

# DECLINO DEMOGRAFICO, BASSA OCCUPAZIONE E IMMIGRAZIONE: IL CASO ITALIANO E LE SUE IMPLICAZIONI PER LE POLITICHE EUROPEE

LUIGI BONATTI<sup>1</sup>

Università di Trento

## **Demographic decline, low employment and immigration: The Italian case and its implications for the European policies**

*The new European Commission aims at stimulating a public debate on how to face the ageing of the European population. Furthermore, it intends to redefine the European Union's immigration policy. Finally, the Lisbon Strategy and more recently the Europe 2020 Strategy put much emphasis on raising the employment rate. These three issues are interrelated and are extremely important for Italy and the other Southern European members of the European Union. Indeed, a peculiarity of the Italian socio-economic model is the pathological coexistence of migrants undertaking low value-added activities with a large number of natives out of employment (particularly in the South). Perpetuating this model consolidates an ample underclass of poor migrants, thus fueling inequalities and social tensions. It also feeds the discontent among low-income Italians who cannot find acceptable jobs and therefore ask for assistance. The net lifetime contribution to the public finances of migrants precariously employed in badly-paid jobs is unlikely to be positive. Moreover, an abundance of migrants, largely unskilled and with a low reservation wage, favors the "lock-in" of the Italian economy along its current trajectory, characterized by relatively few technologically advanced firms. The policies advocated here should increase the natives' employment rate by making activities now undertaken by migrants more appealing, in the expectation that easier access to acceptable jobs would raise the fertility rate among young Italians. Implications for the European Union's strategy on these matters are discussed.*

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<sup>1</sup> He studied philosophy at the University of Pisa and at the Scuola Normale Superiore. His interest in the philosophy of social sciences led him to get a Ph.D. in Economics at Columbia University under the supervision of Edmund Phelps. He is currently teaching International Economics at the University of Trento. His recent works focus on the persistent anaemic growth of the advanced economies, the crisis of the Eurozone, the Chinese growth model, the Italian prolonged stagnation.