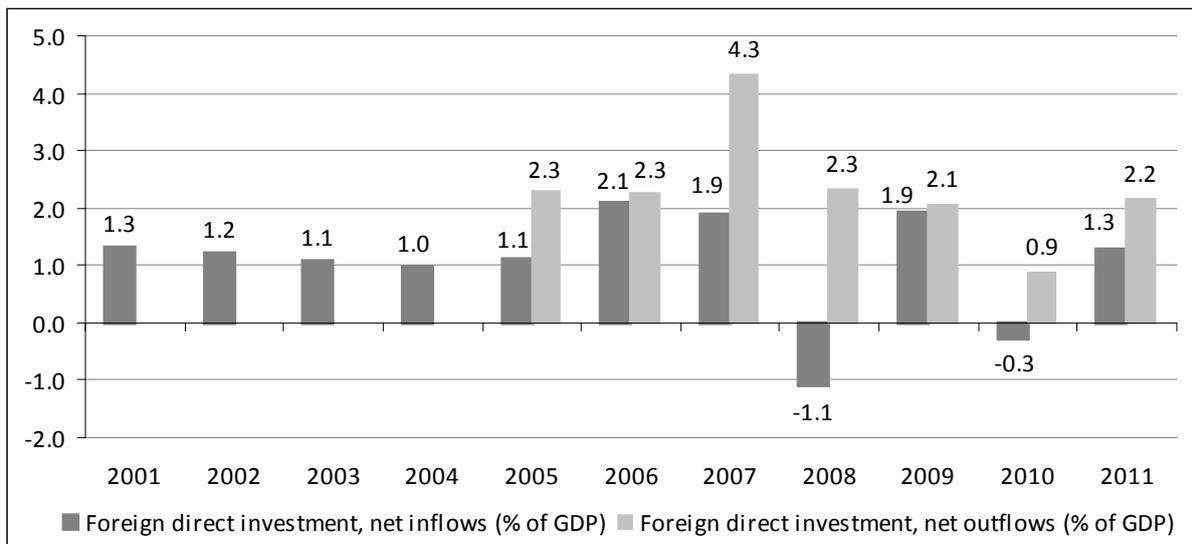
⁹ IMF World Economic Outlook – 2012.

¹⁰ CIA - The World Factbook - Country Comparison : Exports 2012 and CIA - The World Factbook - Country Comparison: Imports 2011-2012 respectively.

¹¹ OECD (strictness of employment protection) - http://stats.oecd.org/Index.aspx?DataSetCode=EPL_OV

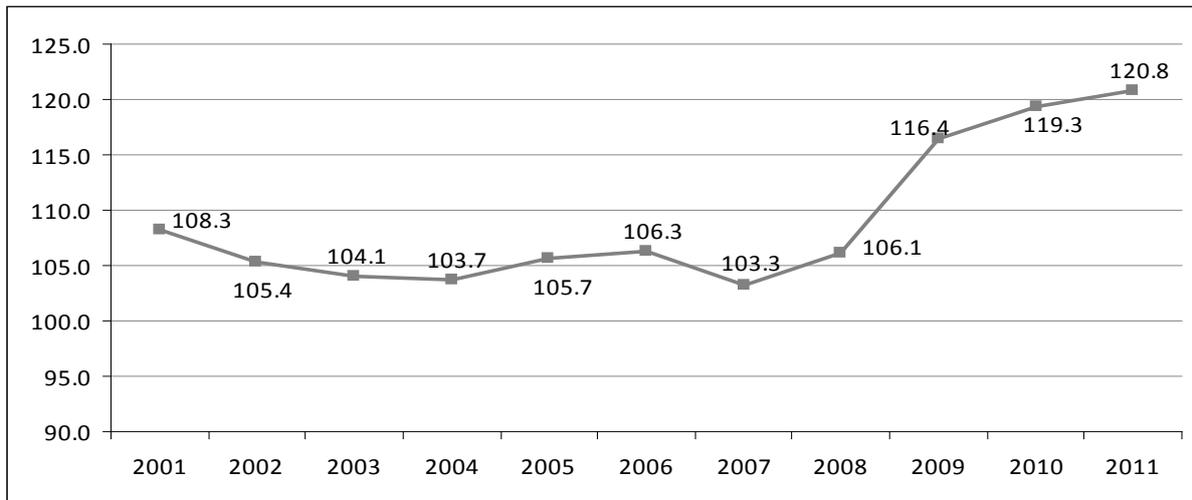
Net inflows and outflows of foreign direct investment for Italy between 2001 and 2011, expressed in percentage of GDP, show that the inflows remained positive throughout the period, except for 2008 and 2010. Generally speaking, two factors may have influenced these trends. On the one hand, the more or less pronounced strength of the Euro during the period certainly influenced direct foreign investments in Italian companies. On the other hand, the near-paralysis of Italy's domestic banking system in recent years has made Italian companies inclined to seek funding outside national borders. As for FDI outflows, data available since 2005 show a peak in 2007 (Figure 3). During the decade numerous Italian companies decided to invest abroad, acquiring capital of foreign companies and moving some production abroad.

Figure 3: Foreign direct investment, net inflows and outflows in Italy (% of GDP)



Source: World Bank - World Development Indicators

Government debt (also known as public debt) is the debt owed by a government. By contrast, the annual government deficit refers to the difference between government receipts and spending in a single year: that is, the increase in debt over a particular year. Italy's huge public debt is one of the factors most severely limiting the country's economic development. In 2001 it amounted to 108.3% of GDP. It showed a slight decrease in the first part of the decade, remaining below the threshold of 110% until 2008. In 2009 the growth resumed, leading to a ratio of 120.8% in 2011. In 2012 the debt reached 127% of the value of Italian Gross Domestic Product.

Figure 4: Government consolidated gross debt in Italy (% of GDP)

Source: Eurostat - Government deficit/surplus, debt and associated data

Another critical issue for the Italian economy is the high impact of the informal sector on GDP. The lack of income taxation on the activities of the informal economy contributes to the increase in the budget deficit, making it more difficult to recover the debt but also limiting the public investment that would serve to jump-start the economy.

It is hard to find a comprehensive definition of 'informal economy'. It may be defined as the part of an economy that is not taxed or monitored by the government (for example street traders and street vendors, itinerant or seasonal or temporary workers on building sites or road works, etc.). Other terms used to refer to the informal sector are 'black market', 'shadow economy', 'underground economy'. Furthermore, also illegal or criminal activities (such as drug trafficking, prostitution, arms trafficking, smuggling) should be included. Most countries include an estimate of the underground economy in calculation of GDP, but they do not consider the revenues from criminal activities. In 2008, the Italian National Institute of Statistics estimated the added value produced in the submerged economy at between a minimum of 255 and a maximum of € 275 billion. The weight of the shadow economy in GDP was estimated at between 16.3 percent and 17.5 percent (in 2000 it was between 18.2 and 19.1 percent). The Bank of Italy, for year 2008, gave an estimate of € 290 billion for tax evasion and € 187 billion for the criminal economy (prostitution and drugs).

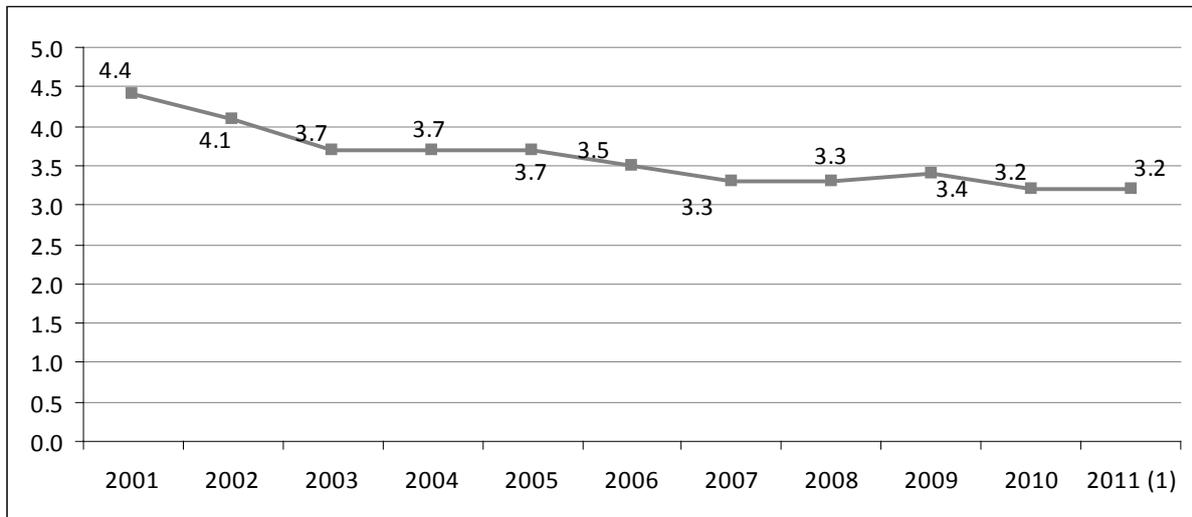
In the balance of payments, inflows of remittances constitute a positive contribution, while outflows are a negative one. Between 2001 and 2011, inflows of remittances increased by 33%, rising from 359 million euros to 478 million euros. Between 2010 and 2011, remittances from Italians abroad grew by 9.9% from 435 million euros to 478 million euros. For the years 2006-2007, for which disaggregated data are available, the United States was the main country of origin of remittances, followed by Great Britain, France, Germany and Switzerland. The overall amount of remittances in 2011 is a significant figure which exemplifies the direct contribution made by Italian emigrants to the balance of payments; a contribution which also increased compared with previous years. The importance of this figure and its meaning can be framed by comparing it with other economic indicators for the past years. On comparing, for example, the trend of remittances with the trend of GDP, it is clear that in the period 2009-2011 the volume of remittances from abroad increased from year to year more substantially than did GDP; and when it decreased (as in 2008-2009) it did so to a lesser extent than GDP. Between 2008 and 2009, Italian GDP fell by 5.1%; between 2009 and 2010 it increased by 1.3%, and between 2010 and 2011 by 0.4%. Remittances, however, fell by 4.6% between 2008 and 2009; increased by 5.3% between 2009 and 2010; and grew by 9.9% between 2010 and 2011 (Bank of Italy).

The figure for 2011 is most striking, because in correspondence with a low growth of GDP (0.4%), the growth of remittances was much higher. This means that in a context of economic crisis like the one that characterized the three-year period, emigration may be a safety valve which gives the balance of payments an additional resource for stability. The growth of remittances should be set in relation to the parallel growth of departures by Italians. The economic consequences of this increase can also be assessed by considering the increase in remittances, as shown by the time series of remittances in the period 2001-2011, related to the renewed propensity of Italians to move abroad to work. In 2011, remittances had a 0.03% impact on Italian GDP (1,580,220 million euros).

4.1.2. Social development

One of the most significant indicators of social development is the infant mortality rate. This is calculated by comparing the number of children who died within the first year of life during a certain calendar year with the number of live births in that same year, and multiplying the result by a thousand. The value of the index is closely related to the health, environmental and social status of the population for which it is calculated. Today, values of more than 64 per thousand are recorded by least developed countries. Italy's infant mortality rate of 3.2 per thousand places the country in eighteenth place in the world ranking for increasing values of the indicator, a level appropriate for a high-income country.

Figure 5: Infant mortality rate (per 1,000 live births)



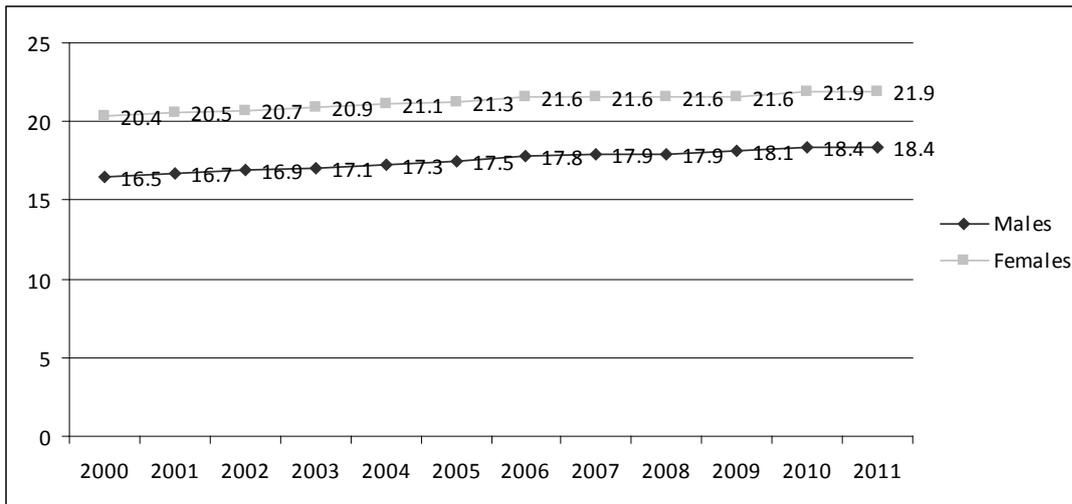
Source: ISTAT - Italian National Institute of Statistics.

(1) Estimates by the UN Inter-agency Group for Child Mortality Estimation.

The trend of the infant mortality rate between 2001 and 2011 seems to indicate an improvement in the well-being of the Italian population. The values of the indicator decreased by 27.3% during the period considered, starting from 4.4 per thousand in 2001.

However, the infant mortality rate is probably better suited to measuring the degree of development for developing countries than for high-income ones (such as Italy). In these contexts of high development another suitable demographic indicator is the life expectancy at 65 years (Figure 6).

Figure 6: Life expectancy at 65 years (1)



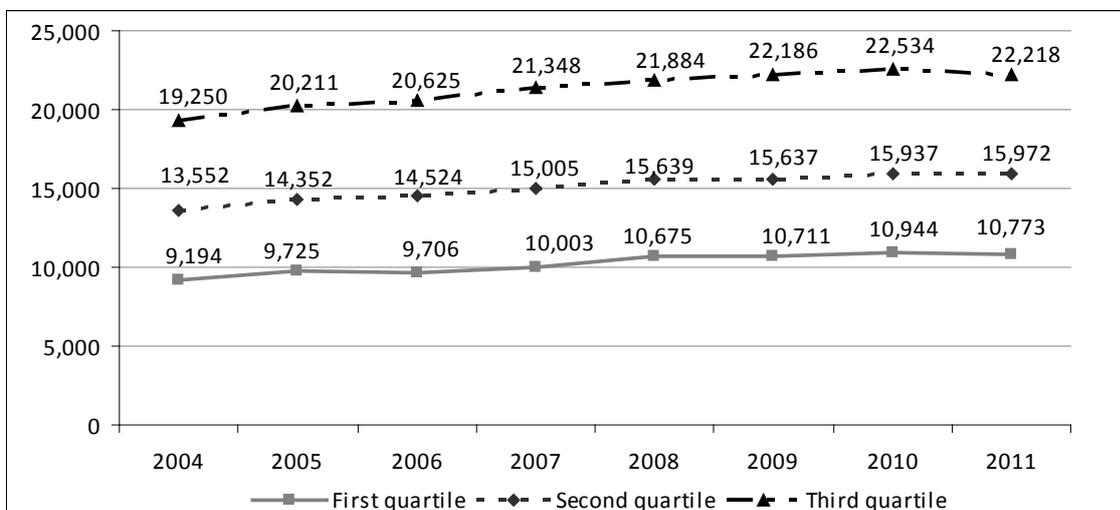
Source: ISTAT - Italian National Institute of Statistics.

(1) Data 2001-2004 are estimated.

This indicator shows a slowdown in the growth observed in the last decade. In 2011 it is 21.9 years for females and 18.4 for males. Similarly to other demographic indicators the values for females are always higher and there is only a slight gap reduction between the two time series.

Other indicators for analysis of social conditions in developed countries may be, for instance, the at-risk-of-poverty rate, distribution of the population by income group, and salary purchasing power. The at-risk-of-poverty rate is the share of people with an equivalised disposable income (after social transfers) below the at-risk-of-poverty threshold, which is set at 60% of the national median equivalised disposable income after social transfers. The source for this indicator is the EU-SILC, the European Survey on Income and Living Conditions. In 2011, 19.6% of the Italian population was at risk of poverty. In the previous year the figure had been 18.2%. As regards income distribution, considering the quartiles (each quartile comprises 25% of the population, ordered by income level; the second quartile is the median), in 2011 the first 25% of the poorest population had an income lower than € 10,773; the poorest half of the population had an income lower than € 15,972; and the poorest 75% had an income lower than € 22,218. In 2004 the three income levels were, respectively, € 9,194, € 13,552 and € 19,250. There is a break in the time series in 2004. (Figure 7).

Figure 7: Distribution of income by quartiles (in euros), 2004-2011



Source: Eurostat, SILC - Survey on Income and Living Conditions

Salary purchasing power is another measure of a country's social development. Gains in salary purchasing power indicate an expansion of welfare. Salary purchasing power is inversely related to inflation. The more inflation increases, the more salary purchasing power decreases. The national index of consumer prices for the entire community is the instrument used to measure inflation in Italy. It refers to the entire population present on the national territory and the set of all goods and services purchased by households which have a true market price. The Italian National Institute of Statistics data show that between 2001 and 2011 inflation, also due to the financial stability granted to the country by the euro, remained at fairly low levels. The annual average consumer price index for the entire community in 2001 recorded an increase of 2.7% on the previous year and maintained more or less the same levels for the next two years. In 2004 it went down to 2.2% and reached a minimum of 0.8% in 2009. In 2010 the cost of living increase was 1.5%, and in 2011 it was 2.8%. This recent resumption of inflation is dangerous, especially because it happens in the presence of a sluggish economy or a recession.

4.1.3. Social Policy

Social policy involves many different aspects and policies. The general aim is to improve welfare and to cover the different needs of the population as for education, health, housing, etc. Adopting a welfare state approach the state plays a key role in the protection and promotion of the economic and social well-being of its citizens. There are many different types of welfare state models according to the different country policies. In Italy, both medical assistance and education (up to secondary) are guaranteed to all without distinction of nationality and income. On the other hand the welfare state services for family care are often insufficient and are not always well distributed.

In this framework the welfare state policies regarding the labour market inclusion and unemployment insurance play an important role. Italy on a national basis does not have a permanent unemployment allowance. For specific kinds of unemployment, or for limited periods, there are the "Indennità di disoccupazione" (unemployment benefit) and the so-called "Cassa integrazione guadagni" (CIG). The *Indennità di disoccupazione* is paid to help unemployed people. It consists of monetary benefits for a total duration of 8 months, for workers under 50 years old; while for those aged over 50, the indemnity period is extended to 12 months. The CIG is a temporary wages guarantee fund whose purpose is to help companies in temporary difficulties, freeing them of part of the costs of temporarily unused labour. It guarantees a replacement income for workers laid off for a certain period of time.

Italian law distinguishes between two types of CIG: ordinary CIG and extraordinary CIG. The ordinary CIG is financed by contributions paid by enterprises into the unemployment insurance fund. It is granted to blue-collar and white-collar workers who have been laid off or put on short-time because of temporary circumstances not attributable to the employer or the employees. The benefit amounts to 80% of the total pay for the hours not worked. There are monthly limits set annually by law, and the benefit is paid for a maximum of 52 weeks. The extraordinary CIG, financed out of general taxation (resources from the Ministry of Labour and Social Policy), is paid to the blue-collar and white-collar workers of companies with more than 15 employees when the company is in one of the following conditions: restructuring, reorganization, conversion, crisis, or corporate insolvency procedures. It is calculated at 80% of the total pay for the hours not worked. There are monthly limits established from year to year. It is paid for up to 12 months in the case of corporate crisis, 18 months in the event of insolvency enforcement procedures and 24 months in the case of company reorganization, restructuring or conversion. The extraordinary scheme cannot be requested if, for the same period, recourse to the ordinary one has been made. Overall, the ordinary and extraordinary schemes cannot exceed 36 months in five years. According to the data of the "Istituto Nazionale della Previdenza Sociale (INPS - National Institute of Social Security), since 2009, when as a

result of the economic crisis authorized hours jumped from 227.6 million in the previous year to 913.6 million (+301%), CIG still recorded an increase in 2010, when it peaked at 1,197.8 million authorized hours (+31% compared to 2009), registered a decrease in 2011 when authorized hours were 973.2 million (-19% compared to 2010) and again an increase in 2012, when the hours again exceeded one billion (1,090.6 million, +12.11 compared to 2011).

4.2. Main international migration trends and characteristics of migrants

4.2.1. *International Migration Flows*

4.2.1.1. General trends

Italy's official figures on international migration are regularly issued by ISTAT, which year by year collects individual data on the transfers of residence recorded in the municipal population registers of each of the 8,092¹² Italian municipalities, with reference to movements from and to foreign countries. The administrative individual data survey has been conducted since 1955, and it refers only to the resident population. This source provides the base data for all analyses on migration, and it furnishes information on the magnitude and direction of flows and the main socio-demographic characteristics of those who take up residence.

The migration trend shown by official statistics has always been strongly influenced in Italy by changes in national legislation on immigration. In particular the inflows have been historically influenced by various regularization programmes introduced by governments. The regularizations have provided the necessary integration for immigration policies that have, for various reasons, proved to be insufficient. They have allowed the emersion of immigration that had spontaneously occurred before as a result of pull factors exerted by the country. In addition to national legislation, international and European law has also influenced the trend in statistics on immigration into Italy during the first decade of this century. In particular, during the period examined, the entry in force of the national transposition into law (April 2007) of the new EU legislation¹³ establishing the right of EU citizens to move and reside freely in the EU countries has had effects on the numbers of immigrants in Italy. Also to be considered in this scenario is the more or less simultaneous (January 2007) entry into the European Union of two new countries (Romania and Bulgaria), which followed the previous (May 2004) entry of ten other countries (Cyprus, Malta, Hungary, Poland, Slovakia, Latvia, Estonia, Lithuania, Czech Republic and Slovenia).

The data reflect all these changes in the legal and policy context relative to migration because immigration into Italy is essentially immigration by foreign nationals. The Italian national component of entry flows, between 2001 and 2011, was very low compared with the foreign national component. This does not hold for emigration abroad, even though there is probably an underestimation of de-registrations of foreigners. A more realistic estimate of the number of cancellations of foreign residents who leave Italy, even if rather approximate, may be obtained by adding to the cancellations for transfer abroad the cancellations "for other reasons". These are for the most part cancellations of untraceable persons made on the initiative of municipal offices as a result of negative findings concerning habitual residence, or cancellations resulting from controls related to expiry of the residence permit, for those nationalities for which the permit is required.

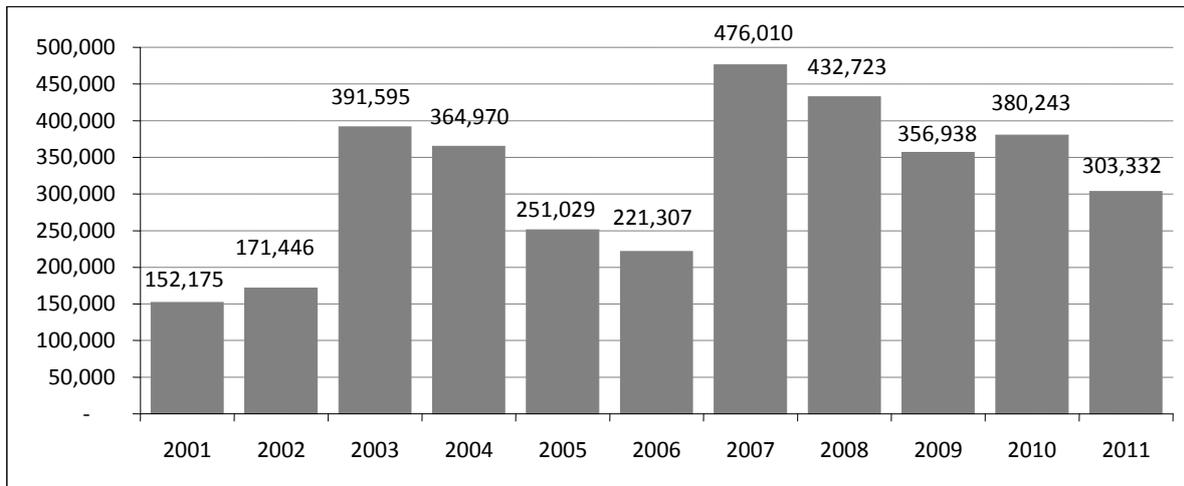
The total population (Italian plus foreign) net migration balance was constantly positive between 2001 and 2011, ranging from about 150 thousand units in 2001 to about 476 thousand in 2007 (Figure 8).

These values are the result of strongly positive values of immigration flows and low negative values of emigration flows considering all foreign countries, EU countries included. In fact, whilst the former varied between 208,252 in 2001 and 527,123 in 2007, with an average of more or less 376 thousand per year, the latter remained at an average of 58,000 per year, ranging from 41,756 in 2002 to 82,461 in 2011. In 2011, there were about 386 thousand registrations and more than 82 thousands cancellations, for a net migration of 303 thousands units.

¹² On 1st January 2012.

¹³ European Parliament and Council Directive 2004/38/EC of 29 April 2004 on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States.

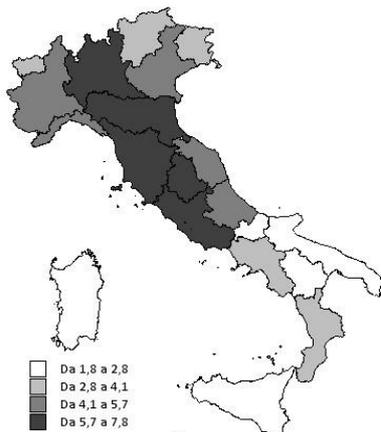
Figure 8: Net migration balance in Italy, 2001-2011



Source: Istat - Italian National Institute of Statistics
 (a) EU member countries citizens are included.

Data disaggregated for NUTS2 territorial administrative units on the net migration balance are generally positive (except for Calabria in 2001), but there are important differences in terms of the absolute values of the indicator (Table 1). In 2011 Lombardia (68,661), Lazio (43,518) and Emilia Romagna (30,196) were the top three regions in the ranking for decreasing values of the net migration rate. The southern region with the highest value was Campania (19,835). The situation was slightly different in 2001 (Veneto occupied second position, instead of Emilia Romagna). Apparently, as far as immigration is concerned, some regions are more attractive than others, and most of them are located in the north and the centre of the country. However, most recent data show that, relatively speaking (compared to the resident population), the highest values of the indicator are recorded for some southern regions.

Figure 9: Net migration balance per 1,000 residents by Italian NUTS 2 region, 2011



Source: Istat – Italian National Institute of Statistics

Table 1: Net migration balance by regions, 2001-2011

REGIONS	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Piemonte	12,431	14,871	44,343	28,193	21,828	18,503	55,932	38,479	29,205	27,803	22,200
Valle d'Aosta/Vallée d'Aoste	220	329	681	579	630	503	1,118	831	640	581	471
Lombardia	40,643	40,064	82,788	99,571	61,013	53,538	76,133	75,483	73,759	84,501	68,661
Trentino-Alto Adige	3,372	4,237	6,384	6,168	6,219	5,691	8,959	7,488	6,083	5,261	4,275
<i>Bolzano/Bozen</i>	1,307	1,748	2,283	2,474	2,806	2,466	4,068	2,722	2,369	2,164	1,922
<i>Trento</i>	2,065	2,489	4,101	3,694	3,413	3,225	4,891	4,766	3,714	3,097	2,353
Veneto	18,966	22,468	46,891	39,849	30,116	26,045	50,462	46,766	30,921	32,338	24,965
Friuli-Venezia Giulia	4,713	5,388	8,149	7,304	5,706	6,430	10,130	9,768	6,526	5,982	4,126
Liguria	4,352	5,072	12,249	11,357	6,534	6,914	10,692	13,689	10,565	12,133	9,056
Emilia-Romagna	16,762	18,821	37,796	35,816	27,208	24,252	45,242	49,698	40,189	42,971	30,196
Toscana	13,636	13,844	30,673	27,115	20,762	17,774	39,914	33,571	29,592	30,175	22,782
Umbria	3,113	4,144	9,558	7,604	6,160	4,278	11,596	9,512	7,537	7,335	5,169
Marche	5,553	7,250	15,115	10,415	9,223	7,353	15,319	14,708	10,623	10,652	7,689
Lazio	21,059	16,032	35,068	44,777	27,911	25,466	57,017	58,443	49,168	45,986	43,518
Abruzzo	2,972	3,893	8,106	5,938	4,792	4,081	12,284	9,907	6,669	6,283	5,897
Molise	304	640	1,018	730	713	683	1,732	1,246	975	1,071	743
Campania	2,080	5,185	20,947	22,897	8,832	8,505	20,125	19,243	16,908	22,596	19,835
Puglia	2,565	3,143	7,740	4,981	4,557	4,558	14,110	10,476	9,506	12,587	8,561
Basilicata	535	589	1,421	1,097	477	257	2,819	2,070	1,813	1,746	1,636
Calabria	-2,195	1,736	9,271	3,140	1,976	649	16,782	9,603	8,470	9,496	8,189
Sicilia	986	2,835	10,669	5,799	4,661	4,052	20,240	17,286	14,228	16,209	12,426
Sardegna	108	905	2,728	1,640	1,711	1,775	5,404	4,456	3,561	4,537	2,937
Italia	152,175	171,446	391,595	364,970	251,029	221,307	476,010	432,723	356,938	380,243	303,332

Source: Istat - Italian National Institute of Statistics

As stated above, the total net migration balance has always been positive, but it varied widely during the period considered. Inspection of the data in a chronological order shows that very substantial annual values were recorded first in 2003-2004 (+391,595 and +364,970 respectively) as a result of the regularization programme of 2002-2003 for domestic workers, caregivers and employees.¹⁴ The regularization involved non-EU nationals without residence permits and who were employed in enterprises, or by families as caregivers or domestic helpers. The regularization took place following the entry into force of the so-called Bossi-Fini Law (Law 30 July 2002, 189) amending the “Testo unico delle disposizioni concernenti la disciplina dell’immigrazione e norme sulla condizione dello straniero” (Legislative Decree dated 25 July 1998, no. 286). The Bossi-Fini Law replaced the previous law amending the Consolidation Act. To some extent it hardened the measures designed to contain the flow of immigration from foreign countries and at the same time opened the way for the above-mentioned possibility of regularization. This regularization constituted the occasion for the emergence of communities that were previously numerically not well represented in Italy, particularly the Ukrainian one. At the end of 2002, the Ukrainian community had fewer than 13,000 residents in Italy. A year later, at the end of 2003, with about 58,000 residents, it had become one of

¹⁴ At that time immigrants could register themselves in the administrative files on the resident population only after submission of a residence permit. This rule has been no longer applicable to EU-citizens since 2007; they no longer need a residence permit to register. In general, even if the arrival of immigrants regularizing their status had occurred in a previous period, registration in administrative files could be made later, and in any case appeared as a registration from another country.

the top ten most represented nationalities in Italy. After another twelve months, at the end of 2004, having moved three places higher in the ranking, it reached fifth place, the position it has maintained until today.

Other peaks were recorded in 2007-2008 (+476,010 and +432,723). These are particularly high values, especially when one considers that they were recorded in the absence of regularization measures. Nonetheless, they were the consequence of two major events in 2007: the entry of Romania and Bulgaria into the European Union, and the subsequent entry into force in Italy, in April of the same year, of the new legislation on the free movement and residence of EU citizens in the countries of the Union, with an immediate impact on immigration statistics in Italy. Essentially, with the entry into force on 11 April 2007 of Legislative Decree no.30 of 6 February 2007, for foreign citizens of a country of the Union and their family members intending to stay more than three months in Italy, it became no longer necessary to have a regular residence permit issued by the competent authority (police headquarters). Instead, it was sufficient to register in one of the Italian municipalities upon proof of fulfilling certain requirements: in particular paid employment or, more generally, financial resources adequate to ensure financial independence for the foreign citizen and his/her family so that they would not be a burden on the social and health system of the host country. Only a few months previously, on 1st January 2007, two countries of Eastern Europe had joined the European Union. One of them, Romania, became, in the immediately following years, the first country for the number of foreign nationals legally resident in Italy. In fact, as said above, in the two years mentioned about one million immigrants, mostly Romanians, registered themselves. These registrations rapidly moved Romanians to the top of the list of foreign communities resident in Italy. On 1 January 2007, Romania, with about 342 thousands residents, occupied third place in the ranking of the top ten most numerous foreign communities in Italy. At the beginning of 2008, the Romanian community had almost doubled its contingent of residents in the country (about 625 thousand), ousting from the top of the list countries like Morocco and Albania with longer histories of immigration into Italy, and it then remained in first place for the rest of the decade, with further significant increases, although decreasing from year to year.

Finally, towards the end of the decade, important positive values of the net migration balance were also recorded in 2009-2010 (356,938 and 380,243 respectively) and, to a lesser extent also in 2011 (303,332). The new regularization for domestic workers and caregivers of the end of 2009 certainly contributed to the high number of registrations. Within the so-called "Pacchetto di stimolo all'economia" - economy stimulus package - (Law 3 August 2009, n. 102, conversion into law with amendments of the Decree-Law of 1 July 2009, n. 78), the Government had included an amendment (art. 1-c) to establish a procedure for the emergence of irregular employment relationships. Employers who on 30 June 2009 had employed Italian or foreign workers on an irregular basis for at least three months could make use of this new procedure to make the irregular work emerge. Non-EU nationals without a permit for work purposes, employed with families as domestic workers, or to assist persons suffering from illness or disability, could thus regularize their positions. At the beginning of the procedure (launched in September 2009) and in the next year, there was a total of about eight hundred thousand new registrations of foreign nationals, and the new regularization certainly contributed to maintaining high inflows in 2011 as well. Registrations mostly referred to citizens of countries such as Moldova, the Russian Federation, Ukraine and some countries of Southeast Asia (Pakistan, India, Bangladesh and Philippines).

The slowdown in immigration recorded in 2009 (393 thousand) was followed by a slight recovery in the next year (420 thousand) and decreased again in 2011 (354 thousand).

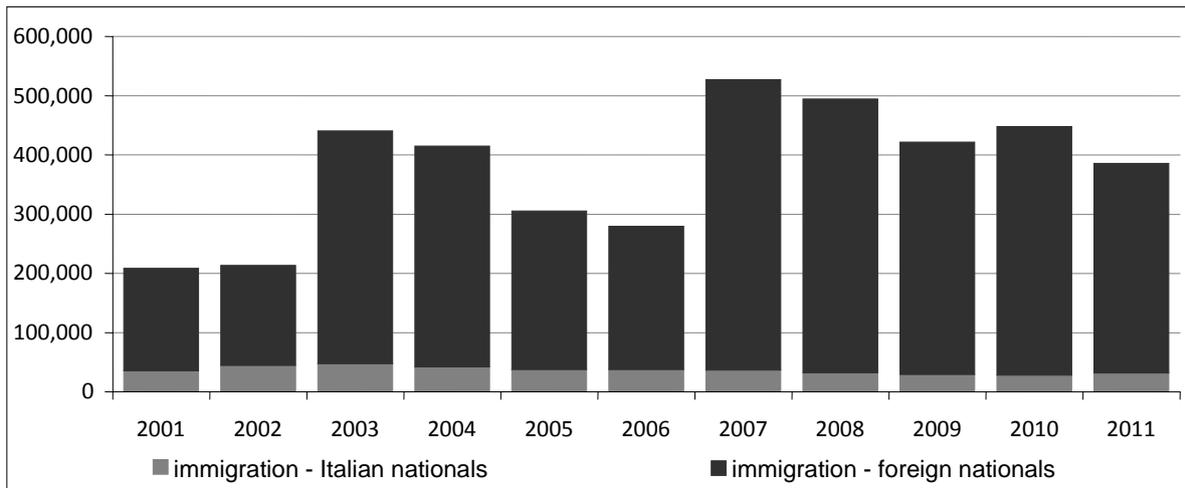
Finally, the data on inflows of foreigners taken from the registers of Italian municipalities confirm that the attempts to manage immigration into Italy during the 2000s were often strongly characterized by the usual contradictory behaviour whereby the adoption of restrictive measures to reassure public opinion on its "fear of foreigners" was regularly followed by amnesties, once it

became clear that immigration was ‘necessary’ not only for the migrant but also for Italian families or Italian companies – both of which needed labour willing to perform certain types of tasks no longer ‘attractive’ to the native population.

4.2.1.2. Immigration flows

Overall, in the period considered, immigration flows to Italy amounted to 4,138,222 individuals, which signifies a mean of about 376 thousand per year (Figure 10).

Figure 10: Immigration flows by citizenship (Italian and foreign), 2001-2011

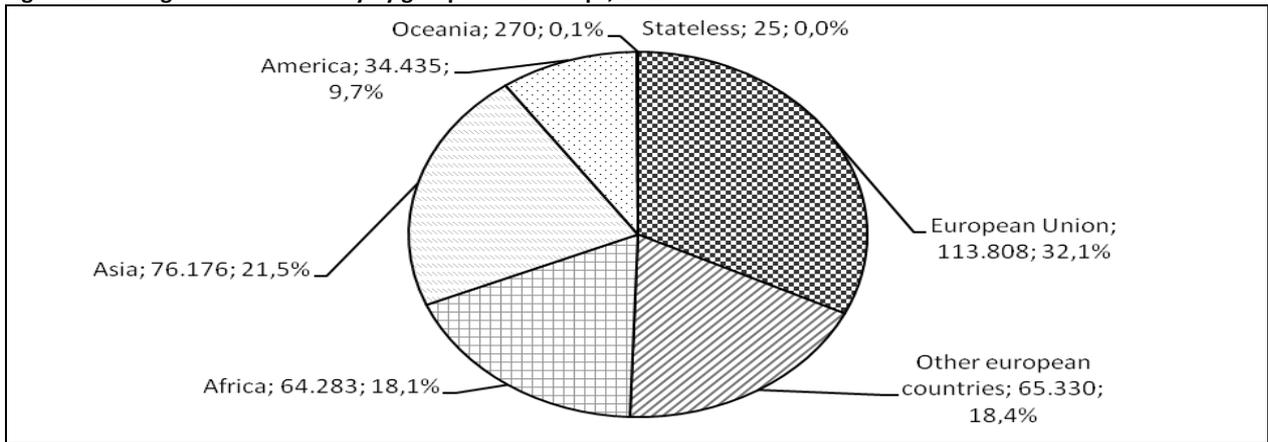


Source: Istat - Italian National Institute of Statistics

Between 2001 and 2011 the net migration balance was strongly influenced by immigration flows of foreign citizens (EU + non EU). During the period considered, between 79.1% (in 2002) and 93.7% (in 2010) of total immigration concerned foreign nationals. During the decade, more than 3,7 million foreign citizens enrolled on Italian municipal population registers. About a million entries were of Romanians. The trends of immigration flows were completely different for Italian and foreign citizens entering Italy: often, when the one increased, the other decreased, with no relationship between the two. This is obviously because of the entirely different nature of the two phenomena, and it was also due to the fact that the changes in the legal context described in the previous section only affected the latter component (the foreign one). Nonetheless, it is interesting that, unlike the immigration flows of foreign citizens, those of Italian citizens to many southern regions (Sicilia, Campania, Puglia, Calabria) were often comparable with flows to the most attractive northern regions (such as Lombardia, Veneto, Piemonte, Emilia Romagna). This was probably due to the return immigration of Italians who had expatriated in the previous decades, when Italy was an emigration country.

Half of the immigration flows of foreign citizens recorded in 2011 consisted of nationals of a European country (Figure 11).

Figure 11: Immigration flows in Italy by group of citizenships, 2011



Source: Istat - Italian National Institute of Statistics

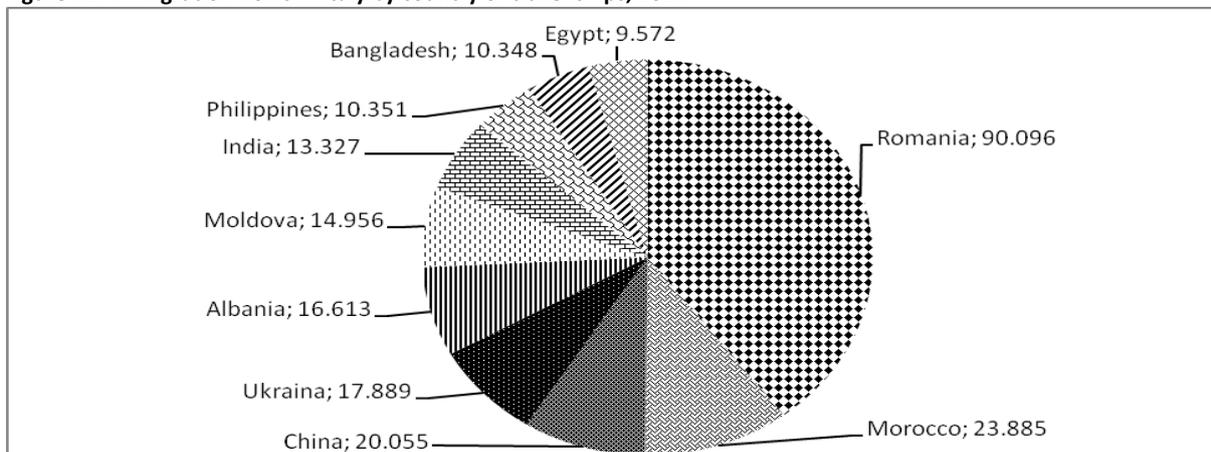
In particular, 32.1% were citizens of another EU member state. These proportions were almost the same in 2001 (Europe 47%, Africa 22.8%, Asia 19.6%, America 10.4, Oceania 0.2%), except for the importance of the European Community, which at that time had only fifteen members and so accounted only for 6.4%.

Whilst the distribution of inflows by citizenship at the continent level remained almost unchanged between 2001 and 2011, the same cannot be said of the individual countries of citizenship. Inspection of the rankings of the top 10 countries by number of immigrants in Italy between 2001 and 2011 shows that the composition and order of countries greatly changed during the decade.

In 2011 the most representative citizenship of immigrants into Italy was Romanian (90,096), followed by Moroccan (23,885), Chinese (20,055), Ukrainian (17,889), Albanian (16,613), Moldovan (14,956), Indian (13,327), Filipino (10,351), Bangladeshi (10,348), and Egyptian (9,572).

The most important issues during the decade were the peak inflows of Ukrainian citizens in 2003 (41,263) and 2004 (33,460), as a consequence of the aforementioned (see subsection 4.2.1.1) regularization of domestic workers and caregivers of 2002-2003; the boom of registrations by Romanian citizens in 2007 (261,273) and 2008 (162,277) due to Romania's entry into the European Union and the subsequent entry into force in Italy of the legislation on the free movement and residence of EU citizens in EU countries (see subsection 4.2.1.1); the relatively high inflows recorded in the late decade for some Eastern European countries (such as Moldova: almost 15 thousand new entries in 2011) because of the 2009 regularization (see subsection 4.2.1.1).

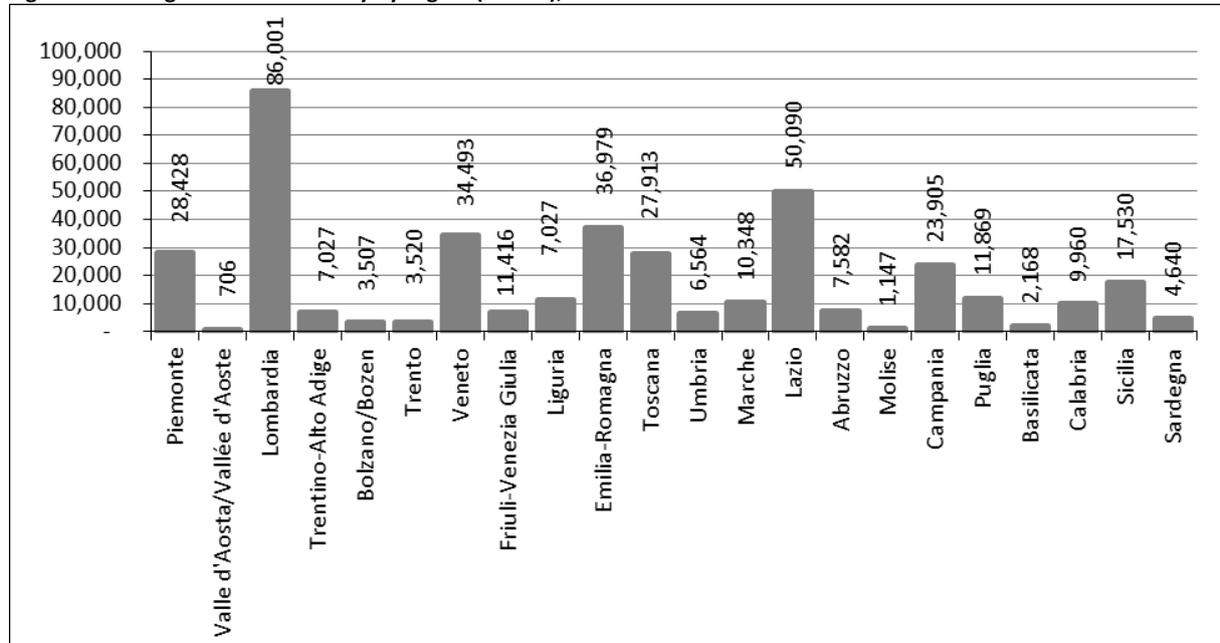
Figure 12: Immigration flows in Italy by country of citizenships, 2011



Source: Istat - Italian National Institute of Statistics

As regards the previous years, to be noted, for example, is the relatively high inflow of Argentine citizens in 2002 (4,165). These were presumably so-called 'economic refugees' or immigrant Argentines of European origin, mainly Italian, with two passports, and with two citizenships – Argentine and Italian – trying to escape the economic crisis that afflicted the American country during those years.

Figure 13: Immigration flows in Italy by region (NUTS2), 2011



Source: Istat - Italian National Institute of Statistics

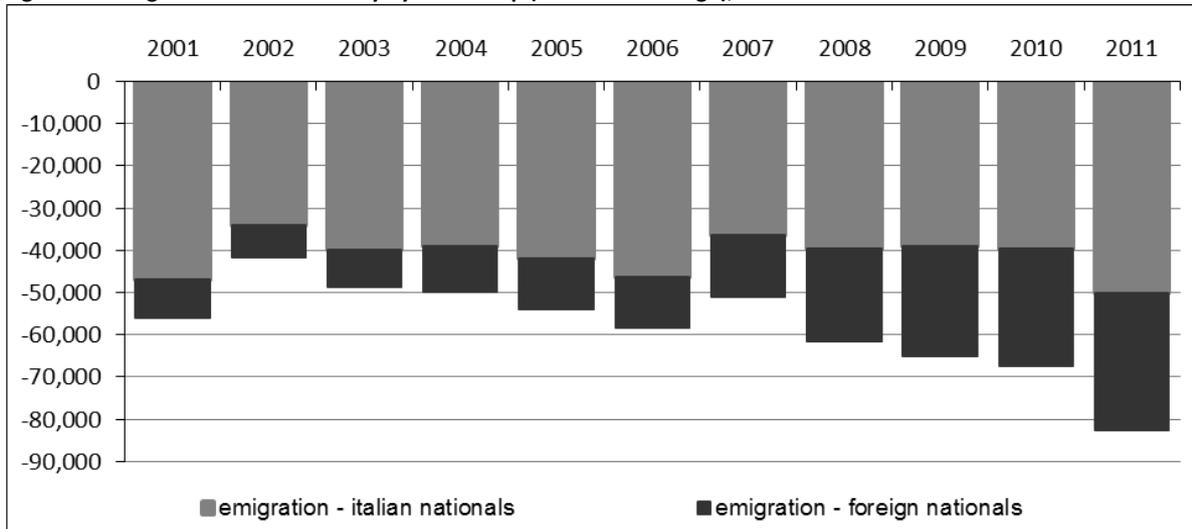
In 2011, the inflows of foreign citizens were, in 56% of total cases, directed to the Northern regions, in 25% to the Centre, and in 19% to the South (including the Islands). Lombardia (80 thousand), Lazio (47 thousand), Emilia-Romagna (35 thousand) and Veneto (32 thousand) were the regions that attracted the most entries of foreign nationals. Comparing these values with those of the resident population shows that Lazio (8.2 foreign immigrants per thousand residents) exceeded Lombardia (8 per thousand) and Emilia-Romagna (7.9 per thousand). The minimum levels of attractiveness were in the South (3.2 per thousand) and, in particular, Sardinia (2.1 per thousand), Puglia (2.4 per thousand) and Molise (2.8 per thousand).

4.2.1.3. Emigration flows

During the period considered, a total amount of 636,554 residents left Italy, of whom 183,716 were foreign nationals (Figure 14). The administrative data on cancellations probably provide a partial picture of the reality, given the tendency of foreign citizens not to communicate their departure to municipal registry offices when they move abroad.¹⁵ In this regard, it is significant that, during the same period, around 300 thousand foreign nationals were deleted from the registers for unavailability.

¹⁵ The number of de-registrations for foreign nationals is likely to be underestimated and cannot indicate the actual magnitude of emigration. Although there is an obligation on persons leaving the country for a period exceeding twelve months to notify their change of residence to the registry office, deletion from the administrative registers does not entail any advantage for foreign nationals, contrary to what happens for Italian citizens, who by virtue of this notification can continue to exercise certain rights even if they are no longer resident on Italian territory.

Figure 14: Emigration flows from Italy by citizenship (Italian and foreign), 2001-2011

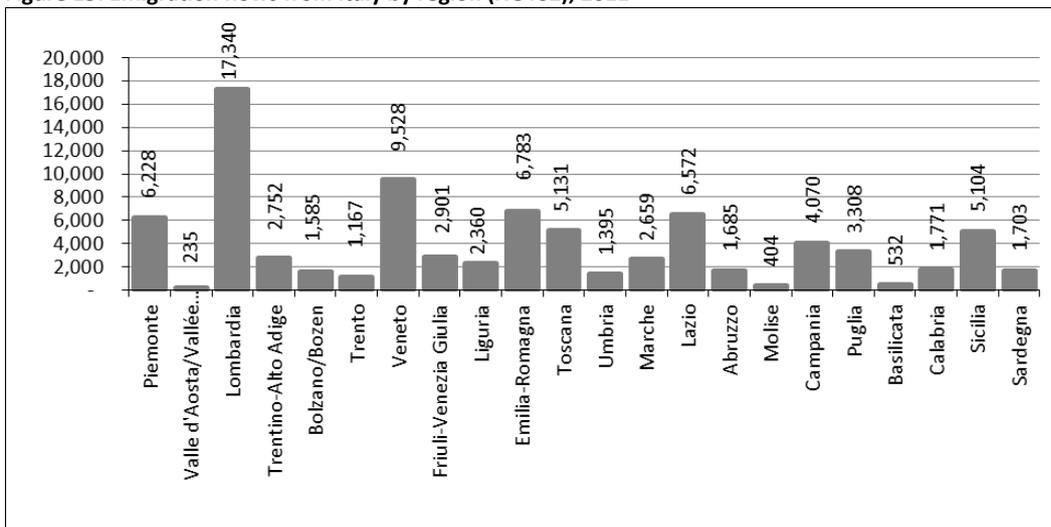


Source: Istat - Italian National Institute of Statistics

Nonetheless, the trend of total emigration flows grew during the period, especially after 2008, and mostly due to an increase in deregistrations of foreign nationals. The proportion of foreign outflows on total outflows varied between 16.4% in 2001 and 41.4% in 2010. Apart from nationals, in 2011 the top foreign countries of citizenship of emigrants leaving Italy were Romania (7,693), Morocco (1,761) China (1,672), Albania (1,525), Poland (1,433), Germany (1,249), Ukraine (1,212), India (1,058), and Moldova (806), France (786). The main destination countries were Germany (8,362), Romania (7,702), Switzerland (6,298), France (6,188), United Kingdom (6,148), United States (4,195), Brazil (2,757), China (2,378), Morocco (1,642), and Poland (1,625). For Italian emigrants, in 2011 the main destination countries were Germany, Switzerland and the United Kingdom.

As regards regional differences in emigration from Italy to another country, in 2011 the regions most involved in absolute terms were Lombardia (17,340) Veneto (9,528), Lazio (6,572) and Piemonte (6,228) (Figure 15).

Figure 15: Emigration flows from Italy by region (NUTS2), 2011



Source: Istat - Italian National Institute of Statistics

Relative data confirm a greater propensity to exit from the regions of the Centre-North than from those in the South. But this feature distinguishes the regions of the North-East in particular. Trentino-Alto Adige, for example, was left by 2.6 per thousand residents, Friuli-Venezia Giulia by 2.3 per thousand, Veneto by 1.9 per thousand. In the south of Italy the propensity appears to be significantly lower: in Campania 0.7 per thousand, in Puglia 0.8 per thousand.

4.2.1.4. Return migration

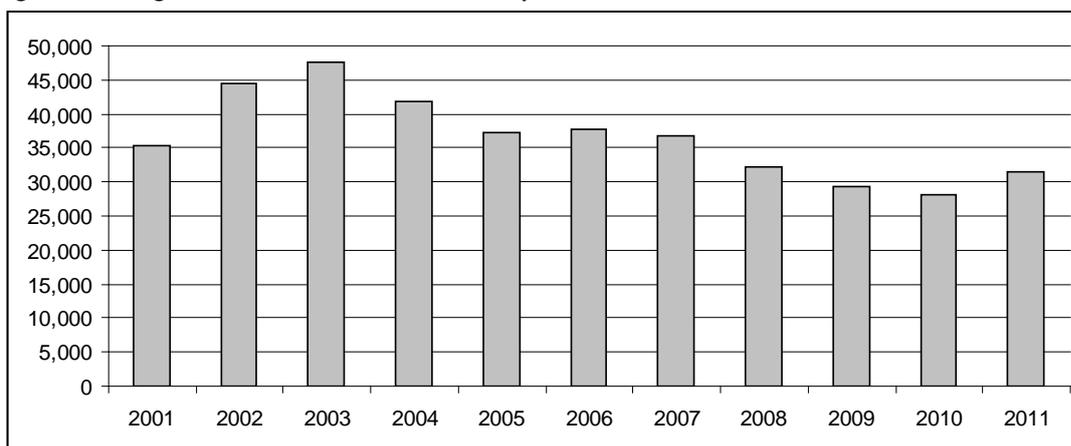
It is difficult to consider migration as a whole because it is a dynamic phenomenon. As integration proceeds, it is not necessarily the case that there is a concomitant loosening of ties with the country of origin. Progressive inclusion in the host society seems to be a crucial step in the overall process of integration; but at the same time ties with family and friends in the country of origin in many cases remain important. The migrant can play the role of an 'agent of development' by creating and maintaining ties with two different realities.

If migration is seen as definitive,¹⁶ return migration can signify a failure. By contrast, if from the outset the migratory project has been temporary, the moment of return represents success, the accomplishment of a project. Between these two extremes there lie intermediate positions, also because intentions are susceptible to change.

Another crucial aspect is the period of time spent abroad. This should be neither too short nor too long. *In medio stat virtus*. A rather long period (at least two years) enables the migrant to acquire the necessary knowledge that can be transferred in the country of origin. There are three main prerequisites for a migrant to become an "agent of change and development": financial capital, human capital, and social capital (Cassarino J.P., 2004).

The data on recent return migration to Italy show a slight peak in 2003, but the general level of this particular inflow is rather low, especially if compared with the data recorded in the 1970s.

Figure 16: Changes of residence to other countries by Italian citizens. Year 2001-2011



Source: Istat - Italian National Institute of Statistics

As said, return migration played an important role in Italian history emphasizing the effects of the economic miracle. In recent years, however, it is more appropriate to speak of a new wave of outflows to foreign countries offering better work opportunities, especially for researchers and highly-qualified young people. The recent outflows of Italian citizens assume the characteristics of a

¹⁶ Even if a migration can never be defined as 'definitive'. It is the migration project that can be temporary or otherwise. However, migratory intentions can change as time passes.

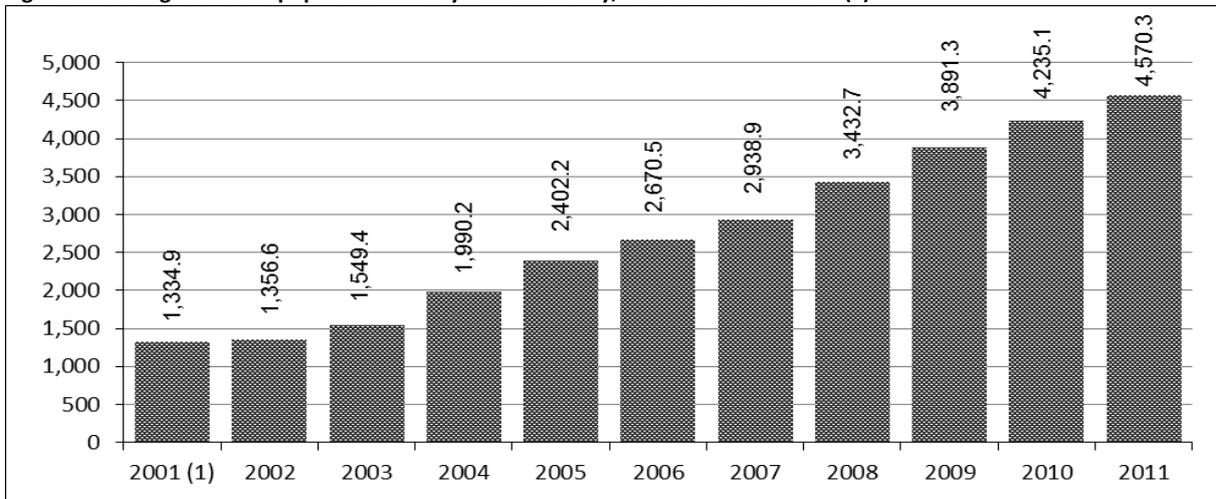
'brain drain': that is, a problem which traditionally affects only developing countries (see subsection 4.4.3). Only the recent economic recession that has hit several countries seems to discourage this trend, with the consequence of increasing unemployment.

4.2.2. Characteristics of the migrant stock

Immigrant Stock

On 1st January 2011 the foreign resident population amounted to 4,570,317 individuals. During the past decade, the trend has been constant growth, with peaks consequent on the amnesties described earlier (subsection 4.2.1.1) (Figure 17).

Figure 17: Foreign resident population in Italy on 1st January, thousands 2001-2011 (a)



Source: Italian National Institute of Statistics

Figure 16 was compiled on the basis of the foreign population measured by the 14th Population Census referred to 21 October 2001 and adding, year by year, the natural and migratory balances recorded by municipalities. Census data as of 21st October

The structure by sex of the foreign population as a whole is quite balanced (females represent 51.8% of the total), but it is strongly influenced by citizenship. Foreigners resident in Italy are the nationals of a wide range of foreign countries. The citizens of the top fifteen countries account for slightly less than 75% of the total. Table 2 shows the number of residents in Italy in decreasing order.

Limiting the analysis to the first five countries (Romania, Albania, Morocco, Republic of China and Ukraine), these represent more than 50% (2 million 314 thousand). The largest foreign community is the Romanian one, which on 1 January 2011 reached nearly one million residents: 21.2% of the total number of foreigners residing in Italy. After the huge growth due to EU enlargement and the new regulations on the free movement and residence of citizens of EU countries in the other countries of the Union recorded in 2007 and, to a lesser extent, also in 2008 and 2009, in 2010 the increase, although lower, was nonetheless significant: 9.1%. Another community historically well represented in Italy is the Albanian one. This is second in order of numerical importance, with nearly 483,000 residents on 1st January 2010 and an increase of 3.4% in 2010. The following communities are those of citizens of Morocco, which in 2010 increased by 4.8%, exceeding 452,000 resident citizens at the end of the year, Chinese nationals (nearly 210,000, +11.5%) and Ukrainian nationals (about 201,000, +15.3%). To be pointed out is that if the countries of the former Yugoslavia are considered as a whole, they would constitute the fourth country in the ranking by numerical importance, with over 226,000 residents.

Table 2: Foreign population by top 15 countries of citizenship, Italy - 2001 and 2011

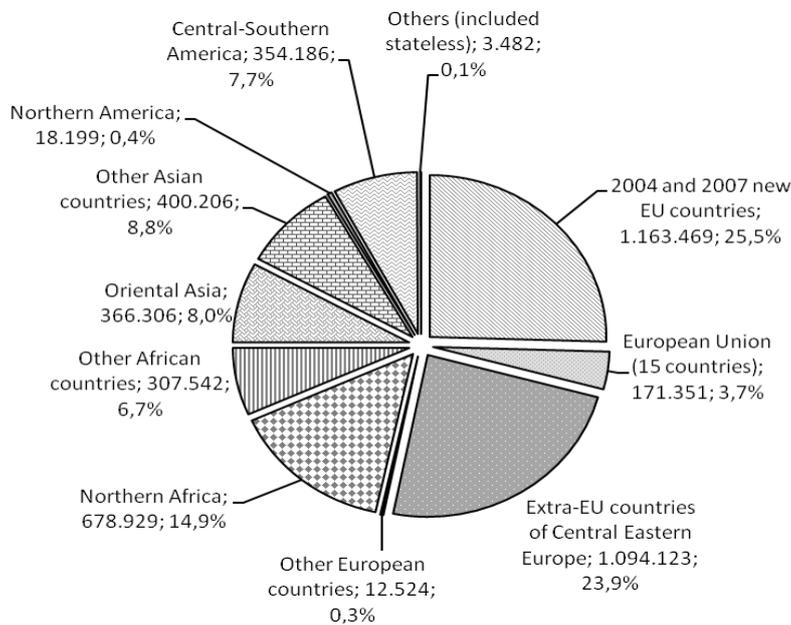
Country of citizenship	1.1.2011					21.10.2001 (1)	
	N.	M/F*100	% over total	Cumulate N.	Cumulate pct.	Country of citizenship	N.
Romania	968,576	83.0	21.2	968,576	21,2	Morocco	180,103
Albania	482,627	116.2	10.6	1,451,203	31,8	Albania	173,064
Morocco	452,424	129.1	9.9	1,903,627	41,7	Romania	74,885
China	209,934	106.8	4.6	2,113,561	46,2	Philippines	53,994
Ukraine	200,730	25.4	4.4	2,314,291	50,6	Federal Republic of Yugoslavia	49,324
Philippines	134,154	72.9	2.9	2,448,445	53,6	Tunisia	47,656
Moldova	130,948	48.9	2.9	2,579,393	56,4	China	46,887
India	121,036	154.3	2.6	2,700,429	59,1	Germany	35,091
Poland	109,018	40.5	2.4	2,809,447	61,5	Senegal	31,174
Tunisia	106,291	173.6	2.3	2,915,738	63,8	Peru	29,452
Peru	98,603	66.3	2.2	3,014,341	66,0	France	29,313
Ecuador	91,625	70.8	2.0	3,105,966	68,0	FYROM	28,073
Egypt	90,365	228.3	2.0	3,196,331	69,9	Egypt	27,331
FYROM	89,900	127.2	2.0	3,286,231	71,9	Poland	27,220
Bangladesh	82,451	207.5	1.8	3,368,682	73,7	India	27,188
Total 15 Countries	3,368,682		73.7	-	-	Total 15 Countries	860,755
Total	4,570,317	92.9	100.0	4,570,317	100.0	Total	1,334,889

Source: Italian National Institute of Statistics

(1) Census 2001 data

With reference to regions, if the Central-Eastern European countries¹⁷ are considered as a whole (whether or not they form part of the EU), their residents in Italy as of 1st January 2011 amounted to 2 million 257 thousand: nearly half (49.4%) of all foreigners residing in Italy. About 1 million 162 thousand (25.4% of all foreigners, 8.5% more than one year before) were citizens of the EU countries of Central and Eastern Europe. However, almost another quarter of residents (23.9%) were citizens of non-EU countries of Central and Eastern Europe (mainly Albania, Ukraine, Moldova and the Republic of Macedonia). As of 1st January 2011 these amounted to a total of about 1 million 94 thousand residents (+7.8% compared with 1 January 2010). With regard to non-European countries, over 986,000 people, more than one fifth (21.6%) of all foreign residents, were citizens of an African country, mainly in North Africa, and principally Morocco. Asian citizens, with nearly 767,000 units, represented 16.8% of the total. Slightly less than half (360,000) were citizens of countries in the Indian subcontinent: India, Sri Lanka, Bangladesh and Pakistan. The remaining 407,000 were mainly Chinese or Filipinos. Finally, 7.7% of foreigners (354,000 individuals) were citizens of countries in central-southern America, especially Peru and Ecuador (Figure 18).

¹⁷ The most representative countries are: Romania, Albania, Ukraine, Moldova and Poland (see Table 2).

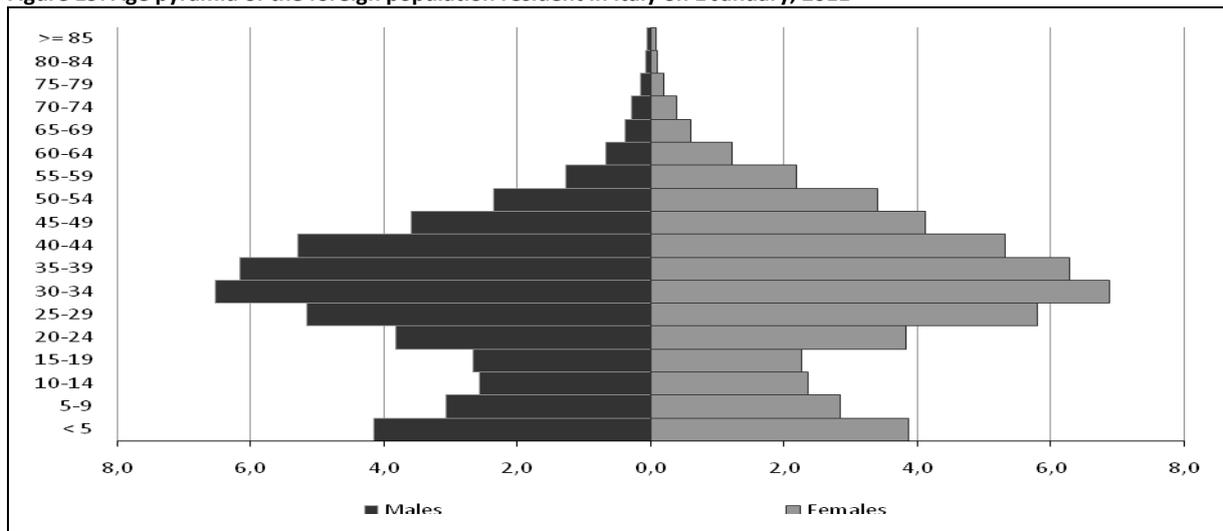
Figure 18: Foreign population in Italy by geographical area of citizenship on 1st January, 2011

Source: Italian National Institute of Statistics

As stated above, the ratio between the number of men and women in the foreign populations resident in Italy is quite balanced overall, but it is often very unbalanced within individual communities. Among the main female-dominated communities (Ukrainian, Polish, Moldovan, Peruvian, Ecuadorian, Filipino, Romanian), the values of the ratio vary between 25 males per 100 females in the Ukrainian community and 83 males per 100 females in the Romanian one. A male prevalence is observed among the citizens of Senegal, Egypt, Bangladesh, Pakistan, Algeria, Tunisia, India, Morocco, Sri Lanka, Albania and China. In these communities, the ratio between males and females varies between the level of the Senegalese community, traditionally very unbalanced towards high levels of masculinity (about 310 men for every 100 women), and the level of the Chinese one (about 107 men for every 100 women).

In regard to age, the foreign resident population in Italy is a young population. As on 1 January 2011 the average age for the foreign population was 32.2 years old (for the Italian population it was 44.7). There is a clear concentration in the middle age classes, both for men and women, especially those aged between 30 and 39 years old.

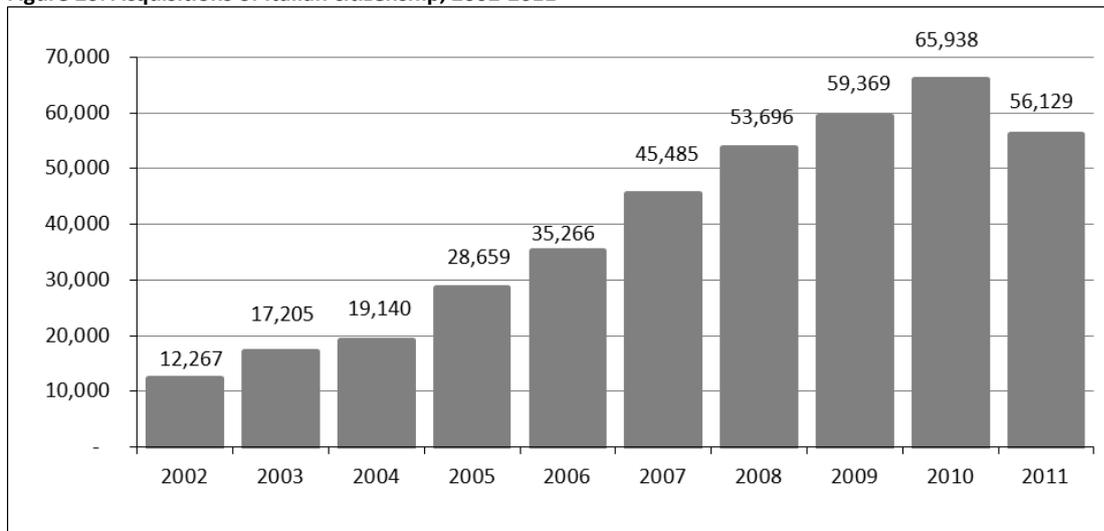
In fact, the age pyramid of the foreign resident population has a highly unusual shape, which is totally different, for example, from the corresponding one for the Italian population (Figure 19). Because the main factor influencing immigration is certainly the search for employment, with the hope of better living standards, and due to the fact that Italy is a relatively recent immigration country, the upper part of the pyramid, which corresponds to the oldest age classes, is still highly under-represented for the foreign resident population. The same cannot be said of the younger age classes. Family reunifications and the high birth rate of the foreign population (in 2010 there were about 80 thousand children born to foreign parents living in Italy, which accounted for 13.9% of total births) determine a high proportion of minors (21.7%).

Figure 19: Age pyramid of the foreign population resident in Italy on 1 January, 2011

Source: Italian National Institute of Statistics

In fact, also in the case of the age distribution, as in that of distribution by gender, there are differences with regard to nationality. Considering only some of the main nationalities, there is an age structure more unbalanced towards the first age class and a more balanced structure by gender for the Albanian community (historically long resident on Italian territory), while an age structure much more oriented towards the mature age classes (45-55 years), and strongly biased towards the female component, characterizes the Ukrainian community (of more recent immigration).

Another important phenomenon that relates to the stock of foreign population is the acquisition of Italian citizenship. This is relevant especially for third countries' nationals because of the advantages that the citizenship of an EU country supplies, most of all regarding freedom of movement and vote in administrative elections. Italy's current legislation on naturalization is particularly restrictive. It is mostly based on the so called "ius sanguinis" and it does not contemplate "ius soli" (see section 2.3). There are five main channels for foreign nationals to acquire Italian citizenship: marriage, residence (ten years for non-EU and four for EU citizens); birth (obtained upon request, with the condition of continuous residence in Italy until the legal age of 18 – the so-called 'choice' or 'election' system); children living with parents who acquire Italian citizenship (shortly, 'transmission'); specific cases of application of the "ius sanguinis". The most frequently used channels are the first two. The Italian National Institute of Statistics publishes aggregate data on naturalisations drawn from population registers. But it gives no information on the channel through which Italian citizenship has been acquired. Another source is the Ministry of the Interior, which provides data only on naturalizations by marriage and residence. During the past decade, the trend has been constantly upward, except in 2011. Whilst marriage predominated at the beginning of the decade, the proportion of acquisitions by residence, election and transmission increased during the decade.

Figure 20: Acquisitions of Italian citizenship, 2002-2011

Source: Italian National Institute of Statistics

Data on the immigrant stock issued by the official sources – mainly the Italian National Institute of Statistics and the Ministry of the Interior (stay permits) – refer only to the regular component of the immigrant population. It is not easy to estimate the irregular one. The recent changes in the legislation on the free movement and residence of EU citizens in the countries of the Union (subsection 4.2.1.1) has modified the definition of irregular immigration. Since April 2007, to be considered regularly present on Italian territory it has been sufficient for EU citizens to be enrolled in one of the registers of Italian municipalities. For foreign citizens of other countries, by contrast, possession of a residence permit is still mandatory. Natale and Strozza (1997) used the results of specific questions on irregular stays contained in field surveys to estimate the number of foreigners (including More Developed Countries) at 1,194,000, with the share of irregular immigrants at around 36 per cent of the total. In more recent years, the results of estimates of the immigrant stock (regular plus irregular) in Italy have yielded extraordinarily high numbers. Using quotients for irregular immigration calculated on the basis of field survey results, ISMU quantified the number of immigrants from countries with strong migration pressure as 3.4 million on 1 July 2005 and almost 4 million on 1 January 2007 (Blangiardo 2006 and 2008).¹⁸ These assessments reflect the radical change in the magnitude of migration, which has clearly increased considerably over the past ten years. But, for the reasons explained above (repeated amnesties – see subsection 4.2.1.1), it is likely that this growth has concerned more the regular component, even if the numbers of irregular immigrants have remained high. Inevitably, foreign immigration estimates are influenced by various subjective factors, and are therefore arbitrary.

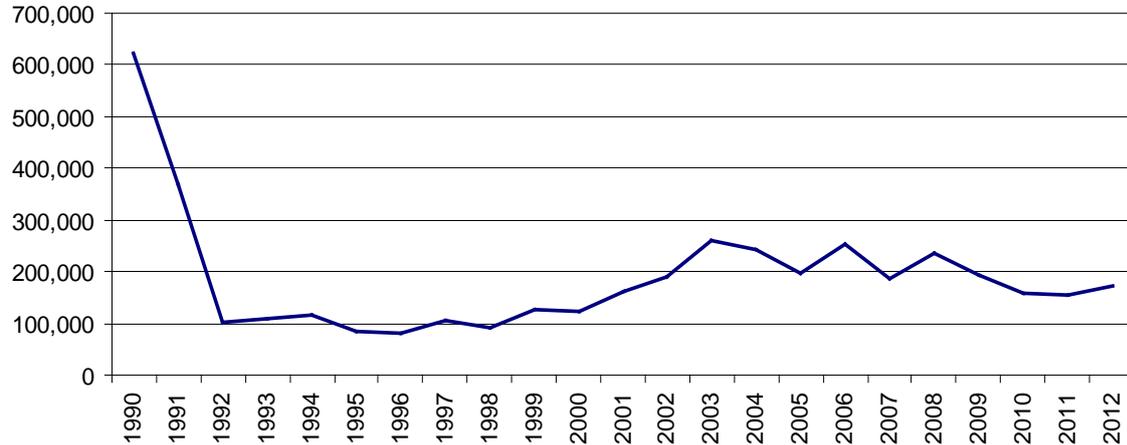
Emigrant Stock

A special register of Italians resident abroad (AIRE – Anagrafe degli italiani residenti all'estero) was established by Law 470/1988. This allows Italian emigrants to have a special status in Italy and to acquire specific rights (e.g. since 2006 the right to vote in parliamentary elections). When an Italian citizen emigrates to another country his/her record in the municipal register must be transferred to this particular register (with a copy kept at the Ministry of the Interior). The problem is that not all citizens (Italians or otherwise) notify the registry office of this migration, especially when the period of emigration is quite short. This information gap gives rise to underestimation of the number of Italians resident abroad and, consequently, of Italian return migrants.

¹⁸ C. Bonifazi, F. Heins, S. Strozza, M. Vitiello, The Italian transition from an emigration to immigration country, 2009.

At the end of 2012 the stock of Italians registered at the AIRE was 4,341,156. In recent years the trend has slightly increased: in 2009, registrations numbered 4,028,370, and then rose to 4,115,235 in 2010 and to 4,208,977 in 2011. On considering the distribution by year of inscription, apart from an initial peak due to the sum of inscriptions registered also in the years before AIRE creation, since 2000 an increasing trend is apparent.

Figure 21: Stock of Italians registered at the AIRE by year of inscription (as of 31 December 2012)

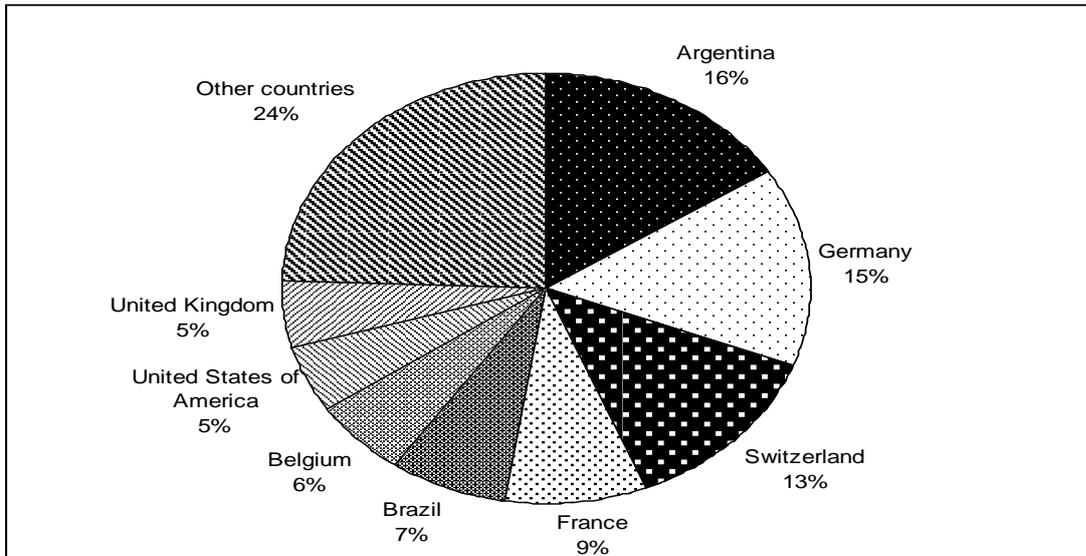


Source: AIRE, Ministry of the Interior

Note: 1990 and 1991 data also include Italian citizens emigrated before creation of the AIRE.

In regard to the destinations chosen by Italian residents abroad, 54.5% of them reside in a European country (both EU and non EU), followed by South America (30.8%). The countries most represented are Argentina and Germany (more than 25 per cent).

Figure 22: Stock of Italians registered at the AIRE by main countries of residence (at 31 December 2012)



Source: AIRE -Ministry of Interior

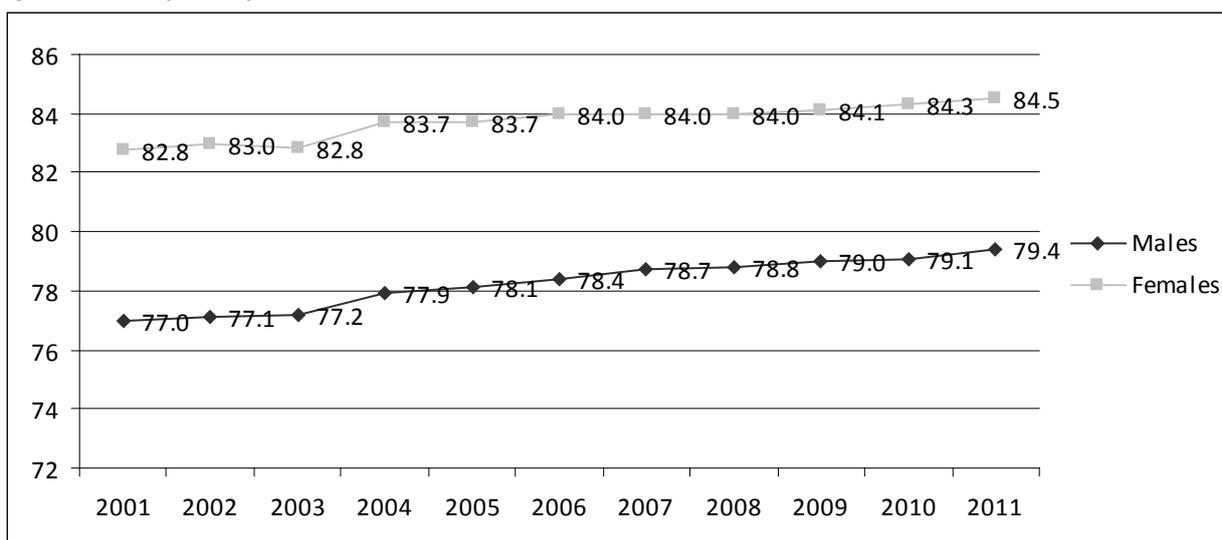
4.3. Demography and Human Capital

4.3.1. Population change

In the past decade the population balance has been constantly positive, due mainly to the foreign component in terms of both natural balance and migration balance.

The mortality trend has been quite constant in recent years, and it does not show particular anomalies. As discussed above, the completed process of demographic transition started with the drop of mortality, in particular infant mortality. On taking a more complex approach to second demographic transition, a crucial dimension of a population's well-being, besides strictly economic indicators such as GDP, is life expectancy at birth, better if in good health (this last indicator is generally difficult to calculate). The trend of life expectancy at birth is constantly upward; the level of the indicator is higher for women, but the gap is narrowing because male and female lifestyles are increasingly similar. This indicator shows high values also compared with those of other countries, not only in Europe but around the world. The connection with the ageing of the population cannot be overlooked.

Figure 23: Life expectancy at birth, 2001-2011



Source: Istat - Italian National Institute of Statistics

In this overall framework of ageing, the other component to consider is the fertility level.

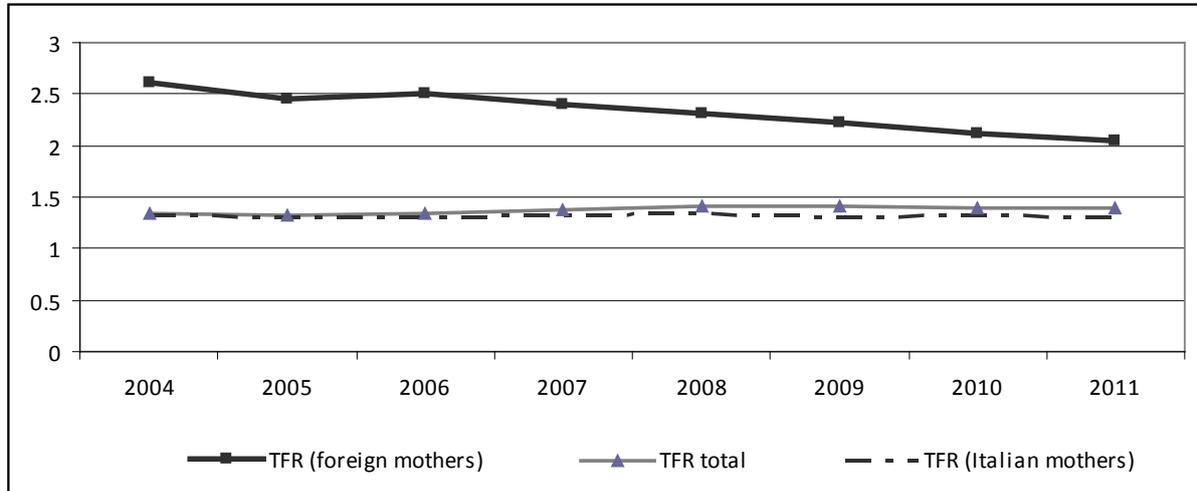
In 1995 Italian TFR fell to its lowest level (1.19 children per woman); thereafter the general fertility trend recovered to reach the peak of 2008. This new peak can be described as part of the general pattern of the end of 'lowest-low fertility', but how can the subsequent renewed decrease be explained? The economic recession could be a valid option if we take the 'period fertility' point of view.

However, fertility decline during a recession is temporary, and it is usually followed by a compensatory rise (Sobotka, Skirbekk and Philipov, 2011).

Within this general framework of fertility in Italy, it is interesting to focus on the growing number of births with at least one foreign parent. Their increasing proportion in total births is mainly due to the decreasing number of Italian births. Despite the increase in births with at least one foreign parent, the TFR has slowly diminished in recent years. As well known, after a period of quite a long stay in a destination country, foreign women tend to assume the fertility and family behaviours of the native population. In addition, this comparison across the time is not totally appropriate because foreign

population is particularly dynamic and its composition by citizenship changes. Each citizenship shows different demographic characteristics, migratory and familiar models and these peculiarities affect the value of the total fertility rate.

Figure 24: Total fertility rate (TFR) by citizenship of mothers, 2004-2011



Source: Istat - Italian National Institute of Statistics

This drop in fertility trends can be partially explained from a period perspective (not considering the different cohorts – years of birth – of mothers) in terms of postponement, in particular of the first child. This postponement is measured by calculating the mean age of women at childbirth. In 2001 it was 30.5 years, and ten years later it was 31.4.

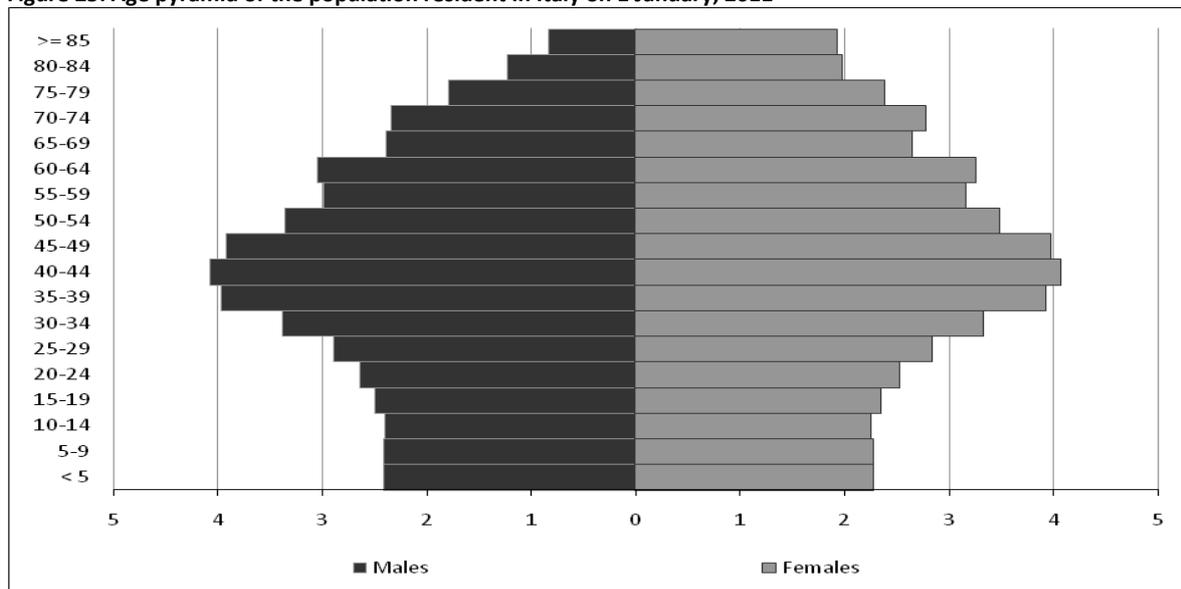
4.3.2. Population structure and spatial distribution

At the beginning of 2011, the total population residing in Italy amounted to 60,626,442 persons.¹⁹ The population dynamics trend had been constant and rapid since 2001, almost entirely due to the considerable immigration from abroad recorded in the period, and especially because of the regulation and inclusion of new Member States in the European Union (subsection 4.2.1.1.). The average variation rate calculated between 2001 and 2009 was 0.8 percent, a value that accounts for a growth of approximately three million residents, starting from the 57 million at the beginning of the period.

With reference to the four large geographical areas of Italy, the South and Islands was still the most populated area of the country with 34.5 percent of the population, followed by the North-West with 26.6 percent. More than one third of the Italian population was concentrated into three regions: Lombardia (16.4 percent), Campania (9.6 percent), and Lazio (9.4 percent).

In Italy in 2011, demographic processes over several years had determined a rise in the elderly population, a fall in the young population, a rise in survival rates, and a fertility rate well below the level of generational turnover (2.1 children per woman) (subsection 4.3.1). The mean age was 43, and the age structure was typical of an 'old' population (Figure 25). The ageing index, the ratio between the elderly and the young, had been influenced by all these factors, assuming considerable proportions and reaching 144.5 percent as of 1 January 2011. The highest values were recorded in the Centre (160%), and the lowest in the South and Islands (123%).

Figure 25: Age pyramid of the population resident in Italy on 1 January, 2011



Source: Italian National Institute of Statistics

The age dependency ratio on the same date was 52: in every 100 residents aged 15-64 there were 52 aged 0-14 or 65 years and over. The highest values (54%) were recorded in the northern and central parts of the country, and the lowest (49%) in the south (including the islands). As for the old dependency ratio (population aged 65 years and over to the population aged 15-64), the 31% mean value for the whole country varied between 33% for the North and Centre and 27% for the South and Islands. The structure by gender was quite equilibrated: females represented 51.5% of the total. The

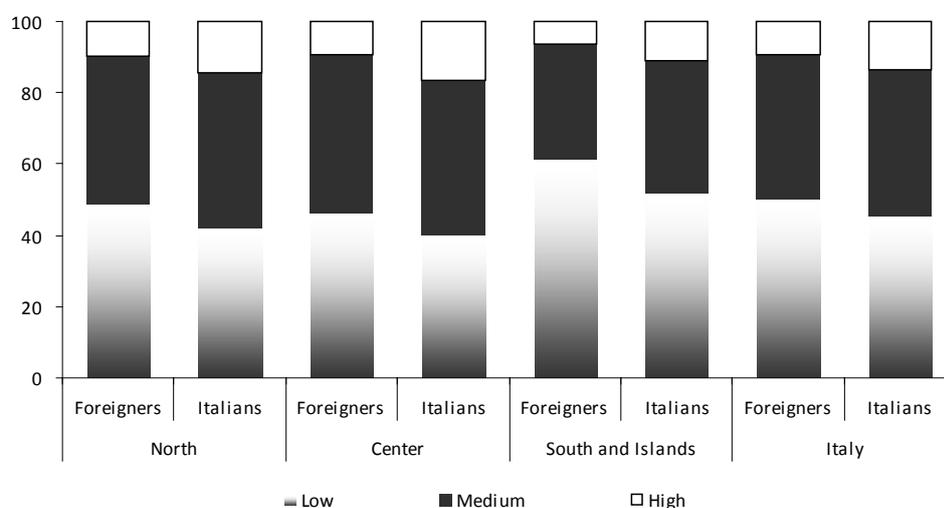
¹⁹ The 15th Population Census, conducted on 9th October 2011, enumerated a total population resident in Italy of 59,433,744 individuals.

region with the highest values for the three indicators was Liguria (respectively 232%, 62% and 43%). During the last decade and for the country as a whole, the trend was a worsening of the values for these indices, so that the ageing of population, with its impact on the labour market and the welfare system, was a major issue for Italy, and will continue to be for the next decades.

4.3.3. Education

On analysing education levels attained by nationality, it is interesting to note that they are higher among Italians; the share of low education is quite similar between Italians and foreigners, but a more marked difference is apparent in the case of the medium and high level.

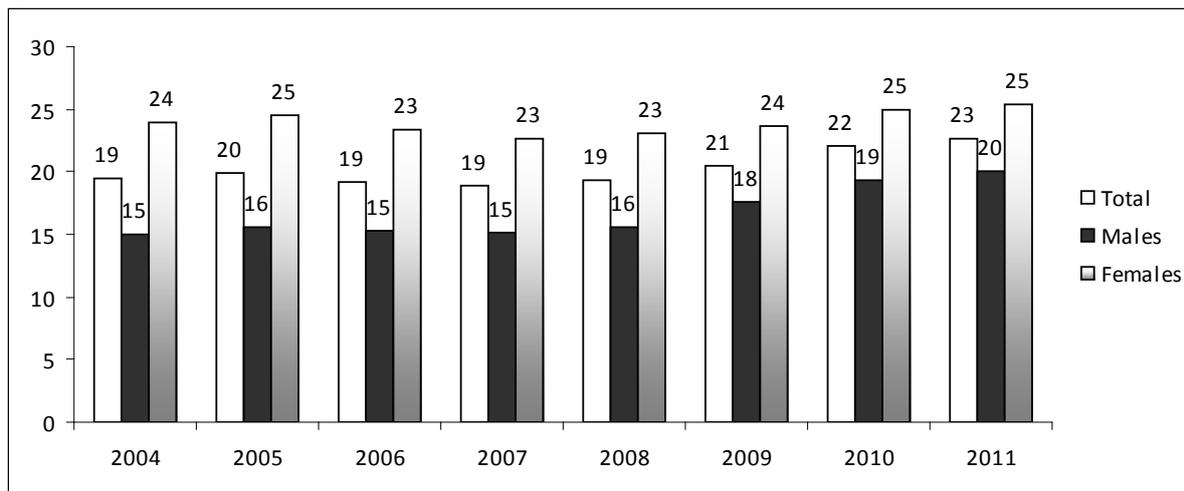
Figure 26: National and foreign population (15-64 years) by educational level and Italian geographical area. Year 2011 (percentages)



Source: Istat – Italian National Institute of Statistics

At the same time, as is well known, the share of unemployed people is quite high in Italy, especially among young people. In this regard, it is interesting to consider another ‘new’ category: the NEETs. A ‘NEET’ or ‘neet’ is a young person who is not in “education, employment, or training”. This population – 15-29 year-old Neets – grew from 19% to 23% in the period 2004-2011. The gender distinction appears important because young women are more affected by this phenomenon; in 2011, 25% of young women were in this condition, compared with the 20% of young men. This indicator referred to the foreign population was 33%.

The proportion of Neets in Italy is above the European average value (15%) and that of other European countries such as Germany (11%), United Kingdom and France (15%) and Spain (20%). This larger quota of Neets gives important insight into the ‘choices’ of young people in Italy between entering or not entering the labour market. The present situation exacerbated by the crisis discourages people from looking for work and investing in their human capital.

Figure 27: Not in education, employment, or training (Neet), 15-29 years-old, Italy. Years 2004-2011

Source: Istat - Italian National Institute of Statistics

For comparability, another interesting indicator to consider is early school leavers (ESL) that identifies the percentage of the population aged 18-24 that has left education early without obtaining a qualification beyond 'level 3C short' in the international classification of education levels (Isced 97). Although the phenomenon is steadily decreasing in Italy, it is still a long way from the European targets: in 2011 the share of young people who gave up their studies early was 18.2 percent, higher for males than for females. As a matter of fact, the target of reducing to below 10 percent the early school leaving rate by the end of the decade according to the Lisbon Strategy has been set once again in the context of the Europe 2020 Strategy.

4.4. Labour Market

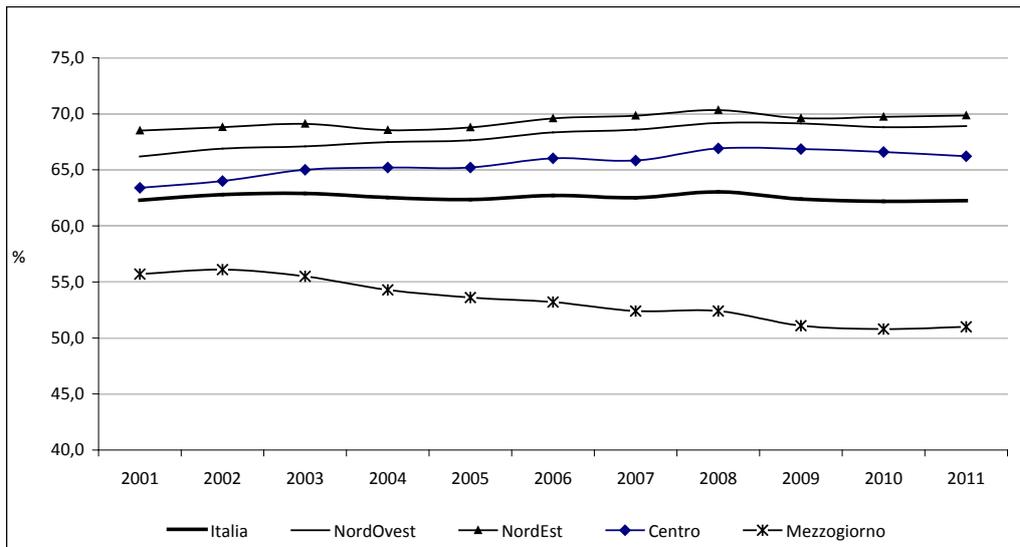
4.4.1. General characteristics of the labour market

The Italian economy is characterized by significant development differentials at local level which have considerable impact on the performance of the relevant labour markets, regardless of contingent or external factors. The South²⁰ exhibits increasingly critical market indicators compared with the North of Italy, and the North-East in particular, which instead tends to be far closer to the European Union parameters. Since 2008 the economic recession has widened this gap further, both in terms of labour-market participation and in terms of employment and unemployment, especially among young people.

The activity rate did not change particularly over the last decade, remaining between a minimum of 62.2% and a maximum of 63.0% (Figure 28). On observing the local evolution of these parameters, it is evident that the differential between the North-East and the South became wider, jumping from 12.8 percentage points to 18.8 points. Over this period the labour-market participation rate of the North-East increased, albeit moderately (from 65% to 69.8%), while the South's indicator fell from 55.7% to 51.0%.

²⁰ South = South (ITF) + Islands (ITG), by NUTS1 codes.

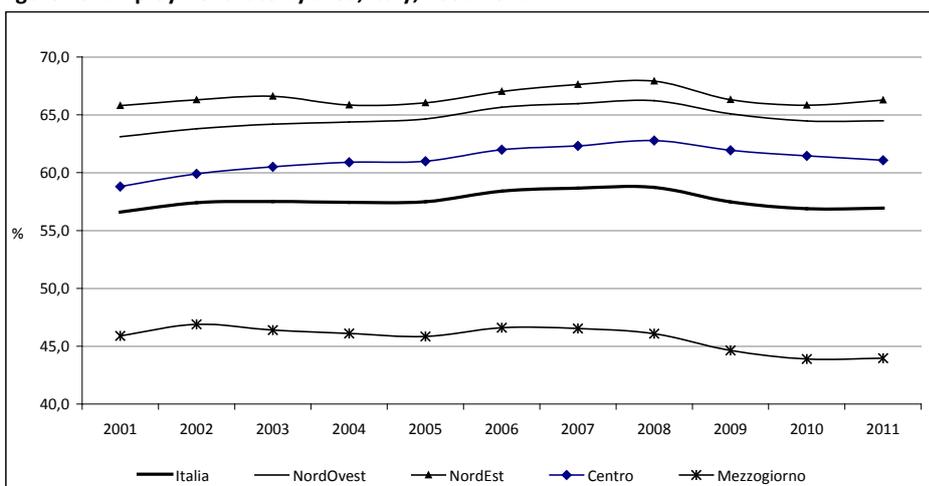
Figure 28: Activity rate by area, Italy, 2001-2011²¹



Source: Istat

Over the last decade, the Italian employment rate slightly increased until the onset of the economic crisis, when it started to decline, finally returning to the values of the early 2000s (56.9%). However, this fluctuation did not exceed one or two percentage points. The labour markets of the northern regions had similar performance patterns whereby the employment rate slightly increased until 2008 and then remained at a level that was nevertheless higher than early in the decade. In particular, the employment rate in the North-East rose from 65.8% in 2001 to 67.9% in 2008, and then fell back to 66.3% in 2011. The South, instead, was already far from these results in the early 2000s, with an employment rate of 45.9%, and a fluctuation around this level until 2008, when the impact of the economic crisis progressively affected the percentage, causing it to decrease to 44.0% in 2009. Hence, over this period, the employment differential between the North-East and the South became markedly wider, from eleven to thirteen percentage points.

Figure 29: Employment rate by area, Italy, 2001-2011

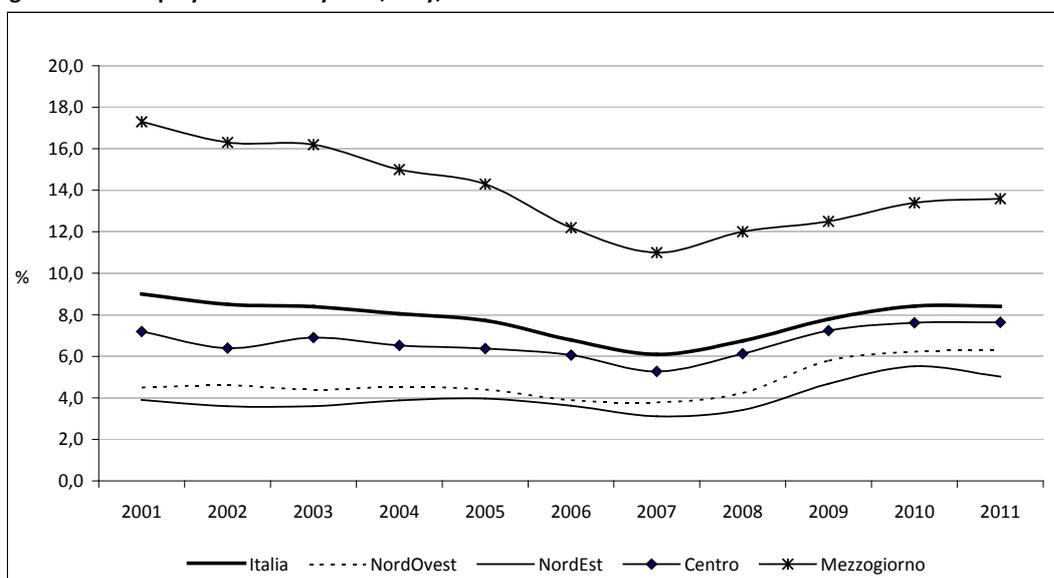


Source: Istat

²¹ For the years before 2004, ISTAT has represented the figures with statistical models due to the change from quarterly data collection to ongoing data collection.

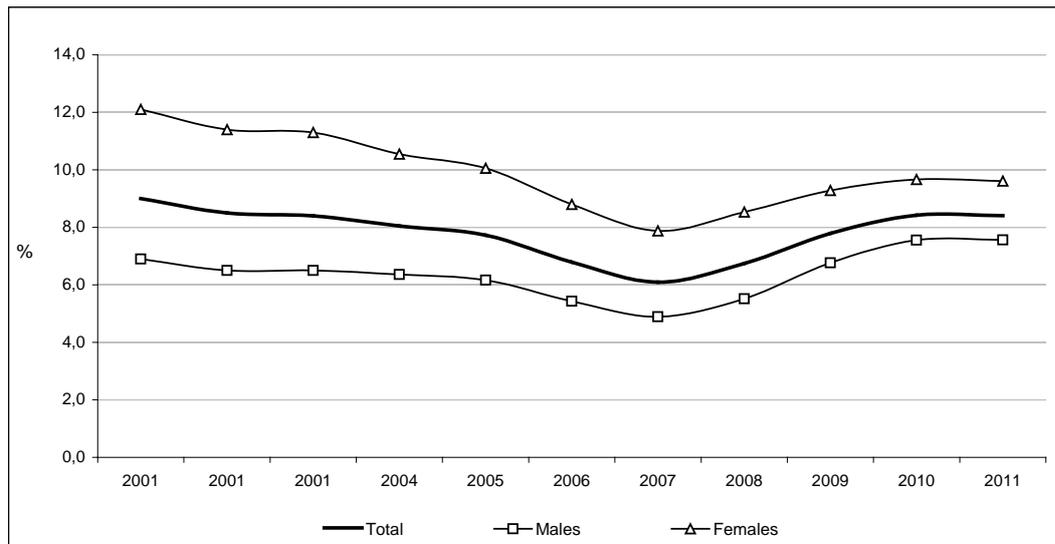
The employment and unemployment indicators highlight the distance between the country's macro areas even more sharply. Also as far as unemployment is concerned, the South is in more unfavourable circumstances than the rest of the country, even though the differential in terms of unemployment rate, compared to the North-East, tends to decrease over time, falling from 13.4 percentage points in 2001 to 5.7 in 2011 (Figure 30). Despite the economic crisis, over the decade the southern unemployment rate fell from 17.3% to 13.6%. Also because of the rapid decrease of the rate recorded in this area before the economic crisis, the unemployment indicator at national level fell from 9.0% in 2001 to 6.1% in 2007, and then rose back to 8.4% in 2010, maintaining this level also during the following year. Instead, the North-East started with an unemployment rate of 3.9% in 2001 and recorded its most modest figure in 2007, but then dodged the effects of the crisis by rising back to 5.5% in 2010. This is also the only Italian area which, by a mere half percentage point, significantly recovered from unemployment.

Figure 30: Unemployment rate by area, Italy, 2001-2011



Source: Istat

The economic crisis, with its impact on the labour market, is the factor that has most strongly affected the unemployment level. In fact, since the early 2000s the Italian labour market has recorded a steady fall of the unemployment rate, interrupted in the period of crisis by the difficulty of entering the market for the unemployed, and above all of re-entering it for people who had lost their jobs. In this regard, however, the gender differential exhibits structural trends that were not underlined in the recession period. In fact, over the decade, and then also over the past few years, women have recovered considerably in terms of unemployment. This recovery reduced the gap between the female and male unemployment rates from 5.2 percentage points in 2001 to 2.0 in 2011. Nevertheless, to be noted is that the economic standstill in Italy, especially in the first year, affected the industrial sector much more than the services sector, with the consequence that unemployment affected men more than women. Over the decade, the female unemployment rate decreased from 12.1% to 9.6% whereas the male one increased from 6.9% to 7.6%.

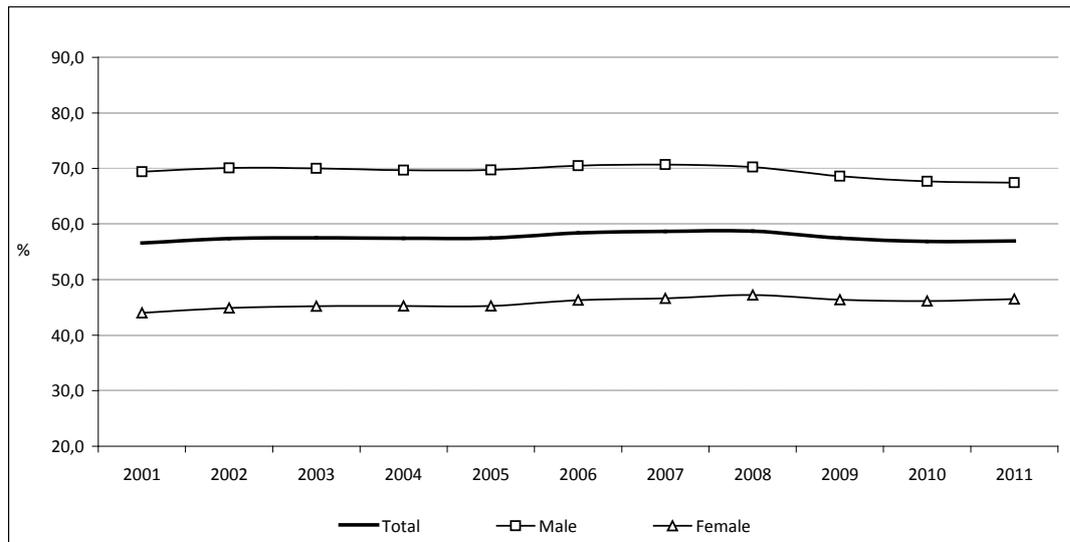
Figure 31: Unemployment rate by gender, Italy, 2001-2011

Source: Istat

Another distinctive feature of the Italian labour market is the gender differential which penalizes women. In fact, more than in other countries, Italian female labour-market participation has always been bound by a number of factors, among them the trade-off between family life and work, always hindered by a chronic deficit of public services dedicated to children and elderly care, as well as the reluctance of private businesses to programme part-time work schedules.

The differential in the participation rate of males and females was crucial throughout the decade, even though it gradually decreased. Compared with a figure at national level that remained relatively stable during the entire period at around 62.5%, males recorded a decrease in their activity rate from 74.6% in 2001 to 73.1% in 2011. At the same time, female labour-market participation grew from 50.1% to 51.5%. However, despite this convergence, also favoured by the economic crisis which spurred many women to enter the labour market, the gender differential was still significant: in 2001 it equalled 24.5 percentage points, and in 2011 it fell to 21.6 points.

In this context, employment exhibited a similar trend, and the relevant rate for males fell from 69.4% in 2001 to 67.5% in 2011, whilst for women the indicator rose from 44.0% to 46.5%, with a very slight downturn during the first two years of the crisis, which was then partially recovered in 2011 (Figure 32). The fact that the Italian employment rate remained fairly constant over the last decade is due to these contrasting performances, with women recovering their initial disadvantage even during the crisis, which most affected male labour. However, also considering this aspect, the gender differential, which diminished from 25.4 percentage points in 2001 to 21.0 in 2011, still remained substantial.

Figure 32: Employment rate by gender, Italy, 2001-2011

Source: Istat

It should also be noted that the obstacles encountered by labour markets over the past few years have had an impact on unemployment that has differed in terms of gender, and above all in terms of the age of the population affected. However, it is undeniable that the youngest and most unstable workers have suffered the most unfavourable conditions. In fact, once they have lost their jobs, they have had to struggle more to re-enter the labour market compared with adult workers, who could instead rely on specific schemes to guarantee jobs and income (besides labour market policies or other special policies). Comparison between the performances of the overall unemployment indicator and that for young people highlights the specific difficulties that the youngest workers have encountered since the onset of the crisis. Whilst over the decade the overall unemployment indicator showed a recovery after a long and gradual decrease, almost returning to the figures of the early period, the unemployment of young people increased dramatically after 2007, reaching a more significant level than ten years before: 29.1%, that is, six percentage points higher.

The factors of difficulty that characterize this part of the population tend to combine to produce an intricate series of situations in the labour market which are particularly critical for young women in the South, whose unemployment rate is 40 percentage points higher than that of young males (aged 15 years and over) in the North-East.

4.4.2. Integration of immigrants into the labour market

As already stated, the immigration phenomenon in Italy is relatively new compared to the histories of other countries in Europe. In fact, Italy has always been the homeland of numerous emigrants to other European countries, but also to America and Australia.

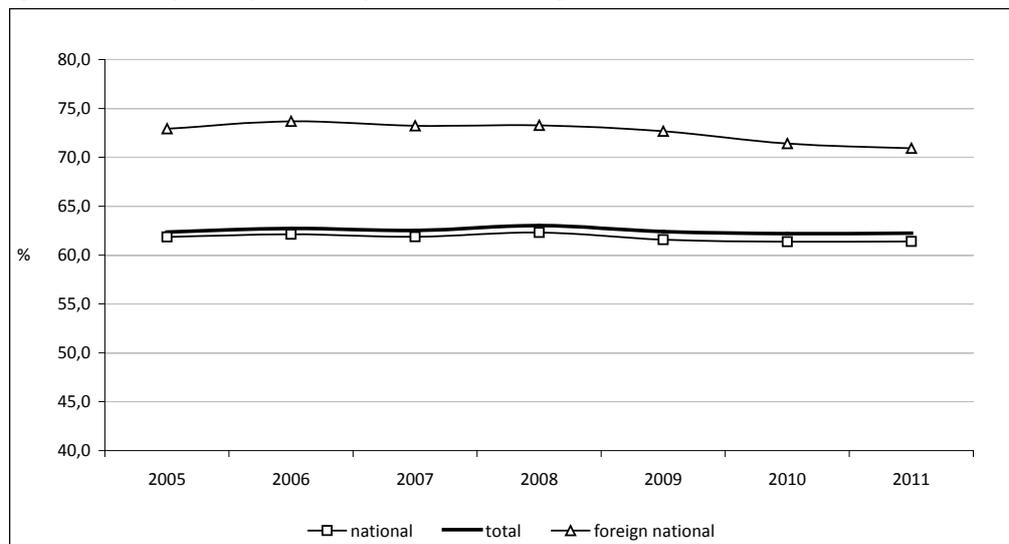
At the end of the 1990s, when the number of foreigners amounted to over a million (840.000 of them present in the country for work), the levels of the foreign presence in Italy became so statistically significant as to impact on the economic system and the labour market.

Before 2004, the data on foreign workers derived from different sources which were not organized and mainly of an administrative nature. Therefore all the limitations due these factors should be taken into account (Reyneri 2004). However, some features of foreign labour can be identified regardless of the quality of the data and the accuracy of the sources. The presence of foreigners in Italy, especially in the early 2000s, is undoubtedly explained by the search for employment. Even

though over time also family reunification has become a frequent reason for immigration, the chance of obtaining a job remains the main driver of migration flows, and more recently has also slowed them down due to the crisis, which has made work a less available resource.

The need for work, the reduced number of elderly people, and the reluctance of young people to commit to long study careers determine a strong tendency in the foreign population to access the labour market. This tendency appears far stronger than in the overall population. Already in 2005²² the participation rate of foreigners was around 72.9%, that is, 11 percentage points higher than the rate for the Italian population (61.8%). This differential remained stable until 2008, when the crisis started to affect immigrants as well, reducing the rate to 70.9% in 2011 and the differential to 9.5 points.

Figure 33: Activity rate by nationality (Italians and foreigners), 2005-2011



Source: Istat

The employment of foreigners is higher than that of the locals. The immigration of labour is well integrated into the labour market and immigration therefore will remain. The argument that migrants are willing to accept much worse conditions and deskilling and there is intense networking, these factors all suggest that immigration will further continue and it is going to be stabilized.

Also the foreign population is affected by the varying performances of the regional labour markets, so that participation in the Southern regions appears to be much lower than the Italian average (about seven points lower over the period considered), in particular compared with the North-West, which managed to maintain a rather stable performance also after 2008. As for gender differences, foreign participation reflects the overall rate, showing a convergence between the two genders which in 2005 recorded a differential in favour of males by nearly 30 percentage points (87.5% against 58.0%), but then decreased to 25 in 2011.

Also the foreign employment rate is higher than the Italian one (8.4 points in 2005) and remained stable throughout the period, even though the differential has decreased in the years of the crisis, when foreign workers have found it more difficult to keep their jobs or to find new ones.

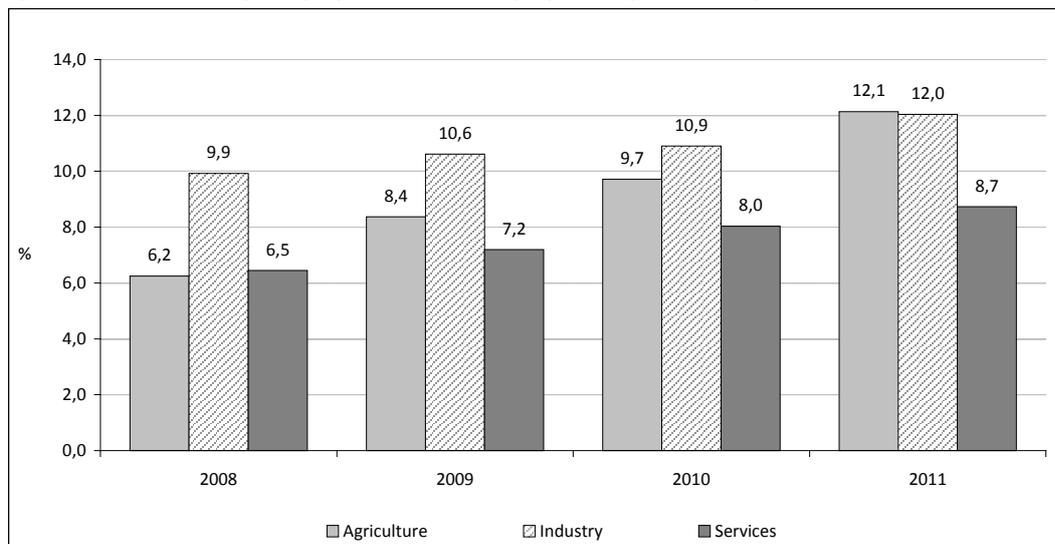
2008 was the first year of crisis, and also the year in which the foreign unemployment rate (8.5%) grew closer to the Italian one, being only 1.9 percentage point higher. In the following year, indeed,

²² 2005 is the first year in which ISTAT made detailed data on foreign labour available.

the indicator increased drastically, reaching over 11% and 12% in 2011, while the differential with the Italian indicator was more than four percentage points.

In general, the condition of gradual weakness of foreign labour has been due to a number of factors that still distinguish it from Italian labour. Firstly, the type of work is often unskilled or low-skilled, so that foreign labour is more vulnerable to market fluctuations because it is strongly demanded in periods of positive economic cycle (and also in the early stage of the crisis), and is weak during periods of deep recession when the greater adaptability of foreign workers is no longer able to offset the lack of work. Furthermore, the greater concentration of foreign labour in industry is another key factor, since this has been the sector most affected by the crisis, whereas services have suffered a milder impact, and have therefore lost less employment.²³

Figure 34: Share of foreign employment in total employment by sector, Italy, 2008 - 2011



Source: Istat

Finally, the data contain no mention of undeclared employment, which in times of crisis tends to attract a higher number of workers, especially foreigners, who used to work regularly prior to the crisis (probably the same type of work that they carry on irregularly). In this regard, it should be noted that, over time, Italian governments have attempted to reduce foreign undeclared employment by means of repeated regularisations (six in a period of twenty years) which have identified a significant number of workers who were statistically unknown. As Sciortino (2009) underlines, these mass regularisations represent the most visible instance of “remedial actions” taken by Italy to manage immigrant labour after governments have failed to implement effective programmes for the regular entry of foreign workers.

The regularisations have been utilized in the past few years especially to regularise positions in the context of domestic work. In fact, there is a high demand for domestic labour because families have to cope with the lack of dedicated public services, and the crisis has not yet affected this category of workers.²⁴

²³ As far as agriculture is concerned, foreign labour is underestimated by ISTAT due to the fact that Labour Force Survey only covers residents, whereas seasonal agricultural work is often carried out by non-resident foreigners who enter Italy only for the time strictly necessary, and then go back to their homelands. This occurs especially in the North-East because of its relative proximity to the Eastern European countries.

²⁴ An essential aspect of the Italian welfare regime is the key role mandated to families for the welfare of their members. As Sciortino (2004) states, the Italian migration system is difficult to understand without considering the structural tension

Instead, as regards regular work, the particular inter-professional and territorial mobility of immigrants has increasingly enabled them to remedy the lack of employment by setting up new independent businesses. Between 2005 and 2010 the number of foreign entrepreneurs nearly doubled, reaching almost 229.000. However, this phenomenon can be observed only in some areas: in fact, nearly 80% of foreign businesses are concentrated in the northern and central regions of the country. The most receptive sectors are the retail trade and construction.

As for the instruments with which foreigners find employment, the channel most utilized in Italy is informal intermediation. In fact, more than 70% of the employed population relies on information from relatives, friends and acquaintances, and this concerns both men and women.²⁵ The figure rises to above 80% for certain foreign communities like the Chinese, Ukrainian and Philippine ones. The efficiency of networking can even extend beyond the community in Italy and call compatriots from the source country, thus often determining trends of professional specialization. Conversely, formal intermediation (public employment services and private intermediation agencies) is far less frequently used: together with the use of vocational training services it involves about 12% of foreigners in the first two years of their stay. These are instruments that are usually considered only after the informal channel has been tried. In terms of geographical areas, the use of services to seek employment is more infrequent in the South because of an overall more limited supply of such services, and probably also because of a larger presence of irregular residents, who obviously cannot access these institutional services.

The public services most used by foreigners who intend to enter the labour market are the specific job placement services, and they are mostly consulted by the Filipino community (13.8%) and the Polish community (14.8%). The vocational training services especially attract workers attempting to enter the labour market with specialized skills, such as the nursing of disabled or elderly people. This most concerns the Ecuadoran community, with 11% of individuals confirming the use of vocational training services. Attendance on Italian language courses is often a preparation for obtaining employment: again the Filipino and Polish groups are the most interested in these services.

Another issue regarding the integration of foreign workers, and which is common to other countries of Southern Europe, is the match between the type of work and the professional skills required for it, which appears less important for foreign workers than Italian ones. This gives rise to the problem of the over-qualification of foreign workers, who usually have unskilled jobs even though they often have average-to-high qualifications. According to ISTAT data, less than one quarter of employed foreign workers declare a match between their jobs and their qualifications, whereas amongst Italian workers the figure is two thirds. This percentage, however, is closely linked to the qualification and type of work. In fact, the perception of having a job consistent with one's qualifications grows to 57% in the case of foreigners with a diploma or university degree in technical subjects (informatics, nursing, accountancy, etc.).

To be noted is that the level of education of foreign workers in Italy is not too distant from that of Italians. In 2011, more than half of employed foreigners aged between 15 and 64 had an upper-secondary school diploma (46.1%) or a university degree (10.3%).²⁶ Amongst Italians, the figures are respectively 47.6%, 18.3% and 34.1%. However, the foreigners employed in skilled professions in 2011 amounted to only 6.6% compared with 37.2% of Italians. The segregation in low-skilled jobs is also due to the crisis, which has increased the dualism between Italian and foreign workers. Still in 2011 the 'over-education' issue affected 42.8% of foreign workers and only 21.2% of Italian ones. This is also a differential that does not tend to decrease in time.

between the welfare system – largely designed according to the male breadwinner model – and the social consequences of the growth of female participation rates in the labour market.

²⁵ "L'integrazione nel lavoro degli stranieri e dei naturalizzati italiani", Istat, 14 December 2009. These data were collected with an "ad hoc module" of the Labour force survey in the second quarter of 2008.

²⁶ "Il ruolo degli immigrati nel mercato del lavoro italiano", CNEL, 19 November 2012.

Also the recruitment forecasts for 2011²⁷ indicated that the demand by immigrant workers for low-skilled jobs was higher than that of Italian workers: 66.7% against 40.8%, which confirms the above-mentioned dualism. These dynamics indicate that the low levels of competition between Italian and foreign workers are to be found in the low-skilled occupations and mainly regard the chances of finding a job for a worker without one.

According to estimates²⁸ about the future, Italy is likely to observe a demographic growth of the foreign population (+60%) which will exceed employment growth (+45%), with a consequent increase in unemployment and a worsening of the occupational indicators. However, the country's current situation of weakness makes long-term forecasts rather uncertain.

4.4.3. Effects of emigration on labour markets

It may be that the 'brain drain' during the 2000s has been undervalued in Italy. Educated nationals leaving their mother country to find work abroad is obviously not only an Italian phenomenon. What distinguishes Italy from its peers among the developed countries is not the absolute number of its exiled graduates (for example in 2005 more left Britain, France and Germany than Italy), but the fact that Italy has a net 'brain drain' for graduates which is more typical of a developing economy. In other words, the number of highly-educated Italians leaving the country exceeds the number of educated foreigners entering it.

Considering the changes of residence to other countries by Italian citizens in recent years, the share of graduates has considerably increased, rising from 11.9 per cent in 2002 to 27.6 in 2011 (Table 3). The same increasing trend has been observed in regard to Italian graduates returning to their country of origin. The proportion of people with an upper-secondary diploma is higher among registry office cancellations than among inscriptions.

Table 3: Changes of residence to other countries by Italian citizens (aged 25 and over) per level of education. Years 2002-2011

Year	Inscriptions				Cancellations			
	Total	Pre-primary and primary school (%)	Secondary school (%)	University degree (%)	Total	Pre-primary and primary school (%)	Secondary school (%)	University degree (%)
2002	35,394	66.7	19.7	13.7	29,240	51.0	37.1	11.9
2003	36,419	66.8	19.8	13.4	33,912	51.5	36.8	11.8
2004	34,262	62.3	24.7	13.0	33,778	56.4	31.4	12.2
2005	28,818	58.7	24.8	16.5	35,163	51.5	31.0	17.4
2006	28,717	61.3	21.7	17.0	38,580	50.4	29.0	20.6
2007	27,540	59.3	22.3	18.4	30,174	41.7	33.2	25.2
2008	23,621	52.3	24.5	23.3	32,387	40.5	33.5	25.9
2009	21,502	54.1	25.2	20.6	31,397	42.6	33.6	23.8
2010	20,269	52.4	24.8	22.8	30,742	38.3	34.8	26.9
2011	22,209	48.0	26.1	25.9	38,563	37.9	34.5	27.6

Source: Istat - Italian National Institute of Statistics

²⁷ Excelsior information system, 2011.

²⁸ Cedefop Skills Forecast, 2012. Growth forecasts from 2010 to 2020.

Among the main destination countries, the share of graduates appeared particularly high in the case of Italians changing their residence to go to China, Brazil, the United States of America, and the United Kingdom.

Table 4: Changes of residence to other countries by Italian citizens per main destination countries and level of education. Year 2011

	Total		Graduates		% graduates
	absolute values	%	absolute values	%	
Germany	4,920	12.8	1,169	11.0	23.8
Switzerland	4,548	11.8	1,254	11.8	27.6
United Kingdom	4,141	10.7	1,263	11.9	30.5
France	3,636	9.4	1,007	9.5	27.7
United States of America	2,841	7.4	896	8.4	31.5
Spain	2,546	6.6	653	6.1	25.6
Brazil	1,743	4.5	550	5.2	31.6
Belgium	1,114	2.9	324	3.0	29.1
Argentina	903	2.3	187	1.8	20.7
Australia	722	1.9	178	1.7	24.7
Venezuela	404	1.0	101	0.9	25.0
Netherlands	709	1.8	219	2.1	30.9
China	651	1.7	217	2.0	33.3
Other countries	9,685	25.1	2,617	24.6	27.0
TOTAL	38,563	100.0	10,635	100.0	27.6

Source: Istat - Italian National Institute of Statistics

By contrast, many of Italy's developed-world counterparts are involved in 'brain exchanges': as British computer scientists disappear to Silicon Valley, so Spanish medical researchers find work in Britain, for example. Recent governments have attempted to lure back exiled academics: the last time in 2009 with tax breaks. But this maybe misses the point. There are different reasons for the decision to quit the country of origin. One is Italy's scant investment in research and development (the lowest among the European Union's 15 pre-2004 members). Another may be the important and difficult problem of academia in Italy that has been termed its "non-transparent recruitment system".

5. OUTLOOK AND CONCLUSIONS

This Country Report has shown that immigration into Italy is not an emergency. Rather, it is a highly complex process deep-rooted in the country's socio-economic conditions and the demographic changes of recent decades. After the economic boom of the post-war period and the socio-demographic transformation of the Italian population, entries by foreign citizens into Italy significantly increased in number. From the 1970s onwards, Italy progressively changed from being a country of emigration to one of immigration (although outflows of Italians – often well-qualified young people moving to highly-developed countries – are still substantial today).

The data set out in the Report well illustrate these changes in the medium-long period. They have been interpreted in light of changes in the Italian legislative and political context, while at the same time salience has been given to the impact of international and European regulation. To be emphasised is that immigration into Italy is a relatively recent phenomenon which is difficult to quantify and measure in all its dimensions. Scientific knowledge about the foreign population in Italy is still lacking in certain respects, and statistics are not always promptly available. These shortcomings are most evident in the case of the irregular component of immigration; but they are also apparent when the focus is extended from the foreign population to encompass the population with foreign backgrounds. Nevertheless, now available in Italy is a body of research and studies sufficient for the features of the population of foreign origin to be determined with a certain degree of precision. And the official statistics of recent years have contributed considerably to description of migratory processes in Italy, in regard to both their contents and geographical details.

To be stressed is that the most recent data exhibit the effects of the economic downturn which began in 2008. This applies to both inflows and outflows. Also in Italy, in fact, after years of sustained growth of entries by foreigners, immigration levels are diminishing, while those of emigration are increasing. At the same time, the occupational situation of immigrants settled in Italy has deteriorated; and it has done so to a much greater extent than among natives (which is also explained by the high concentration of foreign labour in the construction industry, which is very vulnerable to economic recession).

Analysis conducted, in light of Italy's current socio-economic circumstances, of the most recent trends in migratory flows and the socio-economic integration of immigrants must necessarily consider the future prospects of immigration policies.

In this regard, the Report has first highlighted that policy-makers should take careful account of economic and demographic factors in both the short and medium-long period. Suffice it to recall that the demographic dynamic over the next few years foresees a substantial decrease in the labour supply by Italian citizens which will be only partly off-set by the foreign supply.

Secondly, the Report's analysis of the history of government immigration policies highlights the persistent inadequacy of immigrant entry procedures in regard to achieving a satisfactory match between labour demand and supply (consider, in particular, the demand for care and assistance expressed by Italian families). To be emphasised in this regard is that Italian immigration policies must become more efficient in modulating entries according to the needs of the labour market and its real capacity to absorb additional supply (also considering the recent increase in unemployment among immigrants already present in Italy). This would facilitate the access of foreign labour to the jobs market, and it would discourage illegality – still a particularly difficult issue in Italy.

A further aspect that warrants attention is high-skilled immigration. The recognition of foreign qualifications is a tortuous process in Italy, and the regulations on the matter are among the most complicated in Europe. This strongly impedes the circulation of skilled workers, with harmful impacts on the country's economic and technological development. Simplifying and streamlining the procedures would release the innovation impetus that immigrants can impart to Italy.

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