

Sustainable development: not the Government's priority



Commitments on combating poverty and social exclusion, as well as on increasing gender equality, have not been met, while policies undermine the availability and delivery of essential services. Although sustainable development is not part of the Government's priorities, four successful referenda promoted by civil society (against nuclear power, forced privatization of water and other public services and against the exemption of the Prime Minister from the rule of law) that brought almost 27 million Italians to vote, have pushed the country in the right direction. It is essential to review all public policies and establish a new model of development centred on the enforcement of fundamental human rights, environmental sustainability and the reduction of social inequality.

Italian Social Watch Coalition

The public debate in Italy on a sustainable development model, which introduces social and environmental indicators of well-being in addition to economic variables, has not yet managed to influence policy-making. It was not fed into a national indicators system, although the National Statistics Institute (Istat) and the National Council for Economy and Labour announced the creation of a "discussion table" towards a shared set of indicators, and in 2009 Parliament approved a bill to reform the public accounting system (Law 196/2009), which provides that the Government should review the indicators taking into account environmental sustainability.

For their part, traditional economic indicators are far from encouraging: an increase in GDP in 2010 of only 1.1% compared to 2009;¹ and a debt that continued to grow by 4.5% to EUR 18,432 trillion, against EUR 17,639 trillion in 2009 (USD 26,563 trillion from USD 25,425 trillion), bringing the debt ratio to 118.6%.² An employment rate of 56.7%, highly unbalanced between women (45.8%) and men (67.6%), represented a further decline (-0.8% or 176,000 fewer employees than in 2009).³ The unemployment rate is 7.6% but rises to 24.7% for young people aged 15 to 24.

In 2010 Italy reached a record in the redundancy funds required by enterprises, which amounted to EUR 1.2 billion (USD 1.7 billion).⁴ In the last two decades, families' gross savings rates have fallen steadily from more than 30% in the first half of the 1980s to 14% in 2009. In parallel, purchasing power has fallen more than 5% since 2006. The latest figures available show a decrease in savings capacity of 0.9% for the third quarter of 2010 over the previous year.⁵

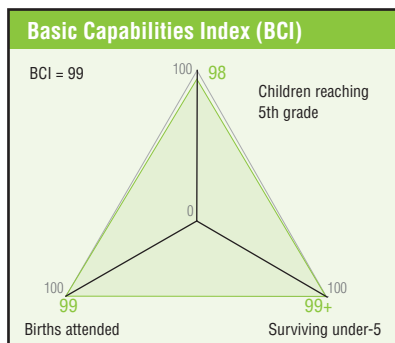
1 Istat, *Preliminary Estimate of GDP, IV Quarter of 2010*, press release, (11 February 2011).

2 Bank of Italy, "Supplement to the Statistical Bulletin," *Public Finance and Debt Requirements*, No. 8, 14 (February 2011).

3 Istat, *Employment and Unemployment, III Quarter of 2010*, press release, (21 December 2010).

4 National Social Security Institute (INPS) data base, <www.inps.it>.

5 Istat, *Income and Household Savings, III Quarter of 2010*, press release, (January 2011).



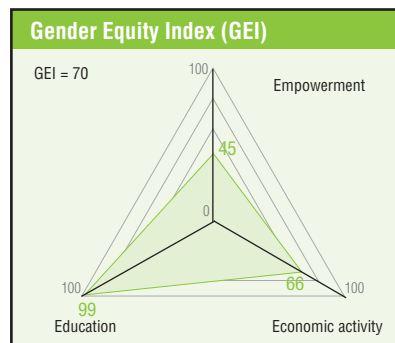
Government inaction

The investigations involving the Prime Minister's alleged offences of extortion and child prostitution, coupled with parliamentary paralysis, have left the main problems of the country unaddressed. Thus the city of L'Aquila, hit by an earthquake in 2009, is still a ghost town. A conflict between the management of Fiat, the largest Italian car manufacturer, and FIOM, the main metalworkers' union, saw the Government largely absent and unable to come up with an effective industrial policy. Moreover, the continued use of "extraordinary powers" to meet emergency needs that are often chronic becomes a replacement for legality and for environmental and health protection.

The weakness of the State is particularly problematic in sensitive areas such as environmental standards for waste management, where there are strong organized crime interests. In 2005 about 107.5 million tonnes of hazardous waste (including 5.9 million highly dangerous) were produced in Italy, but only 87.8 million tonnes were disposed of properly.⁶ The remaining 19.7 million tonnes, therefore, were most probably disposed of illegally.

In October 2010 the European Commission warned Italy that it would face economic sanctions if it did not handle the garbage crisis in Campania, the second most populous region in the country and one of the poorest. The crisis is the result of decades of mismanagement of both industrial and municipal waste.

6 National Environment Protection Agency and National Waste Observatory, *Waste Report 2007*, (Rome: 2007).



Labour and welfare policies

In 2010 the Government issued a budget package of EUR 24 billion (USD 34.6 billion) centred on the contraction of public spending. Welfare, social policies, education, research, official development assistance (ODA) and transfers to local authorities are the sectors most affected by the cuts, which in some cases were lower than budgeted only as a result of pressure by civil society groups and local authorities. Almost nothing has been done to reduce social inequalities.

The austerity budget (called the 'stability law') adopted in 2011 takes the same track. The freezing of public employees' contracts until 2013 and the blocking of seniority have particularly affected a school system already constrained by cuts to the workforce introduced by the Education Minister: 67,000 workers were eliminated in the 2009/2010 school year and 40,000 in the 2010/2011 school year.

Overall, the 10 social funds financed in 2008 with EUR 2.5 billion (USD 3.6 billion) could count on only EUR 349 million (USD 507 million) in 2010.⁷ In support of low-income families there remains the "social card" (EUR 40/USD 58 a month), a charity measure established in 2008 and refinanced in 2011 with a strong discriminatory addition: resident foreign citizens, young workers and retired people whose income even slightly exceeds the minimum pension limit cannot request it. The Federal reform currently under discussion in Parliament, if passed, would jeopardize the guarantee of minimum standards for social welfare throughout the nation.

7 See the proceedings of the Conference on Universal and Local Levels: Institutions and Third Sector Together for a New Welfare System, (Bologna: 25-26 November 2010), <www.idiritizianalavoce.org/>.

In terms of development cooperation, in order for Italy to reach the internationally agreed goal of 0.7% of GDP in ODA by 2015,⁸ more and better aid must go to international cooperation (including through innovative financing mechanisms) and resources must be provided in a more predictable, transparent way.

Italy continues to have a high – but largely overlooked – degree of discrimination against women at work, in politics and in the household, including domestic violence.⁹ The Italian campaign around the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) provides evidence on the “continuation of degrading and sexist representation of women in the media as well as in the political arena,” without the proper tools to combat it.¹⁰

Environment and sustainability

Italy is one of the few countries in Europe that does not have a strategy to reduce carbon dioxide emissions or to meet the European 2020 reduction targets. The only existing plan dates back to 2002, is highly inadequate and does not meet the Kyoto commitments for the period 2008-2012. A national strategy for reducing carbon dioxide emissions in the long term (2050) should be adopted quickly, involving intermediate steps in line with the European objectives and the need to enhance and accelerate the transformation of the economy into a Zero Carbon one.

Since a referendum in 1987 agreed on the country's exit from nuclear power, there are no active plants in Italy. However, a programme for the revival of nuclear power started in 2009, providing for the construction of 8-10 new power plants, 1000 to 1500 MW in size, for a total cost of EUR 40-50 billion (USD 58-73 billion) at the expense of investments in renewable energy, energy efficiency and energy savings.

Although Italy is Europe's richest country in terms of biodiversity, with 57,468 species of animals – 8.6% endemic, that is, found only in Italy – and 12,000 species of flora – 13.5% endemic, much of this heritage is being lost: currently at risk are 68% of its terrestrial vertebrates, 66% of its birds, 64% of its mammals and 88% of its freshwater fish. A National Biodiversity Strategy, finally approved on 7 October 2010, must be fully implemented by pro-

viding national governance (with the contribution of the Regions) along with adequate funding.

Civil society initiatives

There has been widespread mobilization by Italian citizens, including the following:

- 1,400 million signatures were delivered to the Supreme Court on 19 July 2010 calling for a referendum on the public management of water after the “Ronchi decree” in 2009 stated that the water service – as well as other public services such as waste management, public transportation, etc. – was to be entrusted to private companies or have at least 40% private ownership, and on 12 and 13 June 2011, Italian citizens voted against it.
- The issue of nuclear power saw much of civil society coming together in defense of renewable, safe and clean energy. Italians were also called to vote on a referendum and repealed the rule that reintroduced nuclear power plants after they had been banned in 1987 by popular vote. The issue of nuclear power has seen much of civil society mobilize together for the defense of renewable, safe and clean energy. These referenda (together with another one to cancel the “legitimate impediment” law introduced by the Berlusconi Government, which allowed top Government officials to avoid appearing in court when citing their work commitments) resulted in the unambiguous response (95% of those who voted) of Italians voting in favour of abolishing those laws. Furthermore, the results of the referenda have forced the Government to produce a national energy strategy for 2011 that should include specific funding for energy efficiency and renewable resources.
- A large movement of students, teachers and researchers from high schools and universities protested in the second half of 2010 against the cuts in education and research, with hundreds of schools and universities occupied throughout the country.
- The citizens of L'Aquila, voluntary associations and social movements have been working to free the town's historic centre from the rubble of the earthquake, as well as organizing cultural and solidarity activities to address the social reconstruction of the city.
- The charges of extortion and child prostitution initiated against Prime Minister Silvio Berlusconi brought out a million women and men to demonstrate in the streets in February 2011, not only to vindicate the dignity and rights of women but also to challenge the political, cultural and social practices that tend to reduce women to – or represent them as – sexual objects.

Conclusion

An overall review of public policies is as urgent as it is essential. The priority should be the establishment of a new model of development centred on the enforcement of fundamental human rights, the reduction of social inequality and a real commitment to environmental sustainability.

In the economic field, public policies should be adopted to boost employment, particularly for youth, including incentives for businesses that hire new workers; to stimulate the development of green consumption and production and the ecological conversion of industrial production that has a high environmental impact; and to support companies that invest in areas of high production, skills, research and the knowledge economy. There should also be greater tax equity – for example, by introducing a 0.05% fee on financial speculations as well as a wealth tax.

In the social field, it is urgent to work on the expansion of resources allocated to social assistance, the fight against poverty, services for children and other dependants, public education, social security benefits and contributions for the social inclusion of foreign citizens. Action must be taken to address the situation of the 5.2% of Italian households reported by Istat in 2009 to be living in absolute poverty.¹¹ In addition, the definition of basic levels of social benefits (provided for in Article 22 of Law 328/2000) must be reaffirmed. If this is not the case, the Federal reform currently under discussion in Parliament might jeopardize the guarantee of minimum standards of social welfare at the national level.

In terms of the environment, an accounting system should be adopted to provide essential information and ensure transparency and accountability of government actions on sustainable development. Priority should be given to small-scale infrastructure, for which the Government set aside EUR 800 million (USD 1,164 million) in November 2009; these funds should be targeted at urban areas and used for repairing and upgrading existing strategic infrastructures (primarily railways) rather than building major new ones. In order to implement the “Directive on criminal law protection of the environment (Directive 2008 / 99/CE)”, the Italian criminal code should include the definition of “environmental crimes,” with increased sanctions. ■

8 See United Nations, “Resolution 2626,” Twenty-fifth Session of the UN General Assembly, para. 43, (24 October 1970); and “Report of the UN Monterrey Conference on Financing for Development,” A/CONF.198/11, para. 42, (2002).

9 *Work in Progress - 30 years of CEDAW*, produced by a group of Italian women's rights and gender equality advocates, <www.womenin.net/web/CEDAW/home>.

10 Ibid.

11 *Economy News, Around 3.8 Million Italians Living in Absolute Poverty*, Available from: <www.newseconomy.info/2010/07/around-38-million-italians-living-in.html>.