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demotrends

quadrimestrale sulla realtà demografica italiana

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Changing Population Needs and Welfare

Among the conquests of the last century having the greatest impact on the life of every one of us we can certainly include welfare. Originating at the end of the 19th century as a consequence of the social inequality triggered by industrialisation and urbanisation, it was fully developed in the 20th century in the Western countries, especially in central and northern Europe. The modern welfare has had the undoubted merit of replacing the uncertainties of public charity in covering the needs of parts of society, or of particular stages of life, transforming this support first into a right of the workers and then into a right for all citizens.

By the end of the 20th century, however, doubts have been expressed about this conquest. In fact, the globalisation of the economy has lead to an increasing conflict with those production systems that are less burdened by the welfare contributions. Also the factors on which the welfare systems were based in the economically advanced countries have changed: the needs to cover and the types of funding were developed on the basis of the conditions existing at the time the various welfare systems were set up. The subsequent adaptations or actual reforms of these systems have often been based more on criteria of the maximum maintenance of the rights acquired than on a review of whether the conditions giving rise to that system still apply. There has been little overall reconsideration on the change in needs following changes in demographic, economic and social structures and dynamics that have occurred in the meantime.

The funding crisis of pension schemes which is occurring in so many European countries is the most obvious example of systems created with the illusion that the ratios between people paying contributions and the beneficiaries would always be favourable, a situation that was certainly true when these systems were set up and subsequently maintained thanks to consistent population and/or economic growth. These factors led to the increase in the number of employed workers, i.e. of those paying contributions. However, the system is suffering from a crisis due to the decreasing size of the cohorts entering

into the working age while the number of the retired has increased due to the survival of almost all the workers up to exceeding the retirement age and their long living in old age. This has focused attention on the problem of the sustainability of social-security systems. The generosity of retirement regulations – in terms of retirement age or work seniority, the amount of benefits and their adjustment to the cost of living and to wage increases – has led to the risk that this problem may soon reach dramatic proportions. Intervention is essential to eliminate excessive imbalances, especially in the ratio between the duration of working life and of retirement. Also adequate and attractive forms of private integrative pensions must be enforced. But it seems more and more necessary to convert increasing quotas of public-pension schemes from a system based on welfare-contributions to one based on principles of assistance funded by taxpayers as a whole.

The effects of population ageing on health-care and welfare systems have also caused concern, presuming that the increase in the number of the elderly triggers a parallel increase of expenses for health care and assistance for the various levels of disability induced by ageing. This is only partly true and depends both on the personal and family profile of the older person and on society. Here the efficiency of the health-care and welfare systems plays the most important role in containing the relative social expenditure. According to the principle of subsidiarity, the potentials should be fully exploited, whether supplied spontaneously or duly subsidised. In this regard, however, we should take into account the rapid decrease in the extent of the family networks, and in particular the lower number of children on which the future cohorts of the elderly can depend. Forms of intra-generational assistance will become increasingly widespread, and are likely to be useful forms for maintaining the most valid older people active as well as providing a source of additional income.

On the other hand, public expenditure in education and maternity might be reduced due to the reduction of the younger population and of births. What is actually required in both cases is the improvement in the quality of the services provided, with their extension to brackets of the population whose needs are not fully covered. For education, in particular, there is a growing demand among women for tertiary education and the need to develop lifelong-learning programmes. For maternity and the family (in all the current forms of cohabitation), it is surprising that societies so apparently concerned about the persistent fall in the birth rate invest so little in all the systems of welfare that have been proved to help women and their partners reconcile work and child-bearing.

The European population, with its dynamics and consequent structural changes, is thus presenting a significant challenge to the welfare systems on which we generally depend to solve our personal and family problems as well as those of the society we live in. The capacities of governance will be measured according to the capacity for responding to those challenges with the utmost efficiency, i.e. to minimise the costs while also maximising the extent to which changing needs are satisfied.

Giuseppe Gesano

Demography and Social Insurance

There is undoubtedly a link between demography as a science and the birth and development of the social-welfare system. This applies in particular to the crucial sector of social insurance, which lies at the basis of the social-welfare system and is still a significant part of it. The link between population research studies and social policy is important in general and involves to a greater or lesser extent all the welfare sectors, including the social, health-care, training and employment services. It is an intrinsic part of the social-insurance system, first of all of pension schemes, since the knowledge about population trends – life tables in particular – is fundamental to build them up.

Many researchers place the birth-date of the social-welfare system to the time when, with Bismarck, the State adopted the technique of private insurance companies, which were starting to spread in Europe. Hugh Heclo, for example, has observed that: «The invention and introduction of social-insurance techniques at the end of the 19th century was a crucial event. All at once, they made available a model of social policy that was national, uniform and non-stigmatizing». The conversion from an "assistance" model in which the local authorities provided discretionary assistance to the needy to a modern social-welfare system, with centralized administration, was due to a significant extent to progress in the population and statistical-actuarial studies of the period.

Having said this, we should not, however, nourish many illusions on the role of scientific development – of population studies in particular – for the development of the social-welfare system in Europe. European governments appreciated insurance techniques not so much because of their scientific, demographic and statistical contents but because they were ideologically compatible with the market approach. Public insurance programmes highlighted, in fact, the direct "contractual" link between the payment of contributions and the benefits received. Although in some countries the State undertook direct financial responsibility, this was often only implicit. As stressed by T.H. Marshall, social-insurance systems were basically considered as a "bipartite affair" (between workers and employers).

After this brief look at the origins of the social-welfare system and coming back to our own times, we can see that the relationship between demography and welfare is still of great importance.

Over a century has passed since the founding of the public insurance systems, and we have seen the undermining of the balance between contributions and services, and a gradual expansion of the financial responsibility of the State, so that the current debate is again focusing on the need to bring these systems back to the market approach and to the improved financial sustainability. In this context, the analysis of the various demographic factors (population ageing, fall in the birth-rate, increase of immigration, etc.) affecting the ratio between employed and retired people and the balance between social-security contributions and services is of considerable importance.

An example of this is the pension reform introduced in Italy in 1995, one of the most advanced reforms in Europe in the past years. It not only introduced the so-called "contribution method" in the calculation of pensions, but also makes explicit reference to the possible changes in life expectancy of the population.

In any case, to realize the importance of population research studies in this field we need only consider the growing role of long-term forecast models of social-security expenditure in the current debate. If we look at these models, their reliability is based not so much on estimates of economic factors (GDP, productivity, employment, etc.), which are by their very nature subject to cyclic variations and sudden crises (above all, in a period of market globalization), as on population projections which, first of all, give the age structure of future population. Their reliability appears to be greater, also because they are based on processes already under way.

However, as observed above with regard to the origin of the social-welfare system, we should not assign demographers (and social scientists in general) too much responsibility for the decisions taken in social and welfare policy. In fact, in a world of growing "individualization" of social behavior even population trends seem to be changing faster than in the past, thus making the effects hypothesized on long- (and very long) term projections less certain. The political and ideological framework to which population research studies contribute is, in the end, decisive for the reforms of the system that will eventually take place.

Massimo Paci
Irpps Scientific Advisory Board

IN THIS ISSUE

FAMILY FERTILITY AND WELFARE
R. Palomba

AGEING AND WORK: ITALY AND EUROPE
E. Pugliese

NEW AND OLD POVERTY
D. Sabatino

NEW CHALLENGES IN EUROPE

Family, Fertility and Welfare

The European demographic scenario is undergoing a great change

In Europe welfare and the work-life balance of families should face with new problems arising from recent trends in fertility and family formation and dissolution.

Do changes in family forms and recent demographic trends place new pressure on the need to balance work and family and welfare? In contemporary societies, women obviously have greater opportunities for choosing how to 'build' their personal life and to negotiate the commitments of the couple and the forms of household organisation they are involved in.

The period of childrearing has become longer and postponed with respect to the age of the mothers, despite the fall in fertility rates of about 50% since 1960. This trend to postpone maternity several years after the start of woman's working life may also depend on the need to find a better compromise between work activities and procreation choices. The desire for an economic independence by European women therefore tends to induce the postponement of family formation, which in turn is considered to be one of the factors of the fall in European fertility. We should in any case be very prudent in linking these two factors. In fact, the low number of children could be one of the reasons motivating women to work outside the home or the need to work can induce a reduction in the number of children, leading us to hypothesise the existence of a driving force behind both trends. The latter possibility is supported by evidence from several countries experiencing improvements in fertility rates, despite very high and still increasing female labour-force participation. A child represents a significant and prolonged constraint on individual's freedom of choice, above all for working women, since the presence of very young children requires a consistent time commitment by the mothers. Responsible prospective parents may thus decide not to have children if they are not absolutely sure they can make family life compatible with working life.

From the family point of view, the European demographic scenario is undergoing a great change. The two main trends changing the morphology of families and relevant with respect to welfare policies are the gradual increase of non-marital living situations and of the marriage instability, as well as the reduction of the family size due to the fall in fertility.

Total Fertility Rates (TFR) and Full-time equivalent employment rates in the EU countries, around 2000

	TFR (children per woman)	Full-time equivalent rate (%) M	F
Austria	1.32	76.2	51.0
Belgium	1.65	74.4	46.6
Denmark	1.76	76.9	62.2
Finland	1.73	69.3	60.5
France	1.89	69.2	48.7
Germany	1.34	71.1	46.1
Greece	1.30	71.5	40.0
Ireland	1.89	75.8	45.2
Italy	1.24	67.0	36.7
Luxembourg	1.78	75.9	44.6
Portugal	1.54	76.6	57.1
Spain	1.22	69.0	36.6
Sweden	1.54	70.0	60.2
The Netherlands	1.72	74.6	40.1
UK	1.64	74.4	49.7

Source: OCDE, 2001

Unmarried cohabitation has now entered into various stages of the process of change in the partnership behaviour among Europeans - above all in Northern and Central Europe. This form of union is no longer an obstacle to the birth of children. As a matter of fact, the number of children born out of wedlock is rising. According to the Family Fertility Survey, 58% of young Swedish women born in the early 1960s lived in unmarried cohabitation at the birth of their first child. This rate is 30% for the Austrian women of the same birth cohort, 27% in France, 17.7% in Finland, 14.7% in Slovenia. In the UK, 40% of children are born out of wedlock and above all from cohabiting couples.

The other important trend in the European family scenario is the increase of families resulting from the dissolution of marriages. Between 1970 and 1980, the divorce rate doubled in Belgium, tripled in France and the Netherlands and quintupled in the UK. It has been estimated that in Northern Europe about 1 marriage out of 3 will end in a divorce. In the Catholic countries, divorce rate is lower, but still rising. Divorce implies the strengthening of policy measures to support lone-mother families, and raises important issues on the relationship between men, women and society through childrearing. It is, in fact, a decision taken by spouses that besides having consequences on minor children, who are specifically protected in all the European countries, also puts many families in a position of economic weakness, thus requiring a public support and plans for job insertion for those women who have never worked. With the exception of UK, the Netherlands and Germany, lone mothers have more paid work than married or cohabiting mothers and the growing number of lone-parent families has provided a further stimulus to family-friendly working practices. Obviously, these elements do not regard all the families after a divorce or separation. However, there is no doubt that the increase of lone mothers and children born out of wedlock has stimulated welfare policies above all for the protection of those groups of the population that are weaker and poorer. Moreover, there is a relationship between new forms of family life and female employment, although not simplistic, in the sense that the status of lone parent or partner of an informal union is often associated with working women, although this is not the norm.

From the demographic point of view, there are trends with opposite consequences with regard to welfare policies in the field of the family. The increasing postponement of the formation of the family and the fall in fertility rate are factors that should make it easier to find a balance in work-family life. On the other hand, there are trends towards the de-institutionalisation of unions and instability of marriages that challenge the traditional form of families with the man as bread-winner, and involving the need (if the desire was not already present) for the woman to be economically independent. Thus, there are complex relationships between the growth of the paid female employment and the diffusion of new family behaviour, making it difficult to identify the direction of the change from the viewpoint of the work-life balance and welfare.

Rossella Palomba

Welfare on line

edited by *Fernando Ferri, Patrizia Grifoni*

The information resources for expert people about welfare are presently more available than in the past according to the growing popularity of Internet that integrates the different information tools and sources. Some of these information resources concern different welfare topics, others regard more specific one as: labour market, health, old age people and education. We present some of the resources available in the European welfare context shortly. The selection of the chosen sites allow the access to a more large number of resources and services on Internet.

SITES CONCERNING DIFFERENT WELFARE TOPICS

These resources concern portals and in particular portals of the Welfare Ministries of the European Countries, directories, document archives and databases.

Portals

Europe: http://www.coe.int/portalT.asp
Europe: http://europa.eu.int/comm/employment_social/index_en.htm
United Kingdom: http://www2.york.ac.uk/depts/spsw/spguide/

Ministries welfare portals

Belgium: http://socialsecurity.fgov.be/
Belgium: http://www.onssrszlss.fgov.be
Denmark: http://www.sm.dk/
Denmark: http://www.denmark.dk/
Finland: http://www.vn.fi/stm/
Germany: http://www.bmwi.de/Homepage/Startseite.jsp
Germany: http://www.bma.de/
Germany: http://eng.bundesregierung.de/frameset/index.jsp
Greece: http://www.ggka.gr/
Irland: http://www.ika.gr/
Italy: http://www.minwelfare.it
Luxemburg: http://www.etat.lu/MSS/
Norway: http://www.trygdeetaten.no/
Portugal: http://www.seg-social.pt/
Spain: http://www.seg-social.es/inicio/
The Netherlands: http://home.szw.nl/index/dsp_index.cfm
United Kingdom: http://www.dwp.gov.uk/

Directories

Germany: http://www.sozialpolitik.de/
The Netherlands:
http://www.pscw.uva.nl/sociosite/TOPICS/socpolicy.html
United Kingdom: http://uk.social-policy.org/

Document Archives

Europe: http://europa.eu.int/comm/employment_social/soc-prot/missoc99/index.htm
Europe: http://www.pitt.edu/~heinisch/eusocial.html

Databases

Europe: http://www.nsd.uib.no/cessda/index.html
Europe: http://www.eswin.net/home.htm
France: http://www.service-public.fr/
United Kingdom - Northern Ireland: http://www.ssani.gov.uk/

SITES CONCERNING SPECIFIC WELFARE TOPICS

These resources concern four specific topics of welfare: labour market, health, old age and education.

Labour Market Insurance and social security

Austria: http://www.sozialversicherung.at/
Denmark: http://www.dss.dk/
Denmark: http://www.denmark.dk/
Finland: http://193.209.217.5/in/internet/suomi.nsf?Open
France: http://www.securite-sociale.fr/
France: http://www.cleiss.fr/
France: http://www.cfe.fr/home.htmlGermany: http://www.bfa.de/
Greece: http://www.ika.gr/
Italy: http://www.inail.it
Sweden: http://www.fk.se/
Sweden: http://www.rfv.se/
The Netherlands: http://www.svb.org/
The Netherlands: http://www.uwv.nl/
United Kingdom: http://www.inlandrevenue.gov.uk/nic/

Labour search and permanent education

Europe:
http://europa.eu.int/comm/dgs/education_culture/mag/15/en/page20.htm
Europe: http://www.europalavoro.it/
France: http://www.workinfrance.com/index.html
Northern Ireland:
http://www.jobcentreonline.com/scripts/WebObjects.dll/JCO.woa
United Kingdom: http://www.nomisweb.co.uk/
United Kingdom:
http://www.jobcentreplus.gov.uk/cms.asp?Page=/Home
United Kingdom: http://www.enterpriseulster.co.uk/
United Kingdom: http://www.open.gov.uk/

Health

Europe: http://www.ldb.org/vl/geo/europe/
France: http://www.securite-sociale.fr/
France: http://www.cleiss.fr/
France: http://vosdroits.service-public.fr/ARBO/17-NX17.html
Denmark: http://www.sum.dk/
Belgium: http://www.health.fgov.be/
Germany: http://www.bmgesundheit.de/
Greece: http://www.mohaw.gr/
Ireland: http://www.doh.ie/
Italy: http://www.ministerosalute.it/
Portugal: http://www.dgsaude.pt/
Spain: http://www.msc.es/insalud/introduccion/home_introduccion.htm
United Kingdom:
http://dotukdirectory.co.uk/global/Europe/United_Kingdom/Government/Health_and_Welfare/

OLD AGE

Services

United Kingdom: http://www.ace.org.uk/ageconcern/

Previdence

Belgium: http://www.onprvp.fgov.be/onprvp/index.htm
Denmark: http://www.atp.dk/
Finland: http://www.etk.fi/
France: http://www.cnav.fr/
Germany: http://www.bfa.de/
Germany: http://www.vdr.de/
Italy: http://www.inps.it
Italy: http://www.inpdai.it/Sweden: http://www.ppm.nu/
Sweden: http://www.pension.nu/
The Netherlands:
https://www.werk.nl/wettenenregels/sociaal/verzekeringen/
United Kingdom: http://www.dss.gov.uk/

Education

Denmark: http://www.denmark.dk/
Germany: http://www.bmbf.de
Europe: http://europa.eu.int/comm/employment_social/info.html
Europe: http://europa.eu.int/comm/education/erasmus/home.html
Europe: http://europa.eu.int/comm/education/tempus/home.html
Europe:
http://europa.eu.int/comm/europeaid/projects/alfa/index_en.htm
United Kingdom: http://www.dfes.gov.uk/index.htm
United Kingdom: http://www.estyn.gov.uk/
United Kingdom: http://www.scotland.gov.uk/hmie
United Kingdom: http://www.ofsted.gov.uk/rnav.htm

MORE OR LESS WORK FOR ELDERLY PEOPLE?

Ageing and Work: Italy and Europe

Unployment shifts from young to old ages

Two simultaneous phenomena concerning ageing and work are evident in Italy. First, there is a large and increasing percentage of elderly persons in the total population, making Italy the country with the oldest population in Europe. And second, there is a low activity rate of the older sectors of the population, and consequently a low rate of employment. Traditionally the low activity rate has been caused by the marginal position of women in the labour market, but the phenomenon also affects the male population.

In other words, in Italy there are more old people than in the past and, among them, those who work are few and decreasing in number. The situation for elderly people is very difficult in the labour market, both in Italy and in Europe in general. But there are some peculiarities to the Italian case that are worthy of mention.

If one takes into account the unemployment rate alone, the condition of the Italian elderly population does not appear particularly worrisome. Total unemployment rates in Italy are higher than in the EU, but in the over-forty age groups unemployment rates are below the European average (Graph 1). The highest difference is in the 55-59 age group. There are no significant gender differences within the two regional aggregates. As a whole, unemployment rates in Europe show two peaks, for both men and women: the first peak concerns the younger age groups; the second concerns those aged 55-59. In Italy the curve is rather different, with only one peak at the very beginning: unemployment, for both men and women, is extremely high among the youngest sector of the population, where unemployment rates are twice as high as in the EU as a whole. Unemployment decreases almost consistently with the increase in age, with the exception of a moderate increase – concerning men only – in the 55-59 age group.

The picture, however, changes and becomes more realistic when one observes the employment rates (the percentage of the actual working population) in each age group (Graph 2).

Unemployment rates by age groups: Italy, 1993-2001

Age groups	Unemployment rates (%)						2001-1993 difference (% points)		
	1993			2001					
	Total	Male	Female	Total	Male	Female	Total	Male	Female
15-70	10.1	7.5	14.6	9.6	7.4	13.0	-0.5	-0.2	-1.6
15-29	22.6	19.0	27.6	21.2	18.2	25.0	-1.5	-0.8	-2.6
30-34	8.5	5.8	13.0	9.7	7.1	13.4	1.2	1.3	0.4
35-39	5.7	3.8	9.0	7.1	4.8	10.6	1.4	1.0	1.6
40-44	4.2	2.7	6.8	5.4	3.7	8.0	1.3	1.0	1.2
45-49	3.6	2.6	5.6	4.2	3.0	6.1	0.6	0.4	0.5
50-54	3.4	2.7	4.9	3.8	3.1	5.0	0.4	0.4	0.1
55-59	2.9	2.9	2.7	4.3	4.1	4.6	1.4	1.2	1.9
60-64	2.5	2.3	3.2	4.4	4.9	2.6	1.9	2.6	-0.7
65-70	3.4	2.8	5.1	1.9	1.3	4.4	-1.5	-1.5	-0.6

In this case, both in Italy and in the EU there is a sharp decrease for those over 50 years of age. But the curves show considerable differences between Italy and the EU as a whole: employment rates are consistently lower in the Italian case. And this is primarily the effect of the low participation rate of the discouraged female labour force in Italy.

In addition, recently the rate of unemployment in the over-50 age groups has been increasing in Italy. For more than a quarter of a century high unemployment and low employment rates have characterized the conditions of young people. Unemployment in Italy used to be essentially youth unemployment (affecting both males and females). But recently a reverse trend has been taking place. The moderate reduction of unemployment rates registered in very recent years in Italy has not benefited all age groups in the same way. On the contrary, the young people's situation has improved (although the unemployment rates are still very high for them), while the situation of workers belonging to the oldest age groups has not changed, or has even worsened. The above table – based on *Istat* data – shows the changing age structure of unemployment and the related worsening of the older categories of the labour force.

These trends in the labour market have significant implications for the economic and social conditions of the ageing population in Italy. Their disadvantaged position in the labour market obviously affects their income and their standard of living in general. What is more, the retrenchment of the welfare state and the expected reduction of welfare provisions (in particular pensions) will give less security to the ageing population. Working is therefore not only important for psychological and cultural reasons, but for economic reasons as well.

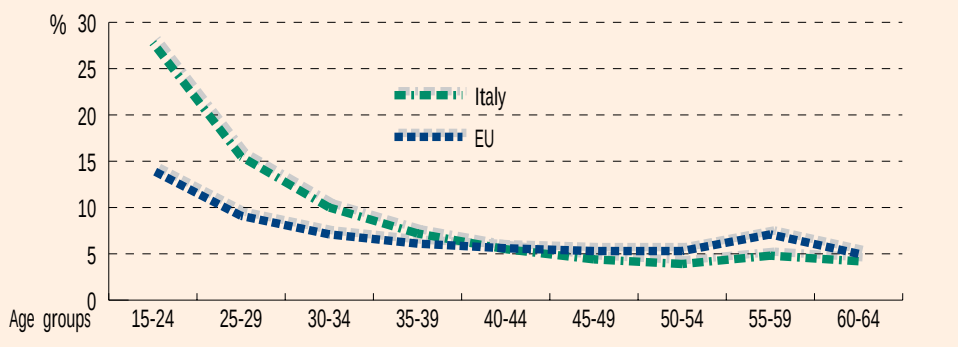
Under these circumstances it is surprising that there have not been any initiatives in Italy aiming to defend or foster the employment of the ageing labour force, also in consideration of the fact that in Italy the importance of the retired workers' union (*Sindacato Pensionati*) within the trade unions is very strong, both numerically and politically.

There may be various explanations for this fact. First of all, until recently, problems of unemployment and low employment concerned only young people. Therefore, that age group polarized the attention of labour market analysts and operators. The Italian system of industrial and labour relations was very protective with regard to insiders (mostly adult males), even if ageing. In the second place, the unions and the retired people's associations have been active and have launched mobilizations basically concerning welfare-related issues. The ageing and the aged are perceived mostly as beneficiaries of welfare provisions, and not as potential workers. Their access to social services has been the main concern.

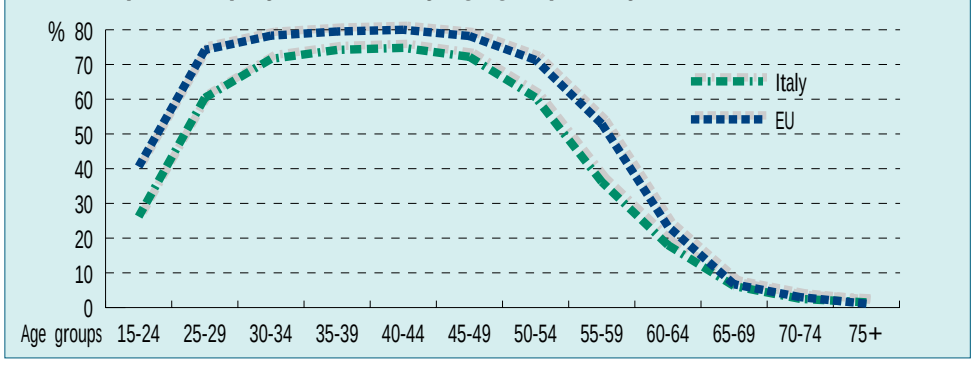
It is time to put on the agenda the question of the presence of these categories in the labour market and that of a more active ageing process. At the Barcelona meeting the European Union recommended enacting measures aimed at increasing the activity and employment rate of the female labour force. With female employment rates of 23.1% (and activity rate of 24.3%) for the 55-59 age group and 40.8% (and activity rate of 43.1) for the 50-54 age group, Italy is far from complying with this recommendation.

Enrico Pugliese

Graph 1. Unemployment rates by age groups: Italy and EU, total, 2001



Graph 2. Employment rates by age groups: Italy and EU, total, 2001



Immigration and Welfare Systems

In the new decade, the welfare systems in the European countries have the common necessity to adjust their structures and services to the profound changes affecting the economic and demographic spheres in recent years. In this complex process of updating and change, immigrants and international migrations play an important role, basically related to two major problem areas. One, more general, is related to the problem of whether and how to insert the non-citizens into the welfare systems. The other, more contingent, is linked to the need to define the role that migrations have (or can have) within the processes of updating welfare systems to the changing demographic scenario.

With regard to the first aspect, according to Marshall's well-known theory, social rights represent the first and basic dimension of the rights of citizenship. It is hard to imagine that in a truly democratic society, immigrants can be excluded from the benefit of these rights, although the political dynamics must define and identify the groups of beneficiaries and the type and extent of services to which these people are entitled. And at least since the early 1970s, with the introduction of stop policies, the relationship between welfare and immigration has become a major element in defining the objectives and measures concerning migration in the European countries. This element cannot however be limited to migration in the strict sense or to a purely technical or accounting dimension, but rather the direct consequence (although there is not always fully aware of this evidence) of the idea of society prevailing at a given time during the political debate. In fact the type of relationship that the immigration-receiving countries create with the immigrant minorities plays a major role in defining the social system in these countries. The greater or lesser extension of the rights granted to immigrants is, in fact, an important and significant indicator of to what extent welfare is considered to be the most effective tool to favour the social cohesion of the country; in other words, of determining how to favour the integration of immigrants and to prevent the occurrence or strengthening of processes of exclusion and marginalisation along mainly or exclusively ethnic lines. In other words, *de nobis fabula narratur*.

In the context of the various links between demographic trends and adjustment processes in the welfare systems, migrations play a dual role. On the one hand, they help reduce the effects of population-ageing processes and thus positively influence the financial equilibrium of social security systems. On the other, they at least partly result from the incapacity of social security systems to give a complete response to the needs arising from demographic changes.

There is no doubt about the basically positive impact of migration on the pension system, although the actual extent of this contribution is definitely less than what has often been imagined. Immigration cannot represent the instrument for rebalancing the serious changes in the age structure of the population now characterising many European countries. The simulations conducted in recent years, and United Nations forecasts often considered (not always correctly) in the debate on this topic, show that the level of immigration necessary to achieve these demographic objectives will soon exceed the realistic capacity of absorption of the receiving countries. Furthermore, immigration has not proved to be an effective means of rejuvenation of age structures, because immigrants age just like the rest of the native population and their fertility tend to adjust to those of the local population. Finally, the use of the social services tends to increase as the integration process advances, adjusting to that of the local citizens and thus reducing the positive gap between contributions and services.

There is likewise little doubt about the importance among the pull factors of the gap between welfare facilities and the needs produced by current demographic trends. This is true above all in countries like Italy, where a number of care and assistance services, especially for the elderly, are in practice covered by the families. The result is a growth of demand by the families for persons to undertake these tasks. In a period of significant reductions in services, it is unlikely that this growing demand could be satisfied by increasing at the same time welfare services.

It can be concluded that with regard to the changes under way in welfare systems, immigration does not seem to be (and should not be) the solution to all our problems, although the positive factors seem to prevail over the negative ones. The point is that in all probability, our societies cannot do without immigration, and it would be preferable to consider that flows of people, unlike those of goods and capital, involve persons with rights and not things.

Corrado Bonifazi

POPULATION AND WELFAR

	Year	EU - 15 Countries														
		I	B	DK	D	EL	E	F	IRL	L	NL	A	P	FIN	S	UK
EDUCATION																
% 5-14 year old population	1999	10	12	12	11	11	10	13	15	12	12	12	11	13	13	13
Age range at which over 90% of the population is enrolled	1999	3-14	3-17	4-16	6-17	6-19	4-15	3-17	5-16	4-15	4-17	5-16	6-15	7-17	6-18	4-15
% pupils in public schools	1999	93.7	41.7	88.7	94.9	94.1	69.8	79.2	99.3	87.7	23.3	93	89.4	96.2	97.7	65.1
% 20-29 year old population attending higher education	1999	16.9	24.6	28.7	22.6	15.9	23.7	18.9	15.0	4.7	22.0	18.2	18.8	36.1	33.7	23.6
% 25-64 population having attained secondary level of education	2000	35.6	31.2	54.0	57.4	34.3	15.3	40.7	27.1	42.6	42.0	61.9	11.7	40.5	47.5	52.5
% 25-64 population having attained university degree	2000	9.6	27.1	25.8	23.8	16.9	21.8	21.6	22.2	18.3	24.1	14.2	9.8	32.6	29.7	28.1
% adult participation in education and training in the last 4 weeks (LFS)	2000	5	7	21	5	1	5	3	5	5	16	8	3	20	22	21
% GDP spent in education	1998/2001	4.5	5.5	8.0	4.7	3.5	4.4	5.7	4.5	u	4.9	6.3	5.7	6.0	8.3	4.9
% persons living in a household that receives education-related allowances	1998	1	12	14	2	0	1	6	5	u	6	3	3	17	16	5
LABOUR MARKET																
Male unemployment rate (15-64 yrs) (%)	2000	8.0	5.7	4.2	7.6	7.3	9.8	7.8	4.3	1.9	2.3	3.2	3.3	9.0	6.0	6.0
Female unemployment rate (15-64 yrs) (%)	2000	14.4	8.8	5.3	8.3	16.7	20.6	11.5	4.2	3.3	3.8	4.4	5.1	10.6	5.8	4.9
% unemployment 12 months or more	2000	6.3	3.8	1.0	u	6.1	5.9	3.7	1.6	u	0.8	1.0	1.6	2.8	1.7	1.5
Youth unemployment/population ratio (15-24 yrs)	2000	11.8	6.5	5.3	4.6	11.3	11.4	7.1	3.3	2.5	4.0	2.9	4.2	11.1	5.5	8.3
Rate of work accidents (per 1,000,000 employed persons)	1998	411	511	320	496	294	707	492	143	472	391	332	551	344	133	151
% GDP spent in labour-market related welfare	1999	0.6	3.4	3.3	2.6	1.5	2.6	2.2	1.6	0.5	1.7	1.5	0.8	3.0	2.7	0.9
% persons living in a household that receives unemployment-related social transfers	1998	5	22	21	17	5	14	18	30	u	6	16	5	37	22	5
Mean amount of unemployment related social transfers (in PPS)	1998	200	925	877	701	28	594	575	966	u	411	366	171	1217	572	173
MATERNITY																
Total fertility rate (children per woman)	2000	1.3	1.7	1.8	1.3	1.3	1.2	1.9	1.9	1.8	1.7	1.3	1.5	1.7	1.5	1.6
% of live births outside marriage	1999	9.2	20.1	44.9	23.0	4.0	14.1	40.7	31.8	21.9	25.1	31.3	22.2	39.2	55.3	39.5
Maternity leave (weeks at full or near full wage)	2000	22	15	18	14	u	u	16	u	16	16	u	u	18	52	6
Abortion rate (per 1,000 births)	1995-96	11.4	6.8	16.1	7.6	u	5.7	12.4	5.9	u	6.5	u	u	10.0	18.7	15.6
Teen-agers' maternity rate (per 1,000 15-19 girls)	1995-96	6.9	9.1	8.3	12.5	13.0	7.8	10.0	15.0	u	8.2	15.6	20.9	9.8	7.7	28.4
Teen-agers' abortion rate (per 1,000 15-19 girls)	1995-96	5.1	5.0	14.4	3.6	1.3	4.5	10.2	4.2	u	4.0	u	u	10.7	17.2	18.6
HOUSEHOLDS AND FAMILIES																
Average number of persons per household	1997-2000	2.6	2.4	2.2	2.2	2.7	3.0	2.4	3.0	2.6	2.3	2.4	2.9	2.2	2.0	2.3
% large households (5 members)	2000	18	18	19	13	18	25	20	41	23	17	20	25	17	14	17
% one-parent families out of total households	1995	7	7	6	5	5	6	7	9	5	5	8	8	9	3	10
% GDP spent in public assistance to family and children	1999	0.9	2.6	3.8	3.1	1.9	0.4	3.0	1.9	3.4	1.2	2.9	1.2	3.4	3.5	2.4
% of persons living in a household that receives family and children allowances	1998	7	53	47	49	12	4	36	63	u	48	59	55	49	46	49
Mean amount of family and children allowances (in PPS)	1998	104	1205	700	800	155	50	629	771	u	1351	1134	195	739	543	732
POVERTY																
Risk of poverty rate* before social transfers	1998	23	28	26	24	23	25	28	33	26	21	25	27	27	30	33
Population aged 65+ at risk of poverty rate*	1998	16	20	27	13	36	14	18	24	9	6	21	34	8	7	40
Children below 16 yrs at risk of poverty rate*	1998	28	18	3	26	21	25	22	23	17	17	16	27	6	11	26
HOUSING																
Average number of persons per room	1998	0.63	0.48	0.50	0.53	0.71	0.56	0.50	0.48	0.45	0.38	0.50	0.63	0.59	0.50	0.43
% households not owning their accommodation	1998	29	29	44	59	26	18	47	25	30	49	49	34	36	41	31
% GDP spent in housing and social exclusion	1998	0.1	0.6	1.8	0.8	1.3	0.4	1.4	0.8	0.2	2.1	0.5	0.4	1.0	1.6	1.9
HEALTH																
% population aged 80 years and over	2000	3.9	3.5	3.9	3.6	3.5	3.7	3.6	2.5	3.1	3.2	3.5	2.8	3.3	4.9	4.0
% population aged 65 and over hampered in daily activities by any physical or mental health problem, illness or disability	1997	33	32	48	72	42	38	54	37	u	41	44	51	62	u	30
% population aged 16 and over who feel that their health is bad or very bad	1997	12	5	7	18	9	11	8	4	u	5	7	23	8	u	10
% GDP spent in sickness, health care and disability social benefits	1999	7.6	9.5	9.3	10.7	7.9	7.4	10.3	6.7	8.7	11.4	10.1	10.4	9.9	12.1	9.4
% of persons living in a household that receives sickness, health care and disability benefits	1998	10.0	13.0	11.0	4.0	5.0	13.0	11.0	12.0	u	10.0	8.0	13.0	26.0	16.0	12.0
Mean amount of health benefits received by recipients (in PPS)	1998	559	671	897	316	188	962	312	450	u	981	312	361	1160	261	1152
OLD AGE																
% population aged 60 years and over	2000	23.9	21.9	19.7	23.0	23.1	21.6	20.5	15.1	19.1	18.2	20.4	20.6	19.8	22.1	20.5
% private households of 1 or 2 members of which at least 1 aged 65+	2000	15	17	15	17	17	13	15	9	11	14	14	12	15	16.0	16.0
% GDP spent in public pension schemes	1999	16.2	12.1	11.2	12.5	12.9	9.2	13.4	3.7	9.1	11.7	13.6	10.0	9.4	13.0	12.4
% of persons living in a househods that receives old age and survivors benefits	1998	41	30	19	28	38	33	27	22	u	18	37	34	32	29	28
Mean amount of old age benefits received by recipients (in PPS)	1998	6964	5641	2972	5315	4510	4798	4784	2065	u	4834	4572	2431	2110	3084	3616

Sources: Eurostat, OECD-OCSE
Countries: I = Italy; B = Belgium; DK = Denmark; D = Germany; EL = Greece; E = Spain; F = France; IRL = Ireland; L = Luxembourg; NL = Netherlands; A = Austria; P = Portugal; FIN = Finland; S = Sweden; UK = United Kingdom
Abbreviations: GDP = Gross Domestic Product; LFS = Labour Force Survey; PPS = Purchasing Power Standard; u = unavailable
* 60% of median equivalised income

E IN THE EUROPEAN UNION

edited by Massimiliano Crisci, Alessandra Fasano, and Giuseppe Gesano

The fifteen countries of the European Union still differ considerably in the size and structure of their welfare systems. The percentages of GDP allocated for welfare expenditure range from a maximum of 33% in Sweden to a minimum of 15% in Ireland, with the northern countries, Germany and France recording percentages of over a fourth of their GDP and the southern countries and Ireland with percentages more or less under that rate. Italy and Greece are on this threshold.

As shown in the 3-dimensional figure 1, the differences in the structure of welfare expenditure are even more evident when, for sake of a compatible comparison, such expenditure is distributed among the five groups represented therein. Excluding Ireland and - just barely - Finland and Portugal, old-age and survivor's benefits account for the greatest percentage of welfare expenditure. In many countries of Northern Europe, the percentages for sickness, health care and disability are just slightly lower. On the other hand, the percentages of GDP allocated to old-age and survivor's benefits in Greece and above all in Italy are considerable. In Italy, they amount to over 16% of GDP, accounting for nearly 2/3 of overall welfare expenditure. With regard to smaller items of expenditure, there is greater concern for unemployment benefits in Belgium, Denmark, Finland and Spain and, proportionally, in Ireland. Family-and-child related benefits account for larger percentages in Denmark, Finland, Sweden, Germany and France. The group of the more assistance-related functions of welfare, i.e. benefits regarding housing and other social-exclusion factors, remains important in the Netherlands, United Kingdom, and Denmark.

Beyond the traditions and the more recent choices in social policy, we might wonder if there are differentials in the demand for welfare that justify such dissimilarities in the services offered by the various countries. For example, up to what point do differentials in ageing, which exist among the Fifteen, justify such differences in the welfare system with regard to old-age and survivor's benefits? Figure 2 shows that there is a highly significant relationship between the size of the population in retirement age (60 years and over) and the percentage of GDP targeted to this type of benefit. Nevertheless, a more in-depth analysis of the possibly influencing variables also shows significant relationships with the percentage of elderly households and, with regard to services available, with the percentage of households benefiting from these forms of welfare. There is, however, no significant relationship with the average amount of these benefits, an amount for which Italy is in the top position with nearly 7,000 PPS units, compared to an EU15 average of less than 5,000 and an Irish minimum of just over 2,000.

On the other hand, we might wonder whether and to what extent the measures adopted will obtain their desired results. Remaining in the demographic field, we can seek a possible relationship between the percentage of GDP spent by each of the Fifteen on family- and children-related social benefits and its Total Fertility Rate, a basic indicator of fertility that in some cases these welfare measures aim at raising. Although figure 3 shows a positive trend, the relationship is not very significant, as shown by the dispersion of the countries around the theoretical line of regression. Nevertheless, Italy and Spain, which invest the least in this type of welfare, are actually at the minimum fertility levels.

The relationships with the possibly influencing variables or differentials in life expectancy at birth are even less significant with respect to welfare expenditure for sickness, health care and disability. It should be noted, however, that the percentage of the 'oldest-old' (80 years and over) shows the strongest correlation, though not significant.

Figure 1. Percent of GDP spent in welfare by group of items: EU 15 countries, ~ 1999

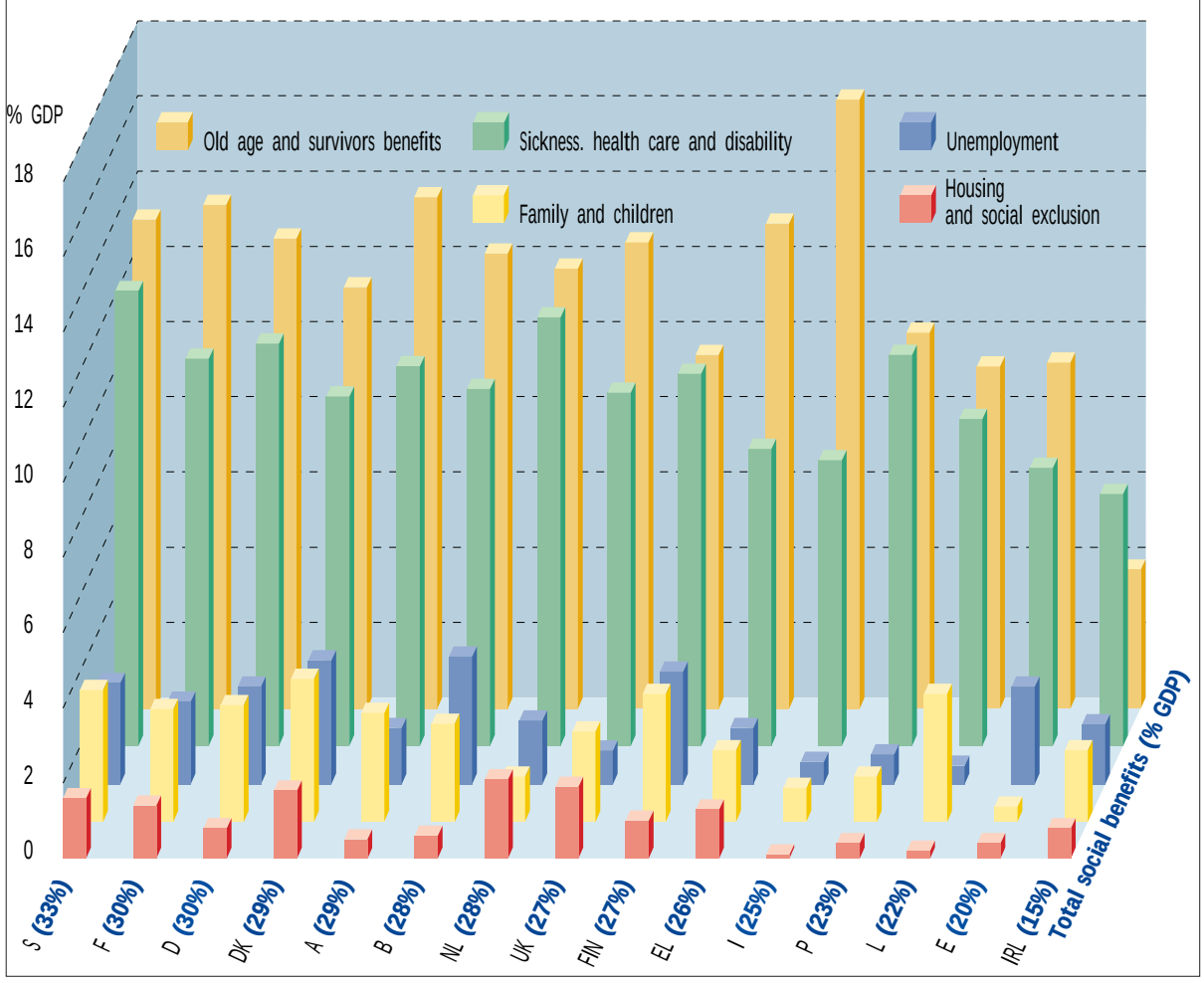


Figure 2. Relationship between the percentage of eldery population (60 years and over) and the percentage of GDP spent in old age and survivors benefit: EU 15 countries, 1999

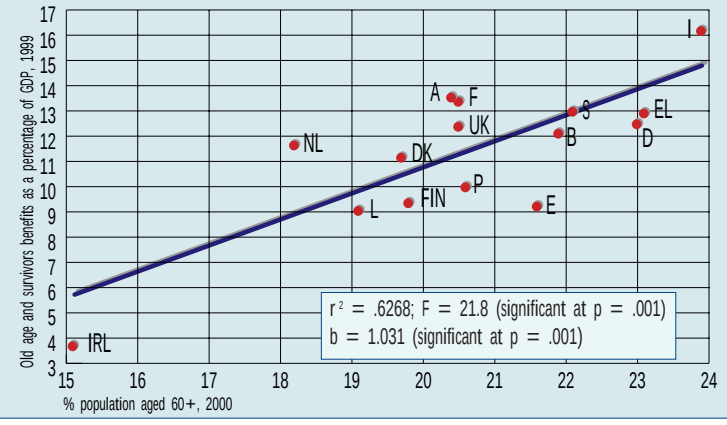
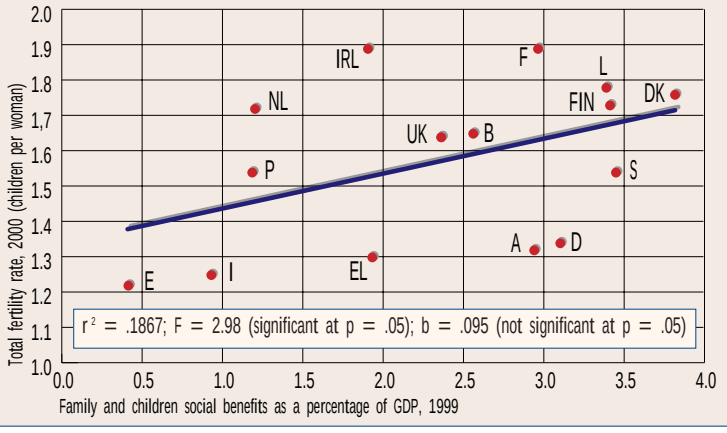


Figure 3. Relationship between the percentage spent in family and children social benefits and the total fertility rate: EU 15 countries, 1999



The Italian Path Towards the Minimum Insertion Income (MII)

The second trial phase of the MII (Reddito minimo di inserimento) programme will end on 31 December 2002. Presently, it is still uncertain how the government will decide to proceed in the process of implementation of this measure.

As the latest measure of policies for fighting poverty and social exclusion, the MII can be defined as an instrument for guaranteeing an absolute minimum income. For the first time, in Italy, there is a general means tested welfare measure, i.e. not depending on category or contributions, the universal application of which is limited only to the *testing* of the applicant's income. It is an active social-policy measure in the sense that it pursues not only objectives of economic support, but also of the social promotion of the beneficiaries – with regard to the family nucleus – by the organisation of (tailor-made) insertion programmes.

The access threshold is an income lower than 268.55 euros per month for one-person households. For other types of households, the parameters of ESI (Economic Situation Indicator) equivalency scale are applied. With regard to the insertion programmes, the MII goes beyond workfare policies in the strict sense, involving a wide range of social-integration programmes (family support and care services, pathways of rehabilitation or recovery of compulsory education, etc.). Willingness to work is compulsory only for working-age beneficiaries. The programme is established with the co-ordination of the beneficiary-household and the Municipality, i.e. the Authorities administering this measure under the law.

Based on the French model of Revenue Minimum d'Insertion, the introduction of the MII has filled a gap in the Italian welfare system with respect to the other EU countries, as well as in relation to European regulations in the social field. For the latter, the direct point of reference is the 1992 Recommendation (441/EEC) where access to sufficient services and resources is recognised as a fundamental right of the individual to a dignified life.

Thirty-nine Municipalities took part in the first phase of the trial programme. Twenty-four of these Municipalities are in the South while 10 are in Central and 5 in Northern Italy. This is due to the greater concentration of poverty in the South. Among the 39 Municipalities, the largest one is Naples, accounting for over 40% of the total population of the involved Municipalities (2.4 million people and 828 thousand households). Given this distribution, it is unsurprising that over 90% of the total volume of the MII – in terms of beneficiary households and individuals (34,730 and 85,818 respectively), and of resources allocated (220 million euros) – refer to Southern Italy.

On the whole, the results of the trial show a differing impact of the measure between the North and South of the country with regard to various aspects. These include the type of beneficiary-households and of insertion programmes; the outcomes and internal mobility; the different management capacity of the Municipal Authorities. In general, while in the North the measure appears to comply with the intentions of this type of policy, in the South the MII tends to be limited by the many specific problems of this area, which are structural (mass unemployment), institutional (the relative backwardness of the local welfare systems) and cultural (as shown, for example, by the various cases of fraud occurring in Municipalities in the South). Given the scarcity of resources available, these problems may threaten the universal scope of the measure. In Naples and Foggia, for example, were made up waiting lists of beneficiaries (e.g., in Naples and Foggia).

A second trial phase is involving the participation of 267 new Municipalities identified on the basis of their classification in the "Local Pacts" and where there is at least one of the 39 Municipalities of the previous phase (the "Local Pacts" are aggregations created with the European Structural Funds assigned to Objective 1, areas whose development is lagging behind). The population involved has doubled with respect to the first phase, while the number of families has increased by about a half. Decided before the end of the first phase, the continuation of the trial has not meant any changes in the institutional framework. However, two aspects of the latter have been highlighted: the relative inadequacy of the Municipality for a measure as complex as the MII, and the possibility of including the MII among the so-called "essential levels of assistance", thus classifying the measure as a subjective right enjoyed by the citizens.

Sandro Turcio

OVERVIEW OF METHODS

Measuring Poverty

UNFPA reviews three different methods

The 2002 UNFPA Report on "State of World Population" *People poverty and possibilities*, issued on December 3, is focused on problems linked to poverty. How measure poverty became a crucial passage to assess poverty levels and derive policy implications: methods of measurement should be shaped so as to adapt to a wide range of different situations. As the report states, income is not the only criterion to asses poverty, and economic growth alone will not end poverty. Poor health, illiteracy, inadequate schooling, social exclusion, powerlessness and gender discrimination also contribute to, and are important aspects of poverty.

Here we present a short summary of the Report's indications to achieve a wide and complete assessment of poverty.

There are three commonly used methods:

• Construction of a poverty line based on household expenditure.

Surveys are used as primary measure of household's standard of living. Since there are differences in local consumption patterns, a basket of good and services related to the area taken into account must be considered to assess whether the household income is sufficient to meet the food and other basic needs of all household members. The value of this basket, at local consumer prices and satisfying a pre-set level of basic needs for one person, is called the *poverty line*. A household is considered poor if its per capita income is below the poverty line.

This is an objective measure based on a specific definition of poverty and highly available to quantitative analysis. However, an income-based measure omit non-income factors in poverty, such as achievements in health and education. In addition, a large expensive household survey is needed to obtain a good survey from the point of view of reliability and to ensure that information is accurate and measurement errors do not throw estimates off. If individual data on per capita basis are derived from household data, results depend on assumption about household composition. Finally, when survey change over time, comparison are difficult and potentially misleading.

• Participatory appraisal and rapid assessment

These two methods are based on input from community members and use similar techniques.

The *participatory appraisal* is intended for the longer term and its ultimate goal is the empowerment of the target group. *Rapid assessments* are meant to provide data for a predetermined agenda in a very short time, usually one-day community visit. These are methods extensively used by development programmes and by participatory design of projects. Since the results depend on the subjective ratings of community members they are difficult to verify, and it is difficult to compare results across locations or programmes in a country. International comparisons are even more difficult. The hopefulness in receiving benefits may distort the responses such as access to financial services as result of the poverty assessment. Finally, participatory assessment requires skilful communicators who will be more expensive and harder to find than enumerators who only apply a structured questionnaire.

• Construction of a poverty index using a range of qualitative and quantitative indicators.

A set of indicators (selected among available and reliable information) can identify different dimensions of poverty. The indicators may be aggregated in a single index by using a weight scheme. In addition, indicators can be easily adjusted to local conditions. To provide a full picture of poverty, indicators should be drawn from at least four areas: human resources, housing, food security and household assets. However, the selection of weight system may be rather arbitrary.

For example UNDP's Human Poverty Index (HPI) combines information on deprivation in: longevity, knowledge and living standards. This measure draws several dimensions of poverty, but the assignment of equal weights to different components can be, however, considered as a "subjective" decision.

• Conclusion

The final suggestion of UNFPA to assess poverty and give policy makers tools to formulate planning purposes is to use a judicious combination of income-based, indicator-based and participatory-based information.

Loredana Cerbara, Maura Misiti

New and Old Poverty

Since the end of the 1970s, the rich countries of Europe have started to pay particular attention to the question of poverty. Until then (i.e. in the first 30 years after World War II), in Italy poverty has been considered to be a residual problem. Italian economic development, on the other hand, provided a direct confirmation of that thesis. A poor country with a high rates of unemployment and underemployment and a great relevance of rural activities in the occupational structure at the end of the 1940s, in the following ten years Italy underwent a considerable economic growth tripling the per-capita income in constant values. Poverty was thus effectively countered by pursuing objectives of full employment and economic growth. This growth increased resources, thus allowing the development of the systems of protection and social security and the enlargement of social rights of citizenship.

This scenario changed radically in the 1980s, and a different view of poverty and its causes developed. In the first place it became clear that poverty was not a residual factor but a persistent problem in the wealthy countries, affecting a hard-core population having an income under a defined standard of the poverty line. In the second place many analyses show that conditions of deprivation - a cause of serious crisis of individuals and their families in particular stages of their life-cycle - may occur independently from availability of economic resources.

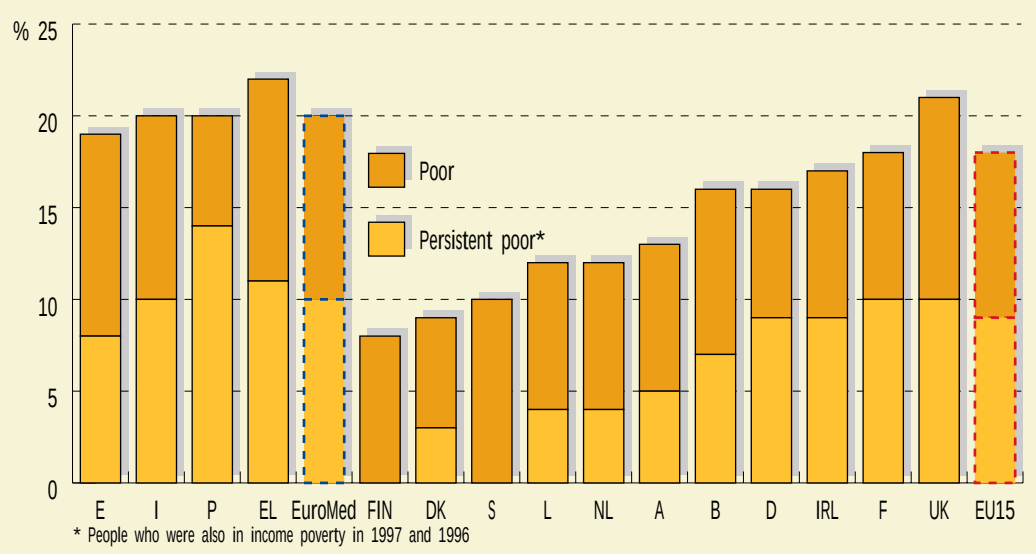
In this regard, there is much talk about "new poverty" and the related risks of social exclusion: the new poor, in fact, include individuals whose physical survival is guaranteed but who are excluded from full participation in the activities of the society in which they live (for example, single mothers and their children, the elderly living alone, young people who are not able to enter into the labour market).

In the European countries, there are nevertheless considerable differences with regard to the occurrence of poverty and its social and geographical concentration. These differences are due to the various difficulties of the national welfare systems to manage the changes produced by a series of factors such as economic and population-related dynamics, changes in the life-cycles of families and individuals and the changes in individual life-styles and consumer patterns. Unsurprisingly, in Europe the highest percentages of poor population (identified on the basis of the standard criteria adopted at the international level, the *international standard of poverty line*) tend to be located in the countries of Mediterranean shore, which are also the ones with the widest gap in the distribution of income in the European Union. In fact, in these countries the bottom (poorest) 20% of the population received 6% (7% in Italy) of total income in 1998, while the top (richest) 20% received a percentage of total income ranging from 39% for Italy to 45% for Portugal. The gap between the most and least well-off persons is smallest in Denmark, Finland and Sweden. The *welfare* model of Mediterranean countries is characterised by a sharp contrast of the range and formulas of social-security and assistance services. Those sector of the population who do not come under the category of the guaranteed employed risk the likelihood of falling or remaining under the poverty line, especially if they cannot count on the support of their family or networks of relatives. In 1998, over one third (34%) of the approximately 35 million people living in conditions of persistent poverty (i.e. for at least three consecutive years having less than 60% of the average equivalent per-capita income) in the 15 EU Member Countries were Greek, Portuguese, Italian and Spanish (see Figure). Obviously, the problem of poverty does not affect these countries alone to such a significant degree. UK and Ireland for example have the same percentages of population in conditions of persistent poverty of Italy and Spain. Nevertheless, in the countries of Southern Europe the family and solidarity of relatives remain the sole resource for facing social risks. In any case, the family remains the sole resource at least until even one of its members is linked to the system of guarantees; if not, the poverty risk is more likely for families in these countries. In 1996, in Italy, Spain and Portugal the risk of remaining in a condition of persistent poverty was more than double for large families (with three of more dependent children) with respect to the national average, while in the UK and Ireland it was respectively 46% and 80% higher. Furthermore, in Greece, Portugal and Spain the persistently poor families with 3 or more children had to face more often than elsewhere numerous disadvantages in terms of financial problems, the satisfaction of basic needs and/or of problems connected with housing.

Compared to the other countries of Southern Europe, Italy showed, however, a peculiarity linked to its historically grounded economic dualism, so that poverty is concentrated above all in the South were about one third of the population of the country is located and where 66.3% of the poor households live. Since poverty is more widespread there, it also affects those who belong to the socio-demographic categories that are in general less vulnerable to poverty (see Table).

Dante Sabatino

Percentage of the population living in (persistent) risk of poverty: 1998



Incidence of relative poverty by household size, household characteristics and main geographical divisions: Italy, 2001 (percentage values)

Household size	North	Center	South	Italy
1 component	4.7	4.8	20.0	9.1
2 components	5.3	9.7	24.9	11.4
3 components	4.6	7.0	22.4	10.2
4 components	4.7	12.0	23.8	14.2
5 o more components	9.5	11.9	36.4	24.5
Households with dependent children				
1 child	4.4	9.4	23.1	12.0
2 children	5.1	10.5	27.5	16.2
3 or more children	15.5	*	37.0	28.0
at least one younger than 18	5.2	9.9	26.5	14.8
Households with at least one person aged 65 or more	7.3	11.1	29.2	15.1

*No significant data

Work and Welfare in Italy

Population components play an increasing role in labour market dynamics

As we know, modern welfare originated in the need to protect subordinate workers. Even today, its largest financial turnover, in terms of the receipts and benefits, still takes place in the world of work, as shown in figure 1. It classifies the 15 Member Countries of the European Union on the basis of the relative importance of these flows, including on the one hand the contributions by employers or protected persons (primarily workers), and on the other unemployment benefits and old-age and survivors benefits, with the latter consisting above all of work pensions. The northern countries and Portugal tend to contain this link between the welfare system and the production system, either by limiting the contributions charged to the cost of labour, or by assigning lower amounts of benefits to unemployment and above all to pensions. The countries of continental and southern Europe, on the other hand, still maintain a close link – though in different ways – with over half the welfare receipts coming from employers and workers and assigning over half the benefits to the unemployed or retired persons.

In this European context, Italy has a rather anomalous status, with a net imbalance between labour-related receipts and benefits (however, being in this considerably exceeded by Denmark and equalled by Portugal and Sweden). There is a limited amount of contributions by protected persons (but still more than in Sweden and Finland) and, above all, there is a preponderant assignment of benefits (nearly 2/3) to pension schemes. Therefore, the percentage of unemployment benefits is very small (2.2%, compared to an EU15 average of 6.8%).

Between the 1970s and 1990s, the Italian labour market experienced one of the most serious occupational crises in Europe, with unemployment levels as high as 12.1%, as a national average, in 1988 and 1989 and 21.3% in the South, in 1997. Even today, the rates of unemployment among youth (about 30%) and women (14%) in Italy are among the highest in the Fifteen (on average respectively 16% and 10% in 2000). Nevertheless, since 1998 there has been a limited fall in unemployment, while in some areas of the country – especially the North-East with its small family-run enterprises – full employment has been achieved. Indeed, there has been even a quantity and quality demand met by immigration, both domestic and foreign.

In the 1990s the labour market was also affected by the consequences of the fall in the birth rate, which started in the mid-1960s, increased in the early 1970s and reached present levels in the mid-1990s. The size of the cohorts entering working age (15 years) has fallen by nearly half since 1979 up to now, while entry into the workforce, which currently takes place at the mean age of around 19-20, has undergone less reduction due to the increased participation of young women in the labour force and the delay due to the greater high-school and university attendance of both genders.

We might therefore wonder what role this and other population dynamics are playing in the current labour-market changes. We can share the changes occurred in the number of unemployed people into components, some of which coming from the population dynamics – the cohorts' turnover, mainly, and the migration change – and some depending from the changes in labour supply and demand. This analysis by components of the 1993-2001 changes shows a decrease in unemployment due to the demographic components, particularly in the ages between 20 and 29 years (figure 2). Here, the cohort turnover is an item with a size comparable to the effects coming from the changes in the employment rate. Between the ages of 30 and 55, however, the demographic components have until now favoured the increase in the number of unemployed people. In the coming years the past fall in the birth rate will also affect the number of middle-aged workers, so lowering of their pressure on the labour market.

Does this mean that the problem of unemployment is being solved thanks to a favourable demographic situation? Unfortunately, things are not so simple. On the one hand, it is necessary to bridge the wide gap of labour participation in Italy compared to its European partners, above all with regard to women and the mature age groups. On the other, there are worrying dynamics towards unemployment among older workers. In order to properly face both problems, besides strengthening the social buffers to cope with individual and family crises, one should also implement all the instruments helping to improve the human capital in order to make it more suited to a type of labour demand that might be limited from the quantity point of view, but demanding with regard to the quality of the workers required.

Giuseppe Gesano

Figure 1. Social protection receipts/benefits received/paid from/to labour-related subjects as a percentage of total receipts/benefits

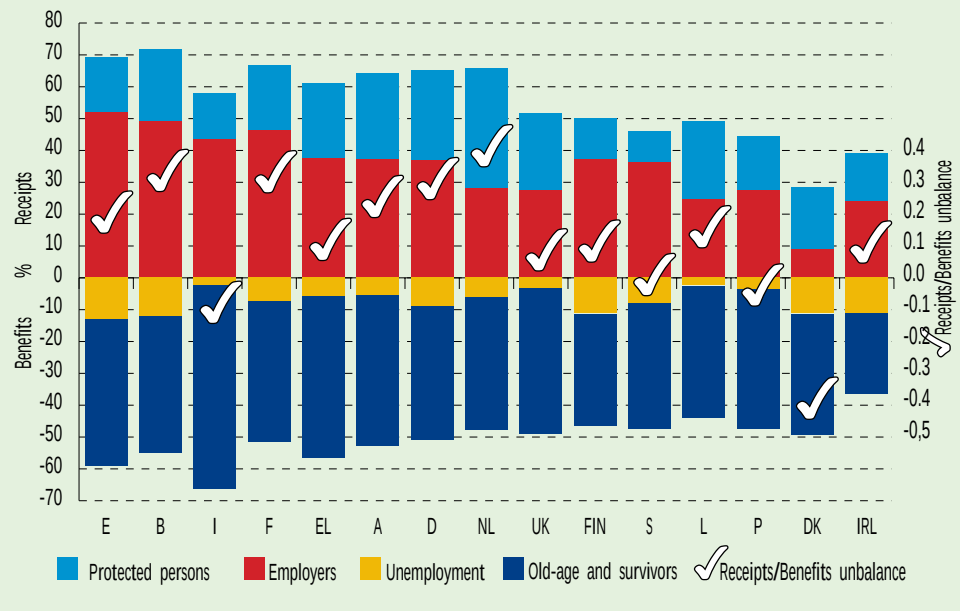
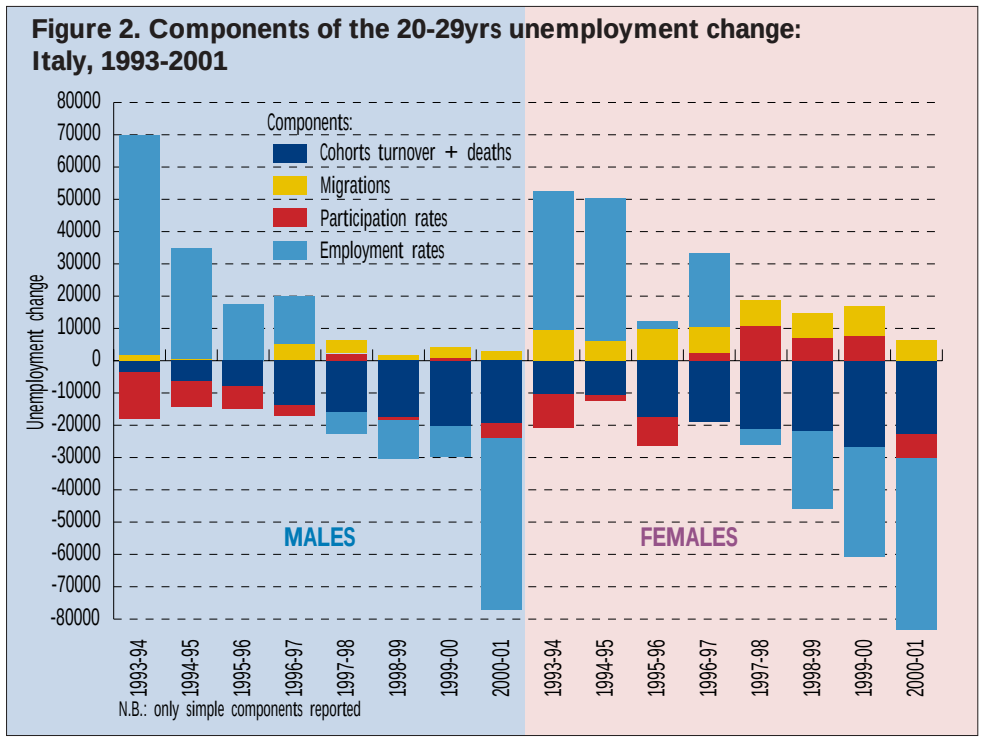


Figure 2. Components of the 20-29yrs unemployment change: Italy, 1993-2001



Health Expenditure in Italy

After a period of near stability, public health expenditure in Italy has again started increasing at a faster rate than the Gross Domestic Product (GDP), becoming a source of worry for the authorities which have to try to keep the public debt within the limits set by the European Union agreements. It has risen from € 60,607 million in 1999 to € 66,893 million in 2000 and € 71,255 million in 2001, with an increase of over 17.6% in two years.

If we consider that the private expenditure has not increased (at constant prices, it has remained unchanged since 1995), we should wonder about the possible causes of this increase. In order to provide an answer, it might be useful to make an international comparison with the main industrialised countries. Unlike what is commonly believed, Italy has a high private health expenditure despite the existence of the National Health Service, a system managed directly by the State and adopted in 1978 using the model of the British National Health Service. In the UK, health expenditure is mainly public (84.2% of total expenditure). With its 68% of the public quota on total health expenditure, Italy is exceeded only by the US, Greece and Portugal.

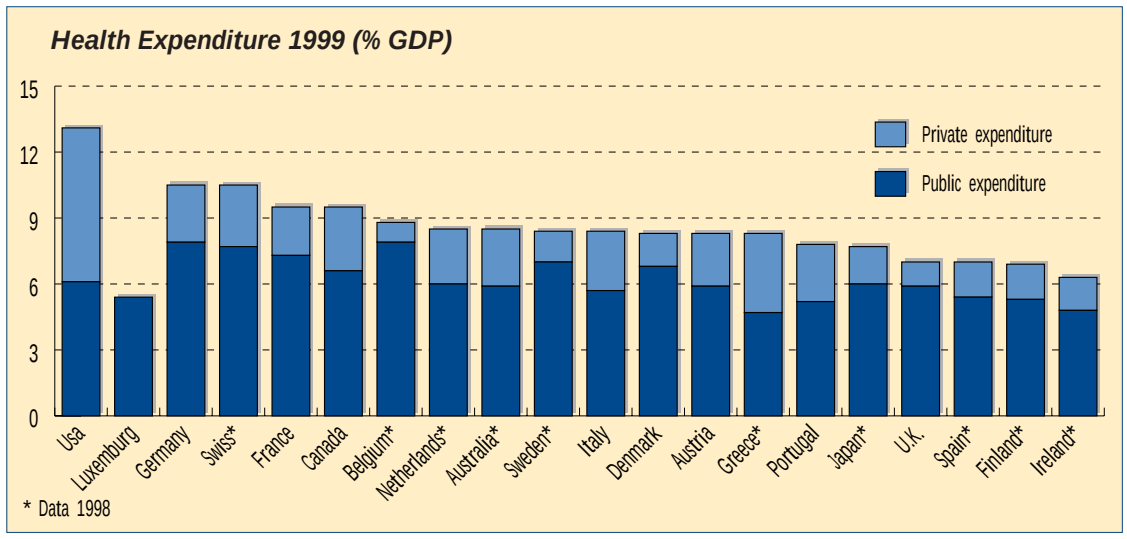
Therefore, the type of health service (clearly private, mutual assistance or national health service) does not necessarily indicate the principal source of funding, except perhaps for a purely private system.

Wealth standards of a country do not necessarily represent a discriminating factor. While there is a positive ratio between health expenditure and income, this is not the only factor determining the private-sector quota of health expenditure in the industrialised countries.

If we observe health expenditure in relation to GDP, the expenditure is slightly higher in the countries with the highest income, but without a statistically significant correlation. On the contrary, studies made in various countries have always shown the existence of this relationship, especially in private expenditure. It should also be pointed out that Italy has an "average" health expenditure with respect to other countries. Excessive emphasis has sometimes occurred in regarding health care as one of the sectors to be subjected to cuts. Anyway, the increase over the past two years is undoubtedly a matter for concern.

On the basis of these brief considerations, we can hypothesise a future scenario in the light of greater European integration on the one hand and of the greater regional decentralisation of health care on the other.

European pressures to eliminate the current account deficit in the national budgets have put a limit on the possibilities of increasing health expenditure. On the other hand, the Regional Authorities have proved unable to contain health expenditure even if they have just recently at their own disposal instruments, not yet complete, for raising the necessary funds. Experts on these problems seem to agree on one aspect: the current gap between North and South in Italy cannot be reduced without solidarity policies. Transfers from the National Health Fund which have until now guaranteed a balanced budget are being gradually reduced, to the detriment of the Southern regions. If we consider that private expenditure is concentrated in the Northern regions, the situation can only become worse.



Fabio Palazzo

NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS

The new IRPPS' Scientific Advisory Board is formed by:

Antonio Golini, Professor of Demography at the University of Roma "La Sapienza"

Massimo Paci, Professor of Work Sociology at the University of Roma "La Sapienza"

Giovanni Battista Sgritta, Professor of Sociology at the University of Roma "La Sapienza"

Corrado Bonifazi, from IRPPS, is the new president of the Working Group on International Migration of the European Association for Population Studies.

Giuseppe Stirparo, from IRPPS, presented the paper "Utilisation and Price of Triptans in the European Countries" at the **6th Headache Congress** organised by the EHF (European Headache Federation) (Istambul, 26-30 June 2002). The authors of he paper were: Folino-Gallo P., Palazzo F., Stirparo G., De Filipps S., Martelletti P..

Frank Heins, from IRPPS, presented the paper "Geographic mortality differences in Western Germany. Trends in the 1980s and 1990s and possible causes" at the **Yearly Meeting of German Demographers** (University of Rostok, 11-12 July 2002).

Frank Heins, from IRPPS, presented the paper "Geographic differences in mortality: Germany and Italy in the 1990s" at the **International Conference on Population Geographics** (University of St. Andrews, Scotland, 19-22 July 2002).

Anna Gigli, from IRPPS, presented the paper "Estimating the variance of chronic disease prevalence" at the **XVI World Congress of Epidemiology** (Montreal, 18-22 August 2002).

The **International Workshop "Ageing and work"** was held in Bonn on 2 September 2002. The IRPPS Director, Prof. **Enrico Pugliese**, presented a statement about the Italian situation.

Maria Carolina Brandi, from IRPPS, presented the paper "International Mobility: Students *Vagantes*", prepared with Sveva Avveduto, at the **15th Conference of CHER (Consortium of Higher Education Researchers)** (Wien, 5-7 September 2002).

Corrado Bonifazi and **Maura Misit**i, from IRPPS, attended the **International Conference "Albanian Migration and New Transnationalism"** (University of Sussex, 6-7 September 2002). Bonifazi presented the paper: "Albanian migration to Italy: what official data and survey results can reveal", prepared with Dante Sabatino. Misiti presented the paper "Reporting the 'invasion': representation of Albanians in the Italian Press".

Pietro Folino-Gallo, from IRPPS, presented the "Outline in Euro-Med-Stat" during the **Meeting of the Pharmaceuticals working Group of the High Level Committee on Health** (Luxemburg, 18-19 September 2002).

The Second thematic NIEPS **workshop on "Ageing, intergenerational solidarity and age-specific vulnerabilities"** was held on 27-28 September 2002 in Den Haag. **Giuseppe Gesano**, from IRPPS, presented the discussion paper: "Old-age from 'Medicalisation' to 'Active Ageing'".

A meeting on **"Minimum Insertion Income" (Reddito minimo di inserimento RMI)** organised by IRPPS-Welfare Section and the Municipality of Napoli (Office of Social

Affairs) took place in Napoli on 8 November 2002 .

The **Commission for the promotion of Women in Science**, coordinated by **Rossella Palomba** from IRPPS, held a **Round Table** at the Casa internazionale delle donne in Rome on 20 November 2002. The item discussed was **"Summing up and looking ahead. Women in Science"**.

The ICITA 2002 (First International Conference on Information Technology & Applications) was held on 25-29 November 2002 in Bathurst (Australia). Fernando Ferri, from IRPPS, presented the paper: "A Vectorization Algorithm of Closed Regions in Raster Images" prepared with Patrizia Grifoni. The Proceedings will be published by IEEE Computer Society.

The **10th Annual Meeting of the EUPHA (European Union Public Health Association)** was held in Dresden on 28-30 November 2002. **Pietro Folino-Gallo**, from IRPPS, presented his manuscript "EURO-MED-STAT: monitoring expenditure and utilisation of medicinal products in the European Union countries. A public health approach". This book will be published by Springer-Publishing Company.

IRPPS organised the **workshop "Women and Science"** at the Forum Bled in Slovenia on 2-3 December 2002. The workshop is funded by the Human Potential Programme of the European Commission. **Rossella Palomba**, from IRPPS, was the focus person of the workshop and **Adele Menniti** and **Maura Misiti**, from IRPPS, were rapporteurs. The French and English version of **Figlie di Minerva (Minerva's Daughters)** was discussed.

The **4th Meeting Euro-Med-Stat "Utilisation indicators"**, coordinated by Pietro Folino-Gallo, from IRPPS, will be held in Bruxelles on 6 December 2002.

The **Workshops DNIS (Databases in Networked Information Systems)** will be held in Aizu (Japan) on 16-18 December 2002. **Fernando Ferri**, from IRPPS, will present the paper "A proposal for a Distributed XML Healthcare Record" prepared with Francesco Barbera, Fabrizio L. Ricci, Pier Angelo Sottile. The Proceedings will be published by Springer Verlag - LNCS.

Giuseppe Gesano and **Maura Misiti**, from IRPPS have been invited to participate in Tirana on 5-6 December 2002 at the **International Conference on Final results from the 2001 Albanian Population and Housing Census** organized by the Institute of Statistics of Albania

New colleagues joined the IRPPS. Welcome to **Cristiana Crescimbene** and **Pier Luigi Tedone**.

Consiglio Nazionale delle Ricerche
ISTITUTO DI RICERCHE SULLA POPOLAZIONE E LE POLITICHE SOCIALI

The Institute for Research on Population and Social Policies (IRPPS) has begun its activity since April 2002. Prof. *Enrico Pugliese* is its Director.

On 9 May 2002 the IRPPS Board was established, it is composed by:

***Enrico Pugliese*,**
Director;
***Andrea Barbieri*,**
head of the separated Section in Penta di Fisciano (Salerno);
***Corrado Bonifazi*,**
head of the Section "Mobility and territory";
***Giuseppe Gesano*,**
head of the Section "Population trends and governance"
***Rossella Palomba*,**
head of the Section "Analysis of social and demographic behaviours and evaluation of policies";

***M. Carolina Brandi, Antonella Ciocia, Maura Misiti, Angelo Perugini, Giuseppe Ponzini* and *Dante Sabatino* are the members elected by the IRPPS staff.**
The Section "Welfare systems and social policies", was also established, head of which is *Enrico Pugliese*.

AND WHAT'S MORE...

H. Heclo, "Towards a New Welfare State?", in P. Flora and A.J. Heidenheimer, *The Development of Welfare States in America and Western Europe*, London, Transaction Books, 1981, p. 384.

T.H. Marshall, *Social Policy*, London, Hutchington University Library, 1965, p. 50. Press Ltd, London.

C. Cousins, *Society, Work and Welfare in Europe*. Macmillan (1999).

EUROSTAT, *The social situation in the European Union 2002*, EUROSTAT - European Commission Directorate-General for Employment and Social Affairs, 2002.

EUROSTAT, *Eurostat yearbook 2002* – The statistical guide to Europe, 2002.

OECD, *Education at a Glance: OECD Indicators*, 2002 Edition.

OECD, *Employment Outlook*, 2002.

OECD, OECD *Health Data 2002: A Comparative Analysis of 30 Countries*, 2002 Edition (CD-ROM).

OECD, OECD *Social Expenditure Database 1980-1998*, 2001 Edition (CD-ROM)

OECD, *Literacy in the Information Age: Final Report of the International Adult Literacy Survey*, 2000.

UNFPA, State of World population, 2002.

BOOKS: RECENT PUBLICATIONS

Popolazione, ambiente e conflitti nei Balcani degli anni novanta (Population, environment and conflicts in the Balkans during the 90s) edited by *Corrado Bonifazi*, Franco Angeli, Milano, 2002.

The book is an attempt to analyse, from a population studies perspective, the relationships between demographic trends and environment within the dynamics determined by the recent Balkan wars. The triad conflicts, population and environment has emerged in all its importance during the Balkan crisis. The contributions analyse the ties between these three elements, the demographic context of the area, the effects of the wars on the population trends, the forced migrations and the environmental consequences of the conflicts.

Contributors are Corrado Bonifazi, Cinzia Conti and Marija Mamolo.

Italia tra migrazioni internazionali e migrazioni interne (Italy between international and internal migrations) by *Enrico Pugliese*, Il Mulino 2002.

The book analyses in a comparative way the present immigration to Italy with the traditional Italian emigration abroad. The two main waves of outmigration - the overseas migration of the end of the XIX and the beginning of the XX century (the "Grande Emigrazione") and the Intraeuropean migrations, of the post war years of economic expansion - are studied emphasizing the analogies and the differences with present day's international migration.

Also the internal (mainly South – North) migration flows, which have become active again in the recent years have been object of the study.

Dentro la violenza: cultura, pregiudizi, stereotipi. Rapporto nazionale "Rete antiviolenza Urban" (Inside violence: culture, prejudices and stereotypes. Italian Report "Urban Antiviolence Network") edited by Cristina Adami, Alberta Basaglia, Vittoria Tola. Franco Angeli Publisher, Milano, 2002. IRPPS contributed in Parte prima – I risultati Nazionali. La percezione della violenza contro le donne tra stereotipi e tolleranza. (First Part: Results. The perception of violence against women between stereotypes and tolerance) by Maura Misiti and Rossella Palomba.

The Report presents the results of the Pilot Project carried out by the Ministry of Equal Opportunities of Italy and the Municipality of Venice on domestic violence. Eight Italian big cities participated in the Project, both quantitative and qualitative surveys were conducted in each town.

Minerva's daughters - Filles de Minerve edited by *Rossella Palomba* and *Adele Menniti*

Contributions to international migration studies edited by *Corrado Bonifazi* and *Giuseppe Gesano*, Monografie 12/2002

Public awareness and the role of media. An Italian survey on the 6 billion day edited by *Maura Misiti*. Quaderni di Demotrends n. 3-Giugno 2002

FORTHCOMING PUBLICATIONS

Adele Menniti, **Ideali e intenzioni riproduttive delle donne italiane (Ideals and reproductive intentions of Italian women)**. Quaderni di Demotrends n. 4-Novembre 2002

SPEAKING ABOUT

Analysis by components: Statistical method which distributes the variation occurring in an aggregate into elementary and complex components according to an additive model.

Purchasing Power Standards (PPS): accommodate differences between prices in individual countries and express them in a single currency, they eliminate not only differences between currencies but also differences between price levels among individual countries. Purchasing power standard is calculated by comparing several thousand prices of goods and services in different countries.

DEMOTRENDS

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