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NEVERTHELESS ATTRACTING... Italy and Immigration in Times of Crisis*

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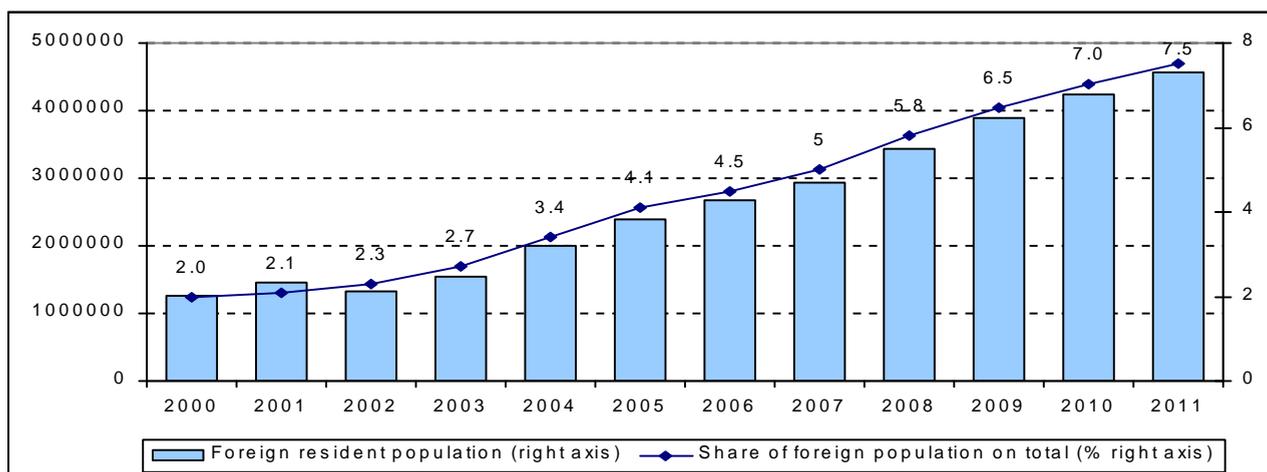
1. The impact of the crisis on migration and integration trends*

1.1 The crisis notwithstanding, stocks keep growing

Legally resident foreign population in Italy has almost tripled in the last decade, and doubled over the last five years only. Such high growth rates over such a prolonged period have probably no equivalents in Europe, but for the case of Spain. This remarkable trend has continued rather steadily during the last two years, despite the economic crisis, as shown by figures on stocks of foreign resident population in Figure 1. The economic recession has not prevented people from migrating to Italy. Throughout 2009 and 2010, inflows have only slightly decreased with respect to 2008 and continued to outweigh outflows very substantially. The positive net migration both in 2009 and 2010 has kept the stock of foreign population growing, although to a lesser extent than in 2008 (Table 1).

The steady growth in stocks, until the beginning of 2011, suggests, at a first reading, that immigration to Italy has not been strongly affected by the economic crisis so far. This is not just the consequence of a fundamental (and partly physiological) rigidity of legal migration policies, which – in Italy as elsewhere - need some time to adapt to evolving constraints. As we will see in greater details below, the persisting immigration growth is also to be connected with a persisting, although controversial and uneven, need for foreign manpower, which has convinced decision-makers to maintain legal channels relatively open also in times of crisis.

Figure 1. Stocks and shares of foreign population in Italy (January of each year).



Source: Istat, population registers.

Nonetheless, some signals of a deterioration of the capacity of the Italian economy to absorb large flows of foreign workers can be read in the uneven distribution across geographical areas of the slowdown in net migration. A strongest assessment on this point will only be available in the next

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months when updated data on migration flows in the different Italian regions will be available, however according to data for 2009, the reduction in the net migration growth rate has resulted comparatively more marked in north-eastern Italy (-38% as compared with a national average decrease of -25%), an area where immigrant labour is highly concentrated in export-oriented small and medium manufacturing firms and is therefore particularly hit by the ongoing downturn (Tab. 1).

Table 1. Net migration flows and one-year percentage change by geographical areas in Italy

| | 2007 | 2008 | 2009 | One-year % change in net migration 2007/2008 | One-year % change in net migration 2008/2009 |
|--------------|-----------------|-----------------|-----------------|--|--|
| ITALY | + 493729 | + 458644 | + 343764 | -7.1% | -25.0% |
| North-West | + 156145 | + 144775 | + 113882 | -7.3% | -21.3% |
| North-East | + 121573 | + 125960 | + 78215 | 3.6% | -37.9% |
| Centre | + 129382 | + 119710 | + 93604 | -7.5% | -21.8% |
| South | + 86629 | + 68199 | + 58063 | -21.3% | -14.9% |

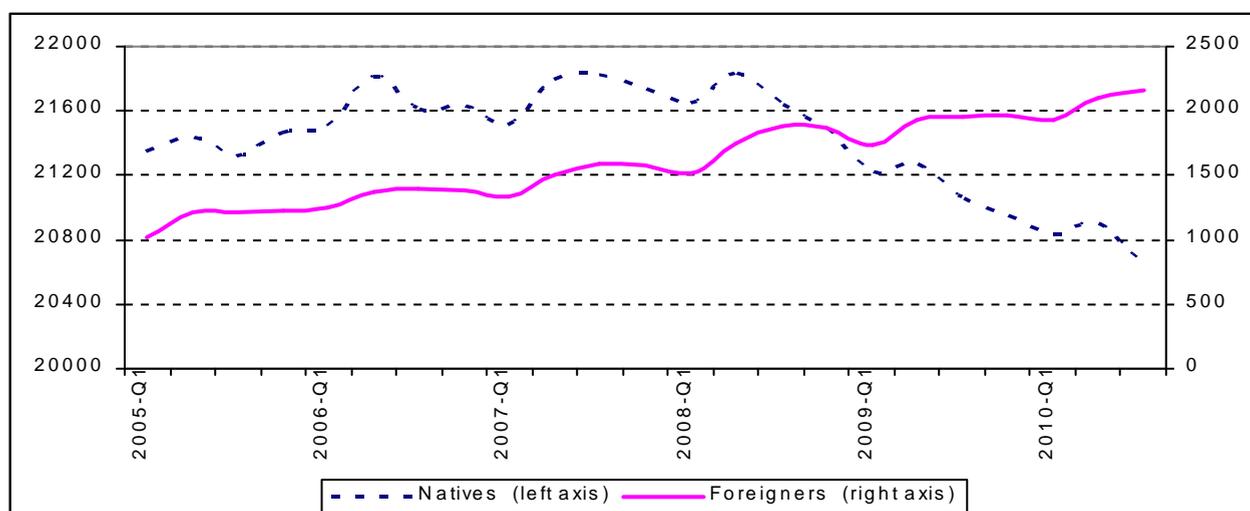
Source: Istat, population registers.

1.2. Asymmetrical impacts on the labour market: an overview

The limited impact on stocks so far, does obviously not imply that the economic downturn is not having a broader impact on migration, and in particular labour migration, which, of all types of migration, is expected to be affected most.

A comparison of trends in employment levels of foreigners and natives shows an important and unexpected feature of the Italian labour market: while native employment has declined substantially since the second quarter 2008, foreign employment has continued to grow, although at a slower pace (Figure 2)ⁱ.

Figure 2. Employment levels of natives and foreigners by quarters, 2005 Q1-2010 Q3, thousand



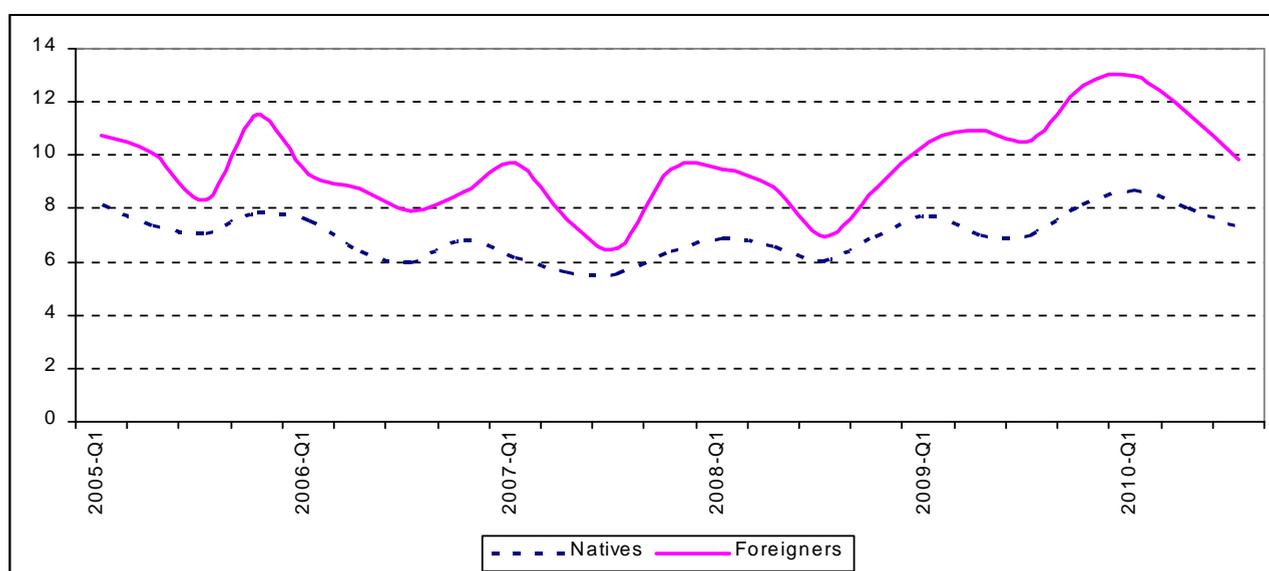
Source: Istat, Labour Force Survey.

However, on the unemployment side, the persisting and increasing gap between the unemployment rate of foreign and native workers clearly show that the economic crisis has reduced the capacity of the Italian labour market to absorb the increasing flows of foreign job seekers (Figure 3).

In the beginning of 2009, the unemployment rate of immigrant workers has – for the first time in recent years – overtaken the symbolical threshold of 10% and has reached level 13% in the first quarter of 2010, bringing the gap between natives and foreigners unemployment to the record level of 4.5 percentage points. Furthermore, seasonal foreign employment, again for the first time since many years, did not contribute to reduce this gap in the third quarter of the year span.

Since the beginning of 2010, however, the trend has reversed for both groups of workers, with foreigners' unemployment rate decreasing at a double speed than for natives (-3% against -1.5%).

Figure 3. Unemployment rate in Italy for natives and foreigners 2005 Q1-2010 Q3



Source: Istat, Labour Force Survey.

1.3 The impact on immigrants: lower than expected

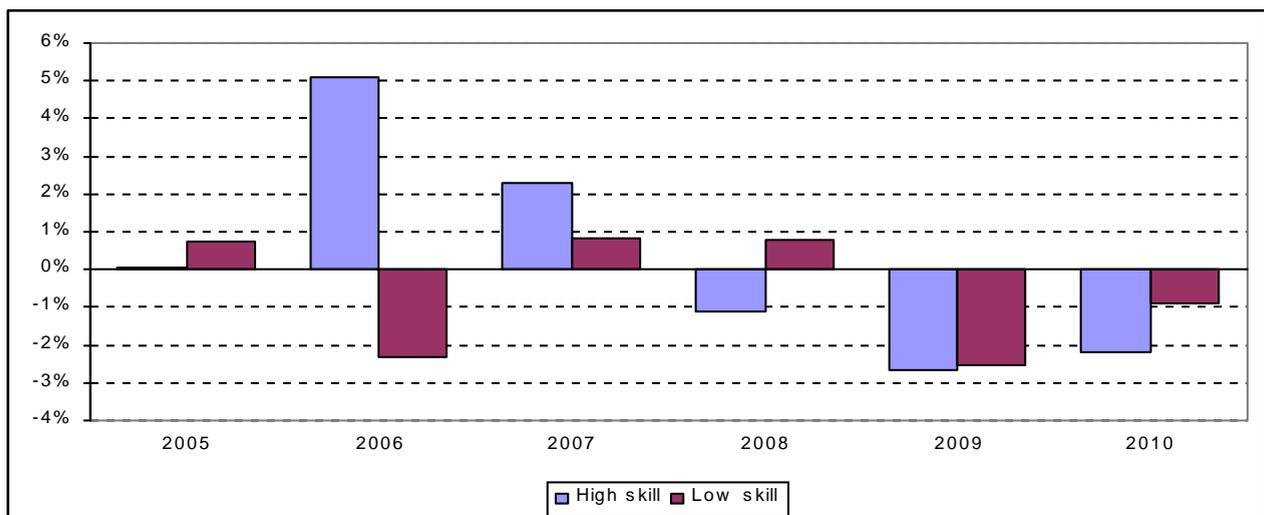
However serious is the situation illustrated by these figures, it has to be stressed that both unemployment levels among foreign workers and the gap with natives' unemployment rate remain lower than in other EU countries having also recently experienced large labour immigration. Most notably, the labour market situation of immigrants deteriorated more rapidly and deeply in a country under many respects comparable to Italy as far as labour immigration trends are concerned, such as Spain (OECD 2009, in part. pp. 17-19; for more details on the comparability of the two country cases, see Finotelli 2009; see also the chapter on Europe by F. Pastore in this volume).

In fact in Spain the gap between the unemployment rate of natives and foreigners in the third quarter of 2010 is over 10 percentage points; in the same time period in Germany and France, the foreign unemployment rate is almost double than the natives' one. In addition, many European countries have seen not only a reduction in the capacity of their labour markets to absorb foreign

manpower, but also a deterioration of immigrants' employability. In Spain, the level of foreign employment started to decline at the end of 2008 and did not recover since then. A similar situation is found in France, where the foreign employment level shows negative growth rates throughout 2009 and started growing again only in the first quarter of 2010. The effect of crisis is of course highly differentiated among EU countriesⁱⁱ, in this context Italy distinguishes itself in being the only one where foreign employment never gave up increasing in absolute levels during the whole period under consideration.

Although immigrants in Italy are extensively employed in jobs normally classified as vulnerable in case of economic crisis, such as low-skilled jobs and jobs in the construction sector, the impact of the current crisis has so far turned out to be less severe than what expected on the basis of the indicators commonly used. One important determinant of such unpredictability probably lies in the different responses that low and high skill employment opposed to the economic crisis. As a matter of fact, when considering such response patterns separately, it appears evident that high skill employment has been affected earlier and more seriously by the economic crisis than low skill employment (figure 4), indeed contributing to the different trend in foreign and native employment.

Figure 4. One-year percentage change in Italian employment by skill 2005-2010 (third quarter)



Source: Istat, Labour Force Survey.

Thus, in the Italian case and contrary to what generally assumed, concentration in low skilled jobs turned out to be more a determinant of immigrants' resilience rather than an aspect of vulnerability in times of crisis.

The peculiarity of the Italian response to the economic downturn emerges also when recent employment trends are analysed separately by sectors. The construction sector is generally addressed as one of the sectors more heavily and directly suffering the downturn. This generated a particularly worrying outlook for Southern European countries, which stand out for the strong presence of foreign workers in construction.

In Italy in 2008, at the beginning of the crisis, the share of foreign workers on total employment in

the construction sector was in fact 14.5% with respect to a lower 8.2% in manufacturing and a global average of 7.5% (Table 2).

Table 2. Distribution of foreign and native employment by sector at start of the crisis (2008) and employment variations by sectors for native and foreign workers

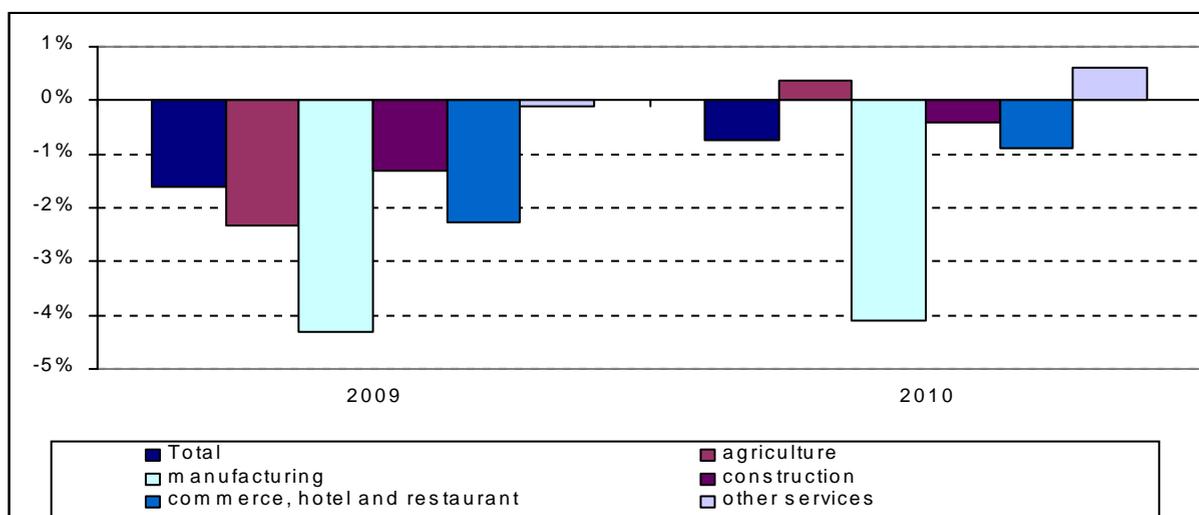
| | Incidence of foreign workers on total employment in 2008 | One-year % change in native employment | | One-year % change in foreign employment | |
|----------------------------------|--|--|-----------|---|-----------|
| | | 2008/2009 | 2009/2010 | 2008/2009 | 2009/2010 |
| Total | 7.5% | -1.6% | -0.8% | 8.4% | 8.5% |
| Agriculture and fishing | 6.6% | -2.3% | 0.4% | 29.8% | 14.9% |
| Manufacturing | 8.2% | -4.3% | -4.1% | -1.3% | 0.0% |
| Construction | 14.5% | -1.3% | -0.4% | 9.3% | 11.4% |
| Commerce, hotels and restaurants | 6.7% | -2.3% | -0.9% | 3.1% | 9.2% |
| Other services | 6.3% | -0.1% | 0.6% | 14.4% | 10.9% |

Source: Istat, Labour Force Survey.

However, in Italy, as shown by figure 5, the economic recession has primarily reduced employment in the manufacturing sector (about -4% loss in employment in both 2009 and 2010), while the construction sector has limited its losses to -1.3% in 2009 and -0.4% in 2010. This may contribute to explain why foreign employment has been comparatively less affected than that of natives.

Thus, in this respect the experience of Italy is substantially different from that of Spain, although the two countries have often been singled out as the main representatives of a hypothetically distinct “Mediterranean model” with regard to migration (most recently, see Arango et Al., 2009). In the case of Spain, in fact, also due to the fact that the crisis was triggered with a collapse of the housing sector, with the burst of the notorious *burbuja*, immigrants have indeed been dramatically hit by employment losses in this sector.

Figure 5. One-year percentage change in employment by sector (third quarter)



Source: Istat, Labour Force Survey.

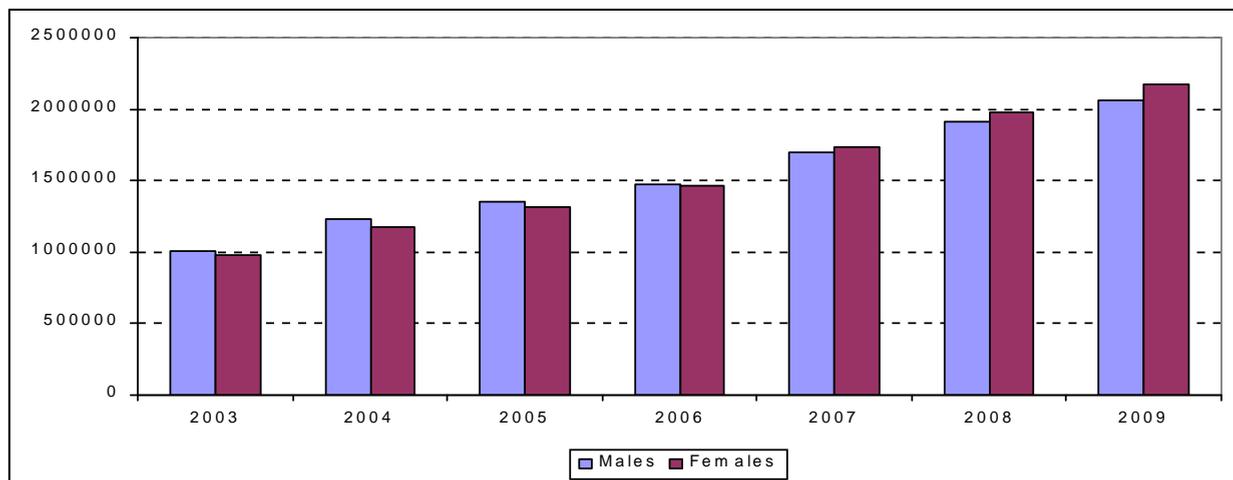
In addition, in the Italian case, it turned out that the recession affected differently natives and foreigners, also within the same sector, with foreign workers reacting better than natives overall. In particular, in the manufacturing sector (Table 2) the immigrant component was reduced only in 2009 and by a limited -1.3%, with respect to a reduction in the native component of more than 4% in both years 2009 and 2010.

1.4 Gender asymmetries: Another Italian peculiarity?

We have highlighted above the peculiarity of the response of foreign employment to crisis in Italy. But the aggregate picture does obviously not tell the whole story. Disaggregation of figures by gender provides essential additional insights.

Since several years, Italy is going through a phase of gender rebalancing of its fast growing immigrant foreign population. Such trend has two main causes: a) a constantly expanding wave of formal family reunions (but also of unauthorised family regroupments); b) a substantial increase in the phenomenon of autonomous female migration (with female migrant workers as first migrants) addressed mostly to the home- and health-care sectors (for an updated and comprehensive overview, see Catanzaro and Colombo, 2010). The combined effect of these two phenomena has been an ever more marked feminization of immigrant population in Italy, with the female component overcoming the male component since 2007 (see Figure 6). It has to be stressed, however, that such overall demographic rebalancing “hides” very deep and persisting differences in the gender balance among national communities.

Figure 6. Gender composition of legally resident foreign population in Italy 2003-2010.

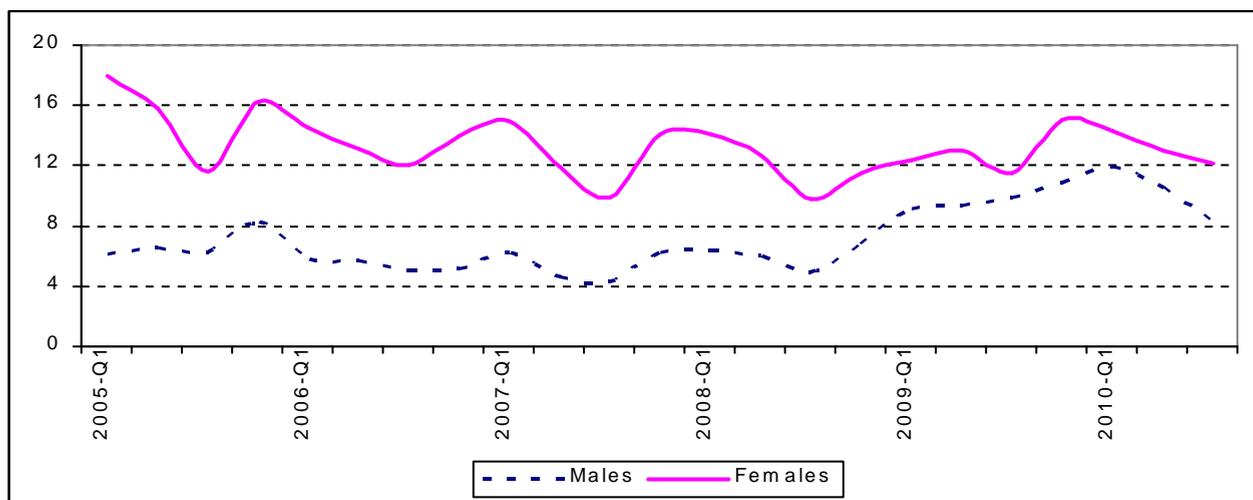


Source: Istat, population registers.

This trend towards feminization contributes to explain the way in which the crisis is hitting immigrant employment. Data on employment rates by gender, in fact, show a less heavy occupational impact of the crisis on female workers (Figure 7). As a matter of fact, although starting from much higher levels, foreign women’s unemployment rate has been soaring less than men’s. Such gender asymmetry in favour of female workers is rather peculiar in the European context and might be a consequence of the high concentration of female immigrants in the homecare and

healthcare sectors, which has been less exposed to the oscillations of economic contingency (Figure 5). The reduced purchasing capacity of Italian families, however, does not allow to rule out that, should the crisis have a “long tail”, this comparative advantage of female foreign employment will be eroded in the future months. In other words, crisis-hit Italian families have until now cut selectively on more superfluous expenses, but if the crisis bites deeper, even care expenses could be negatively affected. It is premature now to conclude that the slower reduction in the unemployment rate among females with respect to males and the corresponding widening of the gap between the two, as shown by Figure 7 in the first three quarters of year 2010, can indeed be ascribed to an asymmetrical impact of the crisis, as suggested above.

Figure 7. Foreign unemployment rate by gender in Italy 2005 Q1-2010 Q3



Source: Istat, Labour Force Survey.

1.5. How do migrants respond to the crisis: First evidencesⁱⁱⁱ

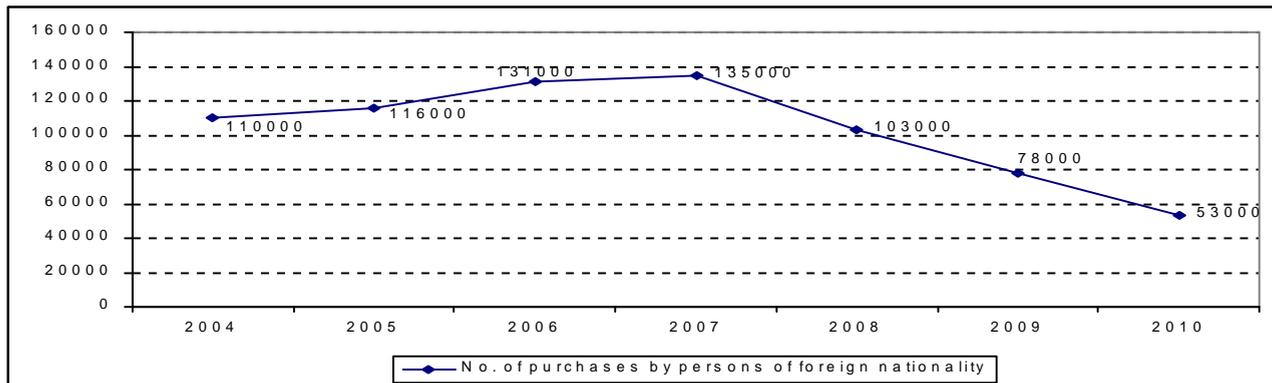
1.5.1. Housing

However important, the occupational impact is obviously not the only relevant profile in order to assess the overall impact of the economic crisis on migrants. The weakening of the labour market position of immigrant workers has immediate repercussions on all the dimensions of everyday life, starting from the housing conditions. From this point of view, the mid-2000s had been marked by a strong growth in the number of real estate purchases by foreigners in the Italian housing market. Such trend is at least in part to be interpreted as a consequence of a precise adaptive strategy by immigrant families, who seek as soon as possible to buy a house in order to escape the severe obstacles met on the market of house rents due to heavy and diffuse ethnic discrimination (Ponzo, 2009a). Already in 2008, however, the sudden increase in mortgage rates has caused a collapse in house purchases by foreigners. This trend has been made more acute by the change in lending strategies by commercial banks, less and less willing to grant mortgage loans covering the entire value of the house to purchase.

As shown in Figure 8, such downwards trend in the access to ownership has continued in 2009 and

2010, as an indirect effect of the occupational downturn. The decrease in house purchases by foreigners since 2007 was more marked than the general slowdown in the residential real estate market (Table 3). The increasing difficulties that foreigners meet in the housing market are also illustrated by their growing demand for public housing and their over-representation in the generally expanding pool of eviction orders due to missing payments in rent contracts (Ponzo, 2009b).

Figure 8. House purchases by foreign immigrants in Italy 2004-2010.



Source: Scenari immobiliari. Note: Figures for 2010 are estimates.

Table 3. House purchases

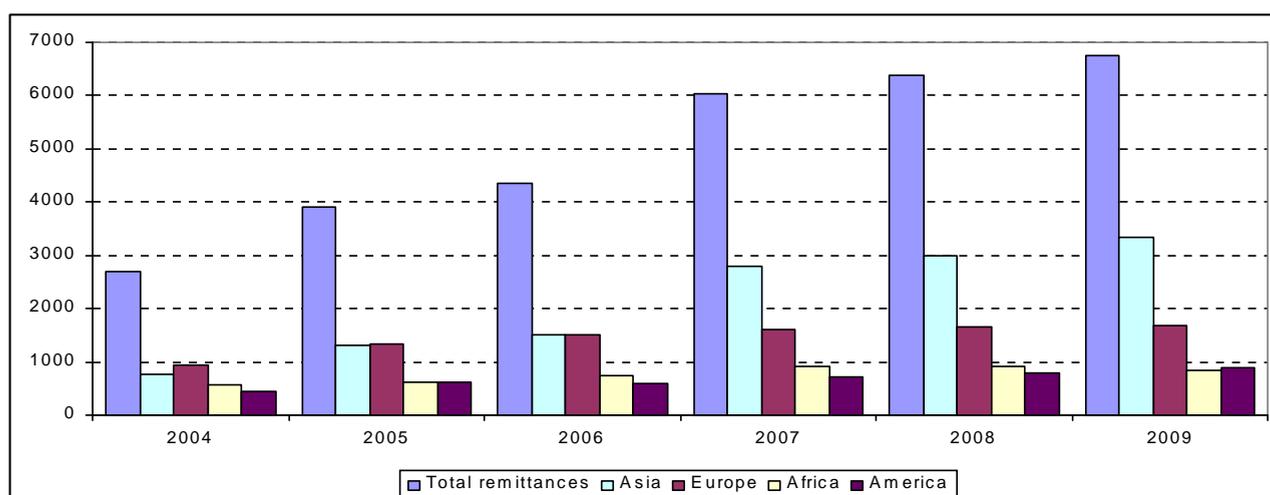
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--|--------|--------|--------|--------|--------|--------|--------|
| Total house purchases | 804126 | 833350 | 845051 | 806225 | 683783 | 609145 | 611878 |
| House purchases by foreign immigrants | 110000 | 116000 | 131000 | 135000 | 103000 | 78000 | 53000 |
| Share of house purchases by foreign immigrants on total | 13.7% | 13.9% | 15.5% | 16.7% | 15.1% | 12.8% | 8.7% |

Source: Scenari immobiliari. Note: Figures for 2010 are estimates.

1.5.2. Remittances

Income reductions, associated with a stronger perception of economic insecurity for the future, are obvious predictors of a decrease in remittances. In the present situation, however, given the global scope of the crisis, which is affecting countries of origin sometimes even harder than receiving countries, the declining capacity to remit could be compensated with a stronger “moral propensity” to transfer money in order to counter growing poverty back home. The overall impact of the crisis on remittances is therefore not easy to predict in abstract terms, and it may vary significantly from one immigrant community to another. In the Italian case, data on the total volume of official remittances (those monitored by the Bank of Italy, not including “informal channels” nor bank channels, but only Money Transfer Operators and the Post) show a contraction in the growth rate of total official remittances which has already been sizeable in 2008 (Figure 9).

Figure 9. Remittance flows from Italy 2004-2009.



Source: Banca d'Italia.

Notes: values in millions of Euros; total flows and by region of destination.

Actually, when per-capita remittances are analysed in order to take into account the growing foreign population, it comes out that the propensity of immigrants to transfer money in their home country has registered a significant reduction in recent years. Such reduction affects remittances directed towards all continents, although it is more evident in the case of Africa, and in the case of Europe, where the recent developments are just a consolidation of an already existing negative trend (Table 4).

Table 4. One-year percentage change in per capita remittances

| | 2006/2007 | 2007/2008 | 2008/2009 |
|--------------|-----------|-----------|-----------|
| EUROPA | -16.6% | -11.6% | -6.8% |
| AFRICA | 16.1% | -6.8% | -15.7% |
| ASIA | 71.8% | -4.0% | 0.1% |
| AMERICA | 16.5% | 2.0% | 2.2% |
| TOTAL | 18.8% | -6.9% | -2.8% |

Source: Banca d'Italia.

Notes: per-capita remittances are computed as the ratio of total remittances by region of destination and foreign resident population from the same area of origin at the end of the corresponding year. The total values refer to the total flows of remittances over the total foreign resident population.

In specific local contexts, scattered qualitative evidence suggest an even bleaker outlook, with reports of cases of “reverse remittances” (i.e. families in the country of origin transferring money to help their family members abroad to meet extraordinary crisis-related needs^{iv}).

1.5.3. Returns

It is even harder to assess migrants' behaviour in response to the ongoing crisis in what is rightly perceived as a crucial sphere, i.e. returns. This is primarily due to the notorious unreliability of the official statistical figures on outflows, which is particularly serious in the Italian case.

According to such data, however the crossing out of foreign residents from Italy's population registers have been limited through latest years (outflows are always less than 1% of foreign

residents) and mainly constant in volumes. The National Statistical Institute itself (ISTAT) recognises that this is a gross underestimation of the actual return and re-emigration flows of foreign nationals from Italy. Such underestimation is partly compensated by the relatively high number of deletions for cause of “untraceableness”, which certainly includes a significant share of returnees.

The one-year difference in foreign resident population, net of inflows (a very rude proxy of total outflows) shows an increasing trend both in absolute and relative term (Table 5)

Table 5. Outflows estimate

| | 2007 | 2008 | 2009 | 2010 |
|--|--------|--------|--------|--------|
| Absolute values | 21,472 | 37,905 | 62,961 | 80,059 |
| Share over foreign resident population | -0.7% | -1.1% | -1.6% | -1.9% |

Source: Istat, population registers.

Notes: Outflows estimated as the difference between foreign resident population at the beginning and end of the year, net of inflows.

The lack of reliable official statistics is unfortunately not compensated by research data: as a matter of fact, quantitative research on return migration remains very limited^v.

Initial qualitative evidence gathered by FIERI in 2009 and 2010 seems to show that crisis-induced, temporary returns from Italy are increasing, particularly in the case of Moroccan immigrants in Italy. The relatively light impact of the global crisis on Morocco could explain this apparently higher propensity to adopt return as an adaptive strategy. Impressionistic evidence highlights the existence of a number of other adaptive strategies by migrant families in this period of crisis: these include *delayed family regroupment* and what we could call “*family de-groupment*” (i.e. return to the country of origin of only a part of the family – typically, for Moroccan migrants at least, wives and children – while the male breadwinner stays put^{vi}).

Deeper insights on such adaptive behaviours and strategies, their socio-economic consequences and policy implications, would require more in-depth qualitative, and possibly quantitative, research.

2. The crisis impact on public attitudes and policy responses

2.1. Public opinion trends: some Italian peculiarities in the European context

How are the social and economic trends described above reflected in the public opinion? And how are the recent changes in Italian public attitudes related to observable trends in other European countries? Even in the deplorable absence of an official and Europe-wide survey of European citizens' attitudes towards immigrants, an important ongoing polling and research initiative called *Transatlantic Trends - Immigration* (TTI) allows us to give at least some partial responses to such crucial questions.

TTI is a periodical thematic opinion survey whose third wave was carried out in September and November 2010 in six EU Member States (France, Germany, Italy, Netherlands, Spain, United

Kingdom) and two North American countries (USA and Canada)^{vii}. With over seventy questions, the TTI poll covers a wide range of topics, including both a) individual knowledge and assessments on immigration as a social and economic phenomenon, and b) personal convictions and normative preferences in the field of migration and integration policy.

Without being able to give here a general description of TTI 2010 results, it seems nevertheless useful to select a few particularly significant questions which allow to illustrate some recent tendencies in the Italian public opinion, and to set a summary comparison with other European national contexts. Such questions – some of them quite general and others concerning specific aspects that we deem especially relevant in a comparative perspective - are the following:

- “Some people say that immigration is more of a problem for Italy. Others see it as more of an opportunity. Which comes closer to your point of view?”. Among the TTI questions targeting general attitudes towards immigration, this is singled out here as a particularly clear and telling one.

- “How much do you agree/disagree with the following statement: legal/illegal (the question is repeated for both categories) immigrants increase crime in our society”. This question is selected here due to its central relevance in order to inquire attitudes towards immigration as a “law and order” issue.

- “How much do you agree/disagree with the following statement: Immigrants generally help to fill jobs where there are shortages of workers”. This is undoubtedly one of the key questions concerning the economic value of immigration.

- “Generally speaking, how well do you think that muslim immigrants are integrating into the Italian society?”. Among the few TTI questions which focus on the cultural dimension of immigration, this explores the hotly thematised boundary with Islam and assumes therefore a strong comparative relevance.

- “With an ageing society, to what extent do you support or oppose the following actions aimed at solving potential shortages in the workforce? Encouraging immigration for employment purposes”. We have selected this question as an especially significant indicator of long-term normative attitudes towards immigration.

Table 6. Italian vs. average European attitudes on immigration

| Questions | 2008 | 2009 | 2010 |
|---|------|---------------|---------------|
| Ia. Immigration more problem than opportunity (Italy) | 45 | 49 | 45 |
| Ib. Imm. more problem than opp. (EU average) | 43 | 51 | 49 |
| II.a Legal/ illegal immigrants increase crime (IT) | NA | 34/ 77 | 56/ 57 |
| II.b Legal/ illegal immigrants increase crime (EU) | NA | 37/ 61 | 42/ 61 |
| III.a Immigrants help fill labour shortages (IT) | 78 | 71 | 76 |
| III.b Imm. help fill labour shortages (EU) | 78 | 71 | 68 |
| IV.a Muslim immigrants as “integration problem” (IT) | NA | NA | 49 |
| IV.b Muslim imm. as “integration problem” (EU) | NA | NA | 58 |
| V.a Immigration as response to ageing (IT) | 54 | NA | 46 |
| Vb. Immigration as response to ageing (EU) | 52 | NA | 51 |

Source: TTI 2010 database.

However selective of the dimensions of public opinion on immigration that are highlighted, this comparative table allows some interesting hypotheses. In the first place, it is remarkable that the crisis does not increase dramatically the share of interviewees believing that immigration *as such* is a major social problem. With regard to question I, the percentage of “anxious” Italians (Ia) is even smaller than the European average (Ib).^{viii}

The outlook changes significantly, however, when focusing on immigration as a “law and order” issue. A majority of Italians believe that “immigrants increase crime” (question IIa in Table 5). Quite surprisingly (and differently from 2008), in 2010, Italians were largely unwilling to make a clear distinction between legal and illegal immigration as a factor boosting criminality. Europeans respondents (IIb), on the contrary, in average tend to differentiate clearly: while 61% believe that illegal immigrants do in fact contribute to increase crime, only 42% think the same of documented foreigners. Such Italian specificity could possibly be related with the kind of political discourse which has become dominant in Italy over the last few years. As reflected also in recent policy developments (see the next paragraph), the political discourse of important segments of the current political majority tends to merge legal and illegal immigrants in a fundamentally distrustful if not explicitly hostile frame.

Question III, on the other hand, shows that, the crisis notwithstanding, a vast majority of Italian respondents (76% against 68% as EU average) still believe in the fundamentally positive economic impact of immigration. However, this pragmatic awareness of the utility of migration seems to be limited to the short term. When asked – as in question V – if immigration can contribute to solve problems associated with population ageing, only a minority of Italians (as against 51% in the EU average) agree.

Finally, it is worth pointing out that the Islamic religious and/or cultural belonging of immigrants is perceived (question IV) in less problematic terms than in most other European countries included in the survey.

2.2. Policy trends: weak closure on admissions, strong closure on rights

How does the political system react to the complex developments sketched so far? This general question can be split in two: a) Which are the specific policy responses to the crisis in the immigration and integration policy fields? b) How are broader policy responses to the crisis affecting – intentionally or not - migration and integration dynamics?

It is still too early to give an evidence-based answer to the second question. One fundamental hypothesis deserves however to be formulated at this stage: most general (i.e. non migrant-specific) measures taken to protect occupation seem *de facto* to benefit more native than immigrant workers. This is the case for instance with public schemes aimed at delaying permanent reduction of the employed labour force by granting a public salary to workers who are temporarily left unemployed by their private employers. Such schemes (called *Cassa Integrazione Guadagni*, i.e. something like

“Revenue Support Fund”) benefit exclusively or predominantly workers with stable contracts, whereas immigrants are by far overrepresented in temporary and unstable categories of employment.

More can be said on the first question: Which are the specific policy responses given to the crisis in the immigration and integration policy fields? Here too, however, a very important caveat is necessary. In the Italian case, the connection between recent migration policy developments and the ongoing economic crisis have generally been loose. This can be said in two distinct and complementary senses:

A) first, not all recent migration policy developments have predominantly (sometimes not even marginally) been driven by, and justified with, arguments based on the ongoing economic crisis. As we will see below, some very important recent policy decisions were predominantly driven either by structural factors relatively disconnected from the crisis (such as the historically high degree of path dependency of Italian migration policies: for instance, the 2009 regularisation is just the last one of a series started in the early 1980s) or by purely political factors such as the high (and growing) degree of ideologization of the migration policy debate. As for this latter factor, a key role was played by Umberto Bossi's Lega, a powerful component of the current right-wing political majority, currently holding the key post of Interior Minister with Roberto Maroni.

B) In the second place, even when the crisis was mentioned as a relevant factor in driving migration policy decisions, there has been little in-depth preparatory research on the actual crisis-migration linkages, and the evidence bases of crisis-driven migration policy decisions have generally appeared weak. This, by the way, reflects - although to an especially high degree - some more general and traditional features of the Italian political system, such as the low status granted to scientifically produced empirical evidence as a criterion for policy decisions and the fundamental weakness of the policy-research nexus.

Let us now turn to briefly illustrate the main policy developments in the migration and integration policy fields since the second half of 2008. We will list them briefly by sticking to a basic distinction between A) admission measures, where the restrictions have been moderate and temporary in nature, and B) measures dealing with the status of immigrants already in the country (including integration measures). In this latter field, the recently adopted restrictive measures have a more structural impact.^{ix}

A) Temporary restrictions on admissions for economic purposes.

A In the first phase of the crisis, Italian admission policies were largely unaffected by the negative economic outlook. Between the end of 2008 and the first months of 2009, two governmental planning decrees (*decreti-flussi*, i.e. the regulatory tool used in the Italian system to set annual ceilings for seasonal and non-seasonal admissions for working purposes) were issued for a total of 230,000 new admissions (of which 150,000 restricted to the homecare and personal care sector and the remaining 80,000 for seasonal workers), down from 252,000 (of which 170,000 for non-seasonal entries) in the previous year. Such moderate cuts in admissions were an indirect confirmation of the widespread perception (even within the social and political milieux which are

less programmatically in favour of immigration) that immigrant and native labour force are largely complementary in the deeply segmented Italian labour market.

The worsening of the occupational situation since mid-2009 pushed the government to freeze entry planning for 2009 and 2010. Quite paradoxically, however, it did not prevent the executive to adopt a selective regularisation scheme in the Summer 2009, once again selectively targeting personal and homecare workers,. This new regularisation was launched in August and, at the closure date (30 September 2009) it raised around 300,000 applications from employers asking to regularise already existing working contracts with undocumented immigrants (Colombo, 2009).

After a two years stop to new entries other than seasonal, it was only at the end of 2010 that the Italian labour admission policy set in motion again. With a decree signed at the end of November 2010, the President of the Council of Ministers officially reopened the tap and set a ceiling for a maximum of 104,080 recruitments from abroad of non-seasonal foreign workers. Employers could start filing their applications since the end of January 2011 or beginning of February 2011 depending on the employment category and nationality of the worker concerned. The maximum level of allowed admissions was reached within a few hours each time and a total of almost 400,000 applications were filed. Even though significant shares in these applications will result formally invalid and possibly fraudulent, such high levels of demand are unquestionably a sign that the crisis has eased in the low-skilled labour market, at least insofar as foreign workers are concerned.

Table 7. The Italian admission policy for non-seasonal immigrant workers (2006-2010)

| Year and source | Ceiling for non-seasonal admissions | Applications by employers for nominal recruitment from abroad | Ratio: Available visas for working purposes/ Applications |
|---|--|---|---|
| 2006 (Decree of the President of the Council of Ministers, 25 October 2006) | 170,000 – A subsequent decree was adopted at the end of 2006 in order to allow the satisfaction of all residual applications thereby de facto turning the admission procedure into a regularisation. | 427,865 | 0.40 |
| 2007 (Decree of 30 October 2007) | 170,000 | 741,912 | 0.23 |
| 2008 (Decree of 3 December 2008) | 150,000 | 381,000 | 0.39 |
| 2009 | 0 | 0 | / |
| 2010 | 104,080 | 392.310 | 0.27 |

Source: Planning decrees for each year and Colombo 2009.

B) More structural restrictions on immigrants' status and integration.

In July 2009, when the crisis was approaching its peak, the Parliament adopted a major reform of immigration law in the framework of a vast and heterogeneous bill on “citizens’ security” (law 15 July 2009, No. 94, entitled “Disposizioni in materia di *sicurezza pubblica*”). The bill had initially been presented in Parliament in June 2008 with the joint signatures of the Head of Government Berlusconi (*Partito della Libertà-PDL*) and of the Ministers of the Interior (Maroni, *Lega*) and of Justice (Alfano, *PDL*). The bill had initially no connections with the economic crisis, and even

during the lengthy parliamentary procedure, the contingent state of the economy was not one of the main drivers of the debates. The result has been a very controversial piece of legislation, which hinges on two fundamental moves:

a) the reframing of illegal entry and stay as criminal offences punished with a pecuniary sanction and with immediate expulsion (on the constitutional debate stirred by these new provisions, see Di Bari, 2010; Masera, 2010);

b) the systematic weakening of the status of legal immigrants through (among else) the enactment of a points-based system for the renewal of stay permits and more restrictive housing requirements for family reunion (Pepino, 2009).

The 2009 Law on Security was complemented in 2010 with implementing regulations and some new legislative initiatives. A special mention should be made in this regard of the ministerial decree of 4 June 2010 by which the Minister of the Interior has established that the granting of long-term resident permits to third-country (non-EU) nationals is conditional upon the results of a test aimed at assessing linguistic proficiency in Italian.

Somehow contradictorily with the proliferation of new administrative control tasks introduced by the law 94 of 2009, the last few years were marked by dramatic cuts on funds available for immigration policies in general, and especially for integration policies at both central and local level. A complete and detailed overview of such reductions at regional and local level is unfortunately missing. As for the national level, mention should be made of the Fund for the Social Inclusion of Immigrants (50 millions € per year), established by a Centre-Left majority with the Budget Law for 2007 (Law No. 296 of 2006) and completely suppressed in 2008 by the then newly formed Centre-Right majority. In this case too, the decision to suppress the Inclusion Fund was not motivated with explicit reference to the crisis (which was still in an embryonic phase), but it was rather the result of more fundamental ideological options on the priorities of public expenditure.

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Notes

- ⁱ Italy is in fact the only country among Germany, France, UK, Spain and Greece where the foreign employment never gave up increasing in levels in the last years.
- ⁱⁱ For instance in Greece foreign employment levels start to decline only from the second quarter of 2010 on.
- ⁱⁱⁱ Sections 1.3 and 2.2 are reviewed and updated versions of the corresponding sections in F. Pastore, *Italy*, in J. Koehler, F. Laczko, C. Aghazarm, J. Schad (eds.), *Migration and the Economic Crisis: Implications for Policy in the European Union*, International Organization for Migration, 2010, [http://publications.iom.int/bookstore/free/Migration and the Economic Crisis.pdf](http://publications.iom.int/bookstore/free/Migration_and_the_Economic_Crisis.pdf), pp. 121-137;
- ^{iv} See, for instance, “La Stampa”, 4 November 2009
- ^v An important exception is the project "Collective Action to Support the Reintegration of Return Migrants in their Country of Origin" (acronym: MIREM, <http://www.mirem.eu/>) carried out from 2005 till 2008 by the Robert Schuman Centre for Advanced Studies of the European University Institute in Florence. The survey carried out in three Maghreb countries (Algeria, Morocco, Tunisia) by MIREM provides valuable information on socio-economic and personal factors driving return choices by migrants. Unfortunately, the MIREM survey, carried out from September 2006 to January 2007 does not provide any direct evidence on the impact of the current economic downturn on returns to the Maghreb.
- ^{vi} In such cases, initial evidence shows that Moroccan immigrant workers sending the family back home tend to get back to housing solutions which are normally typical of early migration stages, such as flats collectively rented by groups of male migrants.
- ^{vii} The *Key Findings Report* and the *Topline Results* of the 2010 survey are available at web page <http://www.gmfus.org/trends/immigration/2010/>.
- ^{viii} The EU average is based on five national samples for 2008 (France, Germany, Italy, Netherlands, United Kingdom), whereas 2009 and 2010 average values incorporate also the results of the Spanish survey (a Spanish sample has been included in the TTI survey only since 2009).
- ^{ix} We will not devote specific attention here to the measures taken in the field of border controls and the struggle against human smuggling and undocumented immigration. This choice was made mainly because no major discontinuity was introduced in these areas by the economic crisis.