

# INEQUALITIES IN ITALY

## SOCIAL FRAGMENTATION, REGIONAL DIFFERENCES, PERSISTENT GENDER AND RACIAL DISCRIMINATION AND THE POWER OF ORGANISED CRIME CALL FOR A NEW EQUITABLE SOCIAL MODEL

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### Income and Wealth

Inequality has intensified in Italy in the past ten years. The gaps between the rich and the poor have widened and there are more people in extreme poverty.

Lower income groups do not appear to have benefited from the sluggish economic recovery of recent years. Nationally, the proportion of families living in extreme poverty has nearly doubled to 6.9% (2017), with the worst figures (10.3%) being recorded in southern Italy.<sup>1</sup> Average net wealth per capita has declined to €87.451 from €88.625 in 2014. 20.3% of the population, about 12,235,000 people, are at risk of poverty (2017).<sup>2</sup> In 2018 the wealth of the 21 richest Italian billionaires listed by Forbes was equal to the all the assets held by the poorest 20% of the population.

### Intergenerational inequality

Inter-generational inequality has also deteriorated: for the first time since the beginning of the twentieth century, individuals aged between 25 and 40 will be worse off than their parents, in spite of the fact that they are the best educated generation in the history of Italy.

### Gender

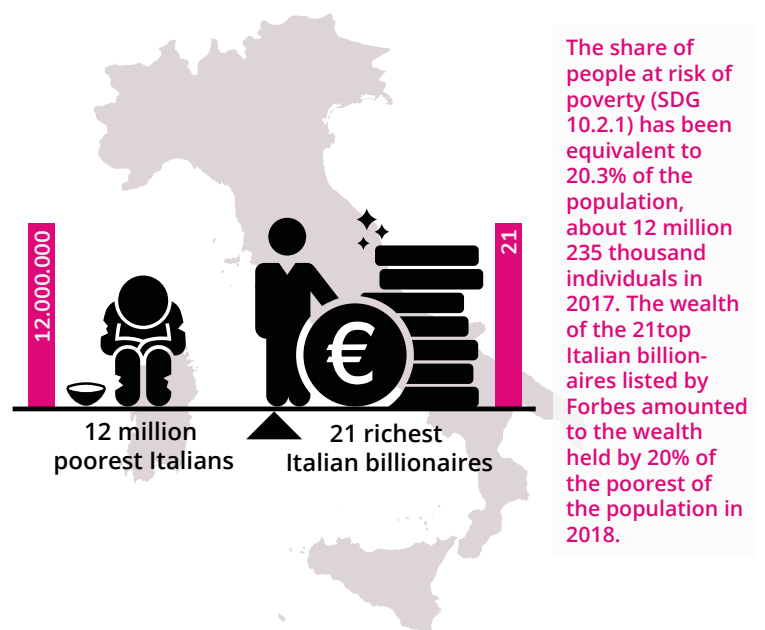
Gender inequalities are persistent: only 38.7% of young women with a high school diploma are employed, compared to 50.8% of men; only 43.3% women receive an income from work (employed or self-employed) compared to 62% of men – the difference of 18 points is the third highest in the EU after Malta and Greece. There are sharp differences between northern and southern Italy: the female employment rate in the north of 59.4% is close to the EU average while that of the south, 32.3%, is far below.<sup>3</sup>

85% of single-parent families in conditions of extreme poverty are headed by a female wage-earner. Employed women earn 24% less than their male counterparts and self-employed women earn 44% less (2014).<sup>4</sup>

### International Cooperation

In 2018 ODA in Italy was 0.24%<sup>5</sup> - a decline from 0.3%<sup>6</sup>, with nearly a third of total ODA being spent on refugees within Italy. Only 0.06% of Italian ODA was spent in Least Developed Countries.

### POOR VS RICH IN ITALY



Source: ISTAT and Oxfam Italy

## Regional differences

All these indicators are worse in southern Italy. The historical divide between the *Mezzogiorno* and the North remains deep and structural. Other geographical inequalities are also important, between rural areas and small villages and urban centres. Territorial inequalities go hand in hand with environmental ones, especially in areas where weaker social groups are more exposed to agricultural and industrial pollution. Several locations are affected – the most notorious being Taranto with the pollution of the steel plant ex-ILVA and Terre dei Fuochi (Land of Fires – waste-burning areas in Campania region). Migrants and minorities, such as Roma people, experience daily discrimination.

## Causes

Today's inequalities are the consequence of political decisions which have brought about radical changes in the distribution of economic and social power between south and north Italy, urban and rural areas, male and female populations, new and old generations, trade unions and companies and within companies. The weakening and fragmentation of the labour force and of the social fabric has gone hand-in-hand with the liberalisation of international trade and investment without any harmonisation of labour rights and binding regulation of multinational corporations. In the absence of a new, more equitable social model, this social fragmentation could deteriorate further as digitalisation and automation processes take hold. Other significant factors are the power of organised crime and its collusion with economic and political power, which has spread from the south of Italy to the north and beyond; a patriarchal social culture which entrenches discrimination on the basis of gender

and also leads to the tragic and sadly widespread phenomenon of femicide; the unsustainable exploitation of natural resources.

There is a growing resentment and hate towards migrants and minority groups. Policies, such as the new Security Decree, are intensifying social discrimination against migrants. There are some attempts to reduce inequalities (for example, new laws for strengthening the labour sector and for distribution of a citizens' income) but there is no systematic effort to address inequalities.

## Recommendations<sup>7</sup>

- A coherent SDG implementation plan focusing on inequalities which goes beyond simplistic redistribution measures.
- A guaranteed minimum wage with greater labour and female power.
- An inheritance tax, a tax on gifts and the establishment of a universal youth fund to transfer wealth to younger generations.
- New models of participation – wider, more democratic, inclusive of local communities and representatives of the rights of nature should be introduced to address territorial and environmental inequalities.
- Transition plans for more sustainable energy.
- Human rights and the rights of nature should be included in international trade and investment treaties.
- ODA should be increased, focusing on social and environmental investments in developing countries.
- Technological innovation should focus social and sustainable wellbeing.

To read the full national report and the comprehensive Europe-wide report with all references, please visit: [www.sdgwatcheurope.org/SDG10](http://www.sdgwatcheurope.org/SDG10)



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<sup>1</sup> ISTAT, SDGs 2018 Report. Statistic information for the 2030 Agenda in Italia. First Analysis.

<sup>2</sup> ISTAT, Income and Conditions of Family Life, 2018. It is deemed that, according to ISTAT figures, the threshold is 60% of the median income, while the SDG 10.2.1 uses 50%.

<sup>3</sup> ISTAT, Indagine conoscitiva sulle politiche in materia di parità tra donne e uomini, 2017 (Fact-Finding Investigation into policies on the subject of parity between men and women).

<sup>4</sup> Idem.

<sup>5</sup> See <http://www.oecd.org/newsroom/development-aid-drops-in-2018-especially-to-neediest-countries.htm>

<sup>6</sup> See <https://www.openpolis.it/esercizi/il-taglio-dei-fondi-per-laiuto-allo-sviluppo/>

<sup>7</sup> Put forward by Gcap Italia and Forum disuguaglianze e diversità

- Gcap Italia, see the report on SDGs in <http://www.gcapitalia.it/rapporto-gcap-italia-2018/>

- Forum disuguaglianze e diversità (Inequality Forum), see the report on 15 proposals for social justice in <https://www.forumdisuguaglianzediversita.org/proposte-per-la-giustizia-sociale/>