ECONOMIC CRISIS AND DEMOGRAPHIC DYNAMICS – SOME EMPIRICAL EVIDENCE

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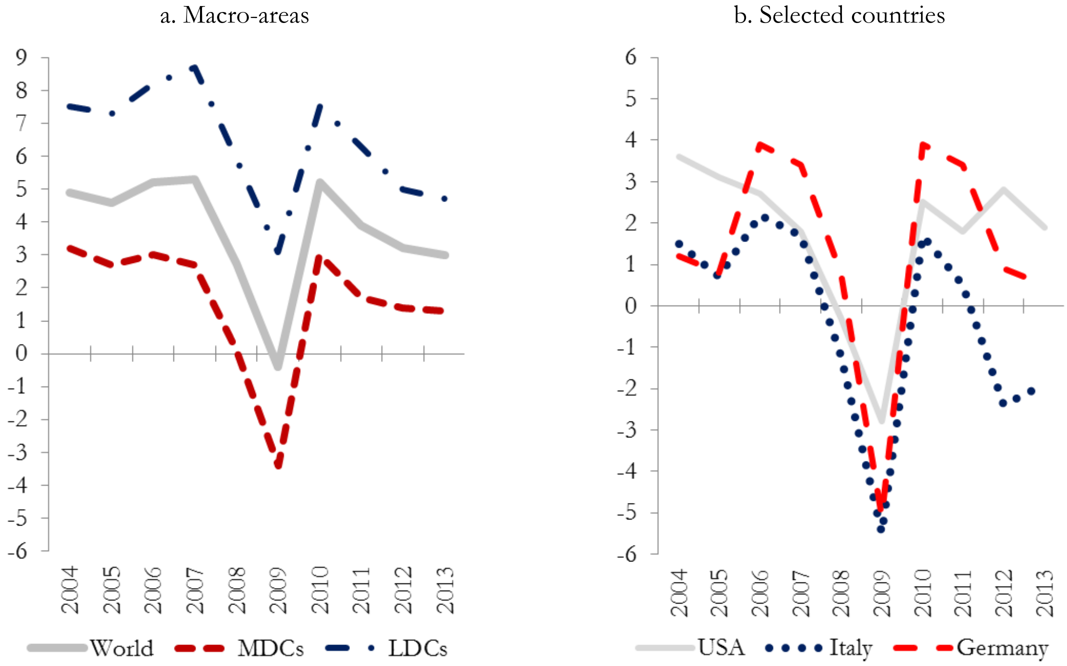
1. *Prologue: a long and profound economic crisis*

Contemporary history is studded with banking and financial crises [Reinhart and Rogoff 2009 and Roubini and Mihm 2013]. There is however a widespread belief that this most recent crisis has given rise to a broader-based depression than that of 1929 [Alessandrini *et al.* 2013]. Instability in financial markets began in the USA in February 2007 because of the subprime mortgage crisis, with banks granting mortgages to unreliable borrowers, who put their houses up as collateral; and the situation worsened some months later following the bankruptcy of Lehman Brothers, one of the biggest financial companies in the world. The rise in bank rates imposed by the Fed (*Federal Reserve System*), the American central bank, by generating an enormous wave of insolvency among subprime debtors was then followed by heavy losses for banks and a slump in mortgaged house prices, thus exposing the property bubble [Alessandrini *et al.* 2013]. With the mortgages granted to subprime debtors becoming irrecoverable, there followed a considerable devaluation of the stocks and bonds connected to them, which were then defined as being «toxic» and which had been sold through international financial circuits to institutional investors, banks and savers. The financial crisis then spread like a disease from the United States to the rest of the world. Furthermore, with the shrinkage of credit and the lack of liquidity circulating in the economic system, the crisis moved from the financial sector to the rest of the economy. The sharp decline in orders and production caused GDP to fall in many countries in 2009.

The drastic fall in GDP concerned both more economically developed countries and countries with emerging economies or developing countries, even though the first group taken together recorded negative rates and the second group displayed a more contained growth (fig. 1.1a). The recovery of the following year, 2010, made it seem as if the crisis was over, but in reality GDP growth rates in the three-year period 2011-2013 were lower than in 2010 and were clearly lower than the figures recorded in the decade before the crisis (2.8% against just 1.5%).

FIG. 1.1. Gross domestic product (GDP) of geo-economic macro areas and of some countries. Years 2004-2013 (*percentage variations*).



Source: International Monetary Found, *World Economic Outlook*, various years.

After the partial economic recovery came the Greek debt crisis, which led to a certain mistrust in the strength of the euro and an intense speculative attack was launched on government securities in European countries risking bankruptcy (Portugal, Ireland, Spain and Italy). Some euro area countries went from being victims of the initial contagion to suffering severe financial instability and becoming the cause of a potential further contagion [Alessandrini *et al.* 2013]. As a result, in some advanced economies the economic crisis has turned out to be longer than expected and the deceptive recovery in 2010 has been followed by years of reasonable growth or with a decrease in GDP.

Italy is one of the most significant examples of this situation. The crisis was imported from abroad and immediately became extremely serious (the decrease in GDP in 2008 and 2009 was greater than the average values of western economies) and the fleeting recovery of 2010-2011 was less substantial than in many other advanced countries, followed by a further two years of decrease in the volume of production (fig. 1.1b). The level of economic activity in 2013 was slightly below that of the year 2000 and the per capita GDP fell back to the figures recorded for 1996 [Istat 2014]. Initially caused by the serious international financial crisis, the intense and prolonged shrinkage of the Italian economy was fuelled by the subsequent depression in the domestic and international productive sector, by the increase in the national debt which was already extensive and not very sustainable and by the decrease in the credibility of Italian and European institutions, as well as by an economic system with weaknesses and structural problems [Savona 2012; Accetturo *et al.* 2013; Bruni 2013]. This recessionary phase has had a negative effect on the labour market with a steady fall in employment and a significant growth in unemployment and above all in a sharp decrease in activity rate.

Almost a million jobs were lost between 2008 and 2013, equal to 4.2% of the number of people employed at the beginning of the crisis, with a percentage decrease almost double than that recorded in the 28 European countries (tab. 1.1). The employment rate fell from 58.7 to 55.6%, with a reduction of more than three percentage points, which further widened Italy's disadvantage compared to the other EU countries (it went from 7 to 8.5 fewer percentage points). The reduction in the number of people employed almost exclusively affected men since the current economic crisis has mainly hit the building and manufacturing industries (in total about 880,000 people have lost their jobs, almost 400,000 of whom were in the building industry), two traditionally male sectors. It therefore caused a different impact compared to the past when female employment acted as a 'buffer' and fell in order to allow male employment to remain stable [Reyneri and Pintaldi 2013]. Thus in the five-year period under consideration the male activity rate decreased by 5.5 and that of females by 0.7 percentage points, causing a reduction in the gender gap, despite the employment crisis phase.

TABLE 1.1. *Employed people and employment rates according to gender, geographical division, citizenship and age groups. Italy, 2008 and 2013 (absolute values and absolute variations in thousands and percentages)*

Characteristics	Employed (15 and more)		Variations of employed 2008-2013		Employment rate (from 15 to 64 years)		Change in employment rate
	2008	2013	Abs.	%	2008	2013	2008-13
Gender							
- Men	14,063	13,090	-973	-6.9	70.3	64.8	-5.5
- Women	9,341	9,330	-11	-0.1	47.2	46.5	-0.7
Geographical divisions							
- North	12,067	11,776	-291	-2.4	66.9	64.2	-2.7
- Centre	4,857	4,746	-111	-2.3	62.7	59.9	-2.8
- South and Islands	6,482	5,899	-583	-9.0	46.1	42.0	-4.1
Citizenship							
- Italians	21,653	20,064	-1,589	-7.3	58.1	55.3	-2.8
- Foreigners	1,751	2,356	605	34.6	67.1	58.1	-9.0
Age groups							
- 15-34 years	7,110	5,307	-1,803	-25.4	50.4	40.2	-10.2
- 35-49 years	10,684	10,433	-251	-2.3	76.1	72.2	-3.9
- 50 years and over	5,610	6,680	1,070	19.1	47.3	52.6	5.3
ITALY	23,404	22,420	-984	-4.2	58.7	55.6	-3.1
European Union 28	222,847	216,964	-5,883	-2.6	65.7	64.1	-1.6

Source: Istat, *Labour Force Survey* [Istat 2014].

The greater weakness of Southern Italy has been confirmed, as there was a bigger fall in employment (more than 580,000 fewer employed people, with a reduction equal to 9%), such that the gap between the South and the Centre and North, substantiated by the employment rate (down from 46 to 42% in the South and on the Islands), has widened even further (more than 22 percentage points down in 2013).

There are various and significant differences for different groups. The Italians have been hit particularly hard, with almost 1,600,000 fewer employed people, while the employment of foreigners in the five-year period studied increased by more than 600,000, thanks to the continuing demand for domestic workers and care of older people and sick, mostly aimed at immigrant women [Reyneri and Pintaldi 2013]. Foreign immigration continued during the crisis years too, but the weight of immigrant arrivals on the labour market decreased and the number of family reunifications increase together with arrivals for other reasons, in particular for asylum seekers escaping from political crises and wars in the Middle East and Northern and Central Africa. For these reasons the employment rate for foreigners decreased by 9 percentage points (from 67 to 58%), and in 2013 it was only slightly higher than the rate for Italians (less than 3 points below).

The impact also varied between the birth cohorts. Among the young (15-24 years) and young adults (25-34 years) the decrease in the number of employed people was considerable, in total 1,800,000 fewer than before, equal to a quarter of those employed in 2008. The reduction in the number of employed people in the 35-49 year age group was markedly lower (about 250,000 fewer, 2.3% compared to 2008), while the number of people aged 50 years and over grew by more than a million. Since these are absolute values, an important role was played in the five-year period studied by the partial turnover between the birth-cohorts making up the three main age groups considered, with the entry and/or exit of birth-cohorts with different numerousness. Thus numerous adults from the baby boom generations (1958-63) became part of the over-50 age group (about 4.4 million people who were between 45 and 49 years old in 2008), while the people retiring mostly belonged to the less numerous cohorts born between the end of the second world war and the start of post-war reconstruction (there were fewer than 3.5 million people in the 60-64 age group in 2008). The positive balance in terms of people and of employed people among the over 50s is probably also due to the raising of the age of retirement, as well as the more restrictive conditions and the closing of ways out of the labour market [Mazzaferro and Morciano 2012; Golini 2013]. The employment rate has in fact risen by over 5 percentage points. The evolution among the youngest birth-cohorts was completely the opposite. In the period 2008-2013 the size of the 15-34 age group decreased by about 900,000 thanks to the entry of the leaner baby bust generations of the 1990s (less than 2.8 million people in the 10-14 age group in 2008) and the exit of the more numerous generations of the 1970s (more than 4.3 million people in the 30-34 age group in 2008), a deficit partly balanced by foreign immigration. The employment rate has also decreased significantly (by 10 percentage points), down by more than 50 to slightly more than 40% of the 15-34 age group.

In the period 2008-2013 the number of people looking for work almost doubled, exceeding 3,100,000 and the unemployment rate rose by 5.5 percentage points, from 6.8 to 12.2% of the labour force, about 1.4 points more than the European average[1] (table. 1.2). The rate increased the most for the young and young adults, going up to 23%, which is more than 11 percentage points higher and is a significantly bigger increase compared to that for the other two main age groups. The number of people under the age of 35 looking for work went up to almost 1,600,000 (640,000 more compared to 2008), half of the total number of unemployed people (over 3,100,000), even their weight is lower than in the past (in 2008 they accounted for 56%). The unemployment rate has increased the most among the youngest age group (15-24 years), coming close to 40%, which is even higher than the figure recorded in the mid-1980s during a serious crisis in the Italian labour market. On average, two unemployed people out of five in the labour force is quite a high proportion, but it becomes less alarming when we remember that most young people in the 15-24 age group are part of the inactive group since they are mainly students. In practice, there is just over one unemployed person in ten in this group, a proportion that is 4 percentage points lower compared to the figure recorded in the mid-1980s. There are more problems for young adults: the unemployed in this group are close to 930,000, with an increase of almost 400,000 cases between 2008 and 2013. The unemployment rate remains steady at under 18% (16.4% for men and 19.3% for women) but the unemployed are 13% of the 25-34 age group, which is mainly made up of active people (about 73%).

TABLE 1.2. *The unemployed and unemployment rates according to gender, geographical division, citizenship, age groups and education. Italy, years 2008 and 2013 (absolute values and absolute variations in thousands and percentages)*

Characteristics	Unemployed		Variations of unemployed 2008-2013		Unemployment Rate		Variations in unemployment rate
	2008	2013	Abs.	%	2008	2013	2008-13
Gender							
- Men	821	1,702	881	107.3	5.5	11.5	6.0
- Women	872	1,411	539	61.8	8.5	13.1	4.6
Geographical divisions							
- North	489	1,085	596	121.9	3.9	8.4	4.5
- Centre	317	578	261	82.3	6.1	10.9	4.8
- South and Islands	887	1,450	563	63.5	12.0	19.7	7.7
Citizenship							
- Italians	1,531	2,620	1,089	71.1	6.6	11.5	4.9
- Foreigners	162	493	331	204.3	8.5	17.3	8.8
Age groups							
- 15-34 years	945	1,584	639	67.6	11.7	23.0	11.3
- 35-49 years	570	1,091	521	91.4	5.1	9.5	4.4
- 50 years and over	177	438	261	147.5	3.1	6.2	3.1
Education							
- Until middle school	819	1,418	599	73.1	8.4	15.8	7.4
- High school	682	1,348	666	97.7	6.1	11.4	5.3
- Bachelor and beyond	190	346	156	82.1	4.6	7.3	2.7
ITALY	1,692	3,113	1,421	84.0	6.8	12.2	5.5
European Union 28	16,741	26,201	9,460	56.5	7.0	10.8	3.8

Source: Istat, *Labour Force Survey* [Istat 2014].

The crisis has led to a general increase in unemployment rates and has been more marked for men, for Southern Italy and the Islands, for foreigners and for people with a low level of education. This basically means that the differentials in the risk of unemployment in Italy have increased, depending on citizenship, between the birth-cohorts and according to education, the only exception being the gender gap, since the worsening of the situation has been less serious for women than for men.

There are various indicators that have signalled the worsening of the average economic condition for Italian families over the last 5-6 years. For example, the average monthly family spending has decreased slightly, the proportion of families declaring that in the previous 12 months they had scarce or absolutely insufficient resources increased, especially in 2012 and 2013 (from 42 in 2007 to 50% in 2013), families who are unable to save went from 66 to over 70% and those who are unable to cover unexpected expenses went from 32 to 43%. The number of families living in absolute poverty has more than doubled (from less than a million in 2007 to more than two million in 2013) and their weight has grown from 4 to 8% of the total.

In a period as difficult as this one, have there been any important changes in the demographic behaviour of the Italian population? Have people continued to marry, have children, separate and migrate as in the years before the crisis? Has life expectancy continued to increase or has anything changed in Italian people's health and lifestyles?

2. *The demographic consequences of the crisis: expected effects and empirical evidences*

Economic recession can influence demographic behaviour in many ways. With regard to the crises that occurred in Europe and the United States in the last century, research has documented several dramatic impacts, stemming from the unexpected and prolonged worsening of economic conditions, on when and how to raise a family, on fertility levels and marital stability, on the death rate and health as well as on migrations.

Lower disposable incomes for families and above all the unexpected and rapid increase in unemployment could force people, especially younger people and couple to delay or even give up on future plans to marry and have children. A feeling of insecurity may alter people's expectations and lead to a lack of faith in the future, which may in turn have serious psychological effects, such as depression; and the deterioration of the overall economic condition – if prolonged over time and if associated with a significant reduction in public services and welfare policies – leads to a fall in people's living conditions and to potential health risks. Finally, the upheavals in the job market modify migration dynamics, leading to a reduction in immigration for labour reasons towards countries affected by the crisis and, at the same time favour outflows from these same countries, both of foreign citizens and native citizens.

The Fifth AISP Population report examines some of these expected effects in depth, with reference to the Italian situation and the impact that the current adverse economic situation has already had or risks having on the Italian population and on its dynamics.

Some explanations are required beforehand. The word «crisis» means a «sharp and unexpected deterioration in economic conditions» which suddenly reduces the well-being of families and may force individuals to rethink their choices, for example regarding whether they want to marry or have children. This shock might not have only short term effects on the population: should negative conditions persist over time, as seems to be happening (cf. paragraph 1), it might be difficult to restore the pre-crisis equilibrium and therefore cyclical shocks would contribute to consolidating or slowing down demographic dynamics in the long term. In addition, the effect of the cyclical economic change on one factor of demographic behaviour might not be sudden, in which case a certain amount of time needs to elapse before it is visible and can be measured statistically. For these reasons, any reading of the presumed effects of the crisis on recent demographic dynamics needs to be made very cautiously; moreover, the latest available data do not always document a striking impact of the crisis on individual demographic phenomena, but, as we will see, in many cases, they highlight specific problems and make it possible to indicate the most vulnerable categories of family and individual which are therefore most exposed to any consequences.

Young people are most affected by the most dramatic aspect of the crisis, which is the increase in unemployment. The reduced chances of counting on a steady income, of being able to buy a house and save some money all slow down the "growing up" processes and those linked to creating a new family and to procreation. The process by which the worsening of the economic situation acts on young people's choices is complex and includes on one hand the objective lack of financial assets for the immediate realization of individuals' or couples' plans, on the other hand the sense of frustration and discouragement due to job instability. High levels of uncertainty have a negative influence on the making of such plans and induce young people to delay commitments in the long term also in terms of couple relationships. From a demographic point of view this translates into the postponement and reduction of marriages and generally of new unions and cohabitations.

As a result of the serious unemployment situation described above, young Italians are heavily exposed to the risks of discouragement and further delays in their choices. With the reduction in job opportunities, the number of demoralized young people has increased, especially in Southern Italy and where the levels of education are low, together with the number of NEETS (*Not in Education Employment or Training*).

It is not surprising then that people continue to delay the process of forming couples. In Italy, although the percentage of young people living with their families has not increased compared to the years before the crisis, the percentage of young people living with their parents is still very high which is blocking the formation of new couples and therefore of new families. The number of marriages has also continued to fall during the years of the crisis: in the last four year-period it dropped from 247,000 in 2008 to 207,000 in 2012, an extremely negative variation (equal to -16%) and much higher than that observed between 2004 and 2008 (-0,9%). Despite the increase in the mean age at marriage, the increase in the rate of marriage among the over 30s stopped during the last years of the crisis. What has increased is the number of pre-marriage cohabitations which, since they are without the costs involved in organizing weddings, may be a valid alternative to conjugal unions at a time of economic difficulty.

The economic crisis has hit young people extremely heavily, even when they have moved away from their families of origin and live with someone as a couple. The proportion of couples with two salaries from the total of young couples (those in which the woman is younger than 35) decreased in the period 2007-2012 by about 10 percentage points (it was 73.1% of unmarried couples and 51.5% of married couples in 2007), while at the same time the number of couples in which the man works and the woman is looking for work has doubled (it was about 6% both for married and cohabiting couples). In 2012 more than half the couples of both types underwent a general worsening of the economic situation compared to the previous year (52.4% among married couples and 52.8% among non-married ones). In general, between 2007 and 2011, as in most countries in Eastern and Southern Europe, young people in the 18-35 age group experienced higher levels of economic deprivation.

In this situation it may be assumed that families continue to act as social shock absorbers and to support the younger birth-cohorts, especially in a country such as Italy which has always been characterised by strong family networks [Dalla Zuanna and Micheli 2004]. The family system actually seems to be coping well with the shock of the crisis. Between 2009 and 2012 there was a reduction in the divorce rate, from 181 to 173.5 per 1,000 marriages, which reversed a ten-year increase trend, and the growth trend in the number of separations also seems to have slowed down. At the same time there has been an increase in the number of young adults living in families with more than one nucleus, including those who are forced to return to their families either following a relationship break-up or for economic reasons. Both of these effects connected to the Great Recession are visible in other contexts very different from the Italian one: for example in the USA the divorce rate has decreased in those states with a higher unemployment rate, since couples cannot afford the expenses of separation, while the percentage of single and married young adults returning home to live with their parents has increased [Cherlin *et al.* 2013].

One of the most expected effects of the economic crisis on demographic dynamics is the fall in the birth rate. There is a great deal of theoretical literature and empirical research on the relationship between recession and reproductive behaviour [Sobotka *et al.* 2011; Goldstein *et al.* 2013]. The context in which this occurs as in the previous economic crises is that of a long process of reduction in the fertility of the birth-cohorts which in turn is linked to a profound change in how family unions and models are formed. From a cyclical point of view, this long process of decline suffered unexpected accelerations together with the economic crises, and then slowed down slightly during periods of relative prosperity. Studies on the

1929 crisis in the United States have shown, for example, that the Great Depression led to a substantial postponement of maternity, an immediate consequence of which was a strong contraction in the fertility rate of that period; with a subsequent recovery when the number of births rose, but women's average reproductive rate settled at lower levels than those before the crisis, continuing the already existent decline. In the same way, the oil crisis in the early 1970s might have accelerated the decline in fertility, cancelling out the benefits, albeit temporary ones, of the previous period of economic and social wellbeing, which had produced the so-called baby boom in many western countries.

In contrast to the previous crises, the current one is hitting Europe after a period in which the average age of maternity had increase steadily and at a time when many countries had just begun to see increases, albeit modest ones, in their fertility rates [Sobotka *et al.* 2011]. For example in Greece the increase in the average number of children, which began at the end of the last century, came to a halt in 2009 when the Greek economy started to disintegrate. A similar trend reversal occurred in Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Rumania and Spain.

In Italy too the positive trend in fertility observed at the beginning of the Millennium seems to have come to a standstill. The average number of children per woman, equal to 1.42 in 2008 fell to 1.39 in 2013, when just over 514,000 births were recorded, about 62,000 fewer than in 2008. This decrease is due mainly to the births recorded for Italian women, but, for the first time in the last decade, there has also been a fall in the number of births to foreign women. The tendency to postpone maternity has been compounded which will lead to a further reduction in fertility. Furthermore, 77% of mothers have declared that the recent crisis has influenced at least one aspect of their lives: 21% of mothers renounced or postponed having another child, while for 16% of unmarried mothers the economic crisis has had a negative impact on decisions about marrying their partners and weddings have been deferred. These effects are more noticeable for those families that have experienced economic difficulties after the birth of their first child.

It is more difficult to establish a connection between economic crisis and death rates or quality of survival. Studies of the past have not always produced consistent results: some suggest that the death rate increases in times of economic decline, while others show that a deterioration in the economic conditions is associated with stable or even lower death rates. For example, the Great Depression of 1929 was accompanied by a fall in the death rate in many North American cities. During the oil crisis a negative association was observed between unemployment and death rates in many industrialized countries, which was due above all to the drastic decrease in road accidents, thanks to less available energy sources [UCL 2012]. Nevertheless, studies relating to crisis periods in very different specific territorial contexts show contrasting results: between 1980 and 2000, the periods of greatest economic difficulty in Brazil were immediately followed by peaks in the death rate, just as in Mexico, where increases in the death rates for children and the elderly people were observed during the four economic crises of the 1980s and 1990s.

Generally speaking, death rates seem to be pro-cyclical in more industrialized countries, that is to say they increase during economic booms and decrease during recessions. The main reason for this unexpected effect is that a reduction in economic activity is associated with a reduction in pollution, in the use of cars, in work-related accidents: in short, less work and less exposure to risks to health and to the environment.

Yet a crisis involves specific risks [Danziger 2013]: first of all an increase in suicides, secondly a decline in living standards for those who experience (or are simply afraid of) unemployment, in terms of harmful behaviour (alcoholism, smoking) or people eating badly and not taking care of themselves.

The current recession seems to be producing analogous effects, apparently contradictory, on health and death rates in European countries: in particular, although there were only slight changes in the overall survival levels, there was a significant increase in the number of suicides from 2009 onwards which corresponded to a sudden rise in unemployment rates, but there was also a positive reduction in deaths connected with road accidents [Stuckler *et al.* 2011]. Needless to say the effects of the crisis are different in different countries since they may be lessened by a country's health system as long as it is not affected by cuts or downsized, which might increase the gap between different categories of citizens. All studies have observed that the differences in health tend to increase between social and professional categories and according to ethnic origins and place of residence [UCL 2012].

Many of these considerations apply to Italy too. Survival levels did not change over the period of time corresponding to the crisis, in fact life expectancy continued to increase, although this increase slowed down slightly for men in Southern Italy. However the number of suicides rose, from 2008 onwards, a trend mostly found in the 35-69 working age group: there were 1,832 suicides in this age group in 2011, 345 more than in 2007. In contrast, the number of deaths in road accidents fell (from 1.4 per 10,000 residents in the 15-34 age group in 2007 to 1.0 in 2011), but in line with a tendency towards a reduction that had started a long time ago: it is hard to say how much of this positive trend is due to a beneficial effect of the crisis – the reduction in the use of cars – and how much is due instead to a more detailed and careful policy for accident prevention that the Italian institutions have recently implemented. The same considerations are valid for the decrease in tobacco and alcohol consumption, which is also documented by our data: long term policies have an effect on people's behaviour and are far more important and long lasting than a temporary reduction of consumption due to the fact of having less disposable income.

The health indicators also provide some clues about a possible effect of the decrease in individual and collective economic wellbeing. The perceived individual physical health seemed to improve in 2013 compared to in 2005, but the perception of psychological status seemed to be worse, especially that of adults and young people; there were more general and specialised medical examinations, although the latter increased more among those who have greater economic resources, as did the number of diagnostic tests. In particular, during 2013, a part of the Italian population gave up on health services and assistance and on purchasing medicines for economic reasons, except for treatments for children, and this was the case both for men and women and more in the South than in the North.

The effects of the cyclical down turn on migratory processes and mobility are much clearer. An initial effect is the drastic reduction in entry flows to destinations that are experiencing a sudden slowdown in economic growth with a subsequent increase in unemployment: this happened with varying intensity and different characteristics during all the economic crises of the last century [Castles 2009]. Another expected effect is that some foreign citizens who had settled in the host country before the crisis were discouraged from staying in the country when it was in a recession and decided either to return to their home country or to go elsewhere. However, unless the host government makes decisive interventions to send them away, history shows that very few foreigners choose to leave a country where they have been working for many years. For example, following the 1973 oil crisis, only 10 to 15 per cent of guest workers in Germany went home and the rest stayed, even if they were unemployed [Dobson *et al.* 2009]. This happens for various reasons: in the meantime a recession strikes many countries, including the country of origin, which means that going home may not necessarily mean more job opportunities; in addition, if migration occurred many years previously, immigrants will have created relationships and integrated into their host country, making it difficult to leave; finally people may be afraid that once they leave it will be impossible to come back again. It is a different story for those who have only just arrived as it is easier to expel them. This is especially true for *low skilled migrants*, who are more likely to work without job security or protection: it is very difficult for this category to stay in a country hit by an economic crisis and they are also vulnerable in a social climate which is more likely to be poisoned by anti-immigration feelings in times of recession than in times of economic prosperity [Beets and Willekens 2009].

The economic crisis has redrawn the European scenario regarding migratory flows, although numbers are still very high. Some countries, such as Spain, have experimented with a drastic reduction in entry flows during times of crisis, while others, such as Germany, have actually recorded increases in the numbers arriving from countries hit harder by the crisis since 2008 [Bertoli *et al.* 2013; Strozza and Buonomo 2014].

Italy is experiencing the twofold effect of a drastic reduction of the entry flows of foreign citizens and an increase in the emigratory flows of Italian citizens towards destinations with better economic and work prospects. Furthermore, the data relating to internal mobility seem to suggest the persistence of people moving from the South to the North of Italy.

The number of registrations from abroad has fallen from 558,000 in 2007 to 307,000 in 2013, while the regular entries of non EU citizens (new residence permits), though remaining at around 250,000, are less and less linked to work reasons and increasingly linked to family reasons, to political asylum and to other reasons. These changes in the intensity and the ways with which foreign immigrants enter Italy do not only mean that the non Italian population resident in Italy has grown more slowly during the crisis compared to previous years, remaining below 5 million at the end of 2013, but they also contribute to defining a wider range of countries of origin for new arrivals as a result of lower immigration for work reasons and to the increase, albeit limited, of entries for family reunification or other reasons. The uncertainties of unemployment make this population even more vulnerable to the negative effects of the economic recession in progress and it is precisely the immigrant families who have had to deal with the crisis from a very unfavourable position.

In the last few years there has also been an increase in the number of people who have decided to move away from Italy, about two thirds of whom are Italian: between 2010 and 2013 the number of Italian emigrants rose from 46,000 to 82,000. They are often young people and graduates who generally move to other European countries, above all to Germany, United Kingdom, France and Spain.

3. *Recent dynamic and the demographic structure of the Italian population*

According to the updating of the data from the latest census, at the beginning of 2014 there were almost 60,800,000 people resident in Italy (at least) 3 million more than 12 years before if the 2001 census under-count is taken into account[3]. After a twenty-year period of stagnation (1981-2001), the Italian population began to grow again, doubtless due to the effect of foreign immigration. The biggest increase, although still quite limited, was recorded between 2002 and 2007, also because during the most recent interval (2008-2013) the negative natural balance grew bigger.

The data on the structure according to gender, age and citizenship relating to the beginning of the years 2008 and 2014 (table 1.3) confirm that the resident population is continuing to age (people of 65 years and over have risen from 20.2 to 21.4%), although this tendency is slowed down a little by the growth of the foreign component which, though it aged slightly during the period under consideration (the proportion of older people increased from 2.3 to 2.7%), remains concentrated for the most part in the working age group.

TABLE. 1.3. *Age structure of the resident population by citizenship. Italy, January 1st 2008 and 2014.*

Age groups	Total		Italians		Foreigners	
	2008	2014	2008	2014	2008	2014
0-14 years	14.1	13.9	13.8	13.4	20.1	19.2
15-39 years	31.5	28.6	30.5	27.1	51.2	46.4
40-64 years	34.2	36.1	34.6	36.5	26.5	31.6
65-79 years	14.7	15.0	15.4	16.1	1.9	2.4
80 years and over	5.5	6.4	5.7	6.9	0.4	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0
Mean age	43.1	44.2	43.7	45.2	31.1	32.6

Source: Own elaboration on Istat data.

It has already been observed how the foreign population, which has continued to increase even during the recession, has had a braking effect on the ageing process of the resident population in Italy, as has happened in the past too. However, its profile for gender and age, which is a synthesis of structures that may be extremely dissimilar among some national groups (for example, Ukrainians in Italy are mainly women over 40 while Bangladesh citizens are mainly young males), has changed slightly. The weight of females, already greater in 2008, has further increased, and there has been a slow but almost generalized move towards the next age groups (in short, the average age has increased by a year and a half). In the last few years the weight of family reunifications among immigrants has increased, while the weight of those arriving for labour reasons has decreased; at the same time the crude birth rate of foreigners no longer displays the growth observed in the years previous to the crisis (between 2009 and 2012 there was only an increase of about 3,000, with around 80,000 births registered in that period), and for the first time there was actually a decrease in 2013 (about 78,000).

There has been a bigger overall drop in the birth rate however (as mentioned previously, from almost 577,000 in 2008 to just over 514,000 in 2013), mainly attributable to the fall in births to Italian citizens (nearly 68,000 fewer between 2008 and 2013). The lower number of births, combined with an increase in deaths, essentially due to the further ageing of the population (life expectancy has in fact continued to increase, though more slowly than in the past), produced a negative natural balance in the period 2008-2013 (-269,000) which was four times bigger than that recorded in the period 2002-2007 (table 1.4).

TABLE. 1.4. *Births, deaths and natural increase of the resident population in Italy, years 2002-2013*

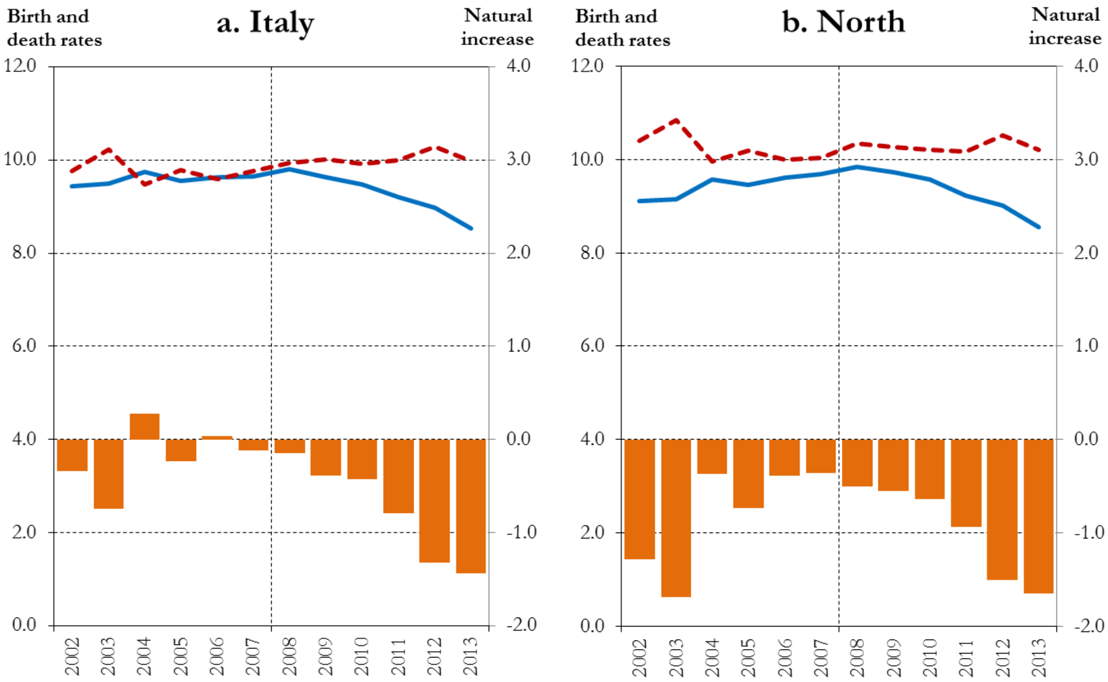
Year	Births	Deaths	Natural increase
2002	538,198	557,393	-19,195
2003	544,063	586,468	-42,405
2004	562,599	546,658	15,941
2005	554,022	567,304	-13,282
2006	560,010	557,892	2,118
2007	563,933	570,801	-6,868
2008	576,659	585,126	-8,467
2009	568,857	591,663	-22,806
2010	561,944	587,488	-25,544
2011	546,585	593,402	-46,817
2012	534,186	612,883	-78,697
2013	514,308	600,744	-86,436

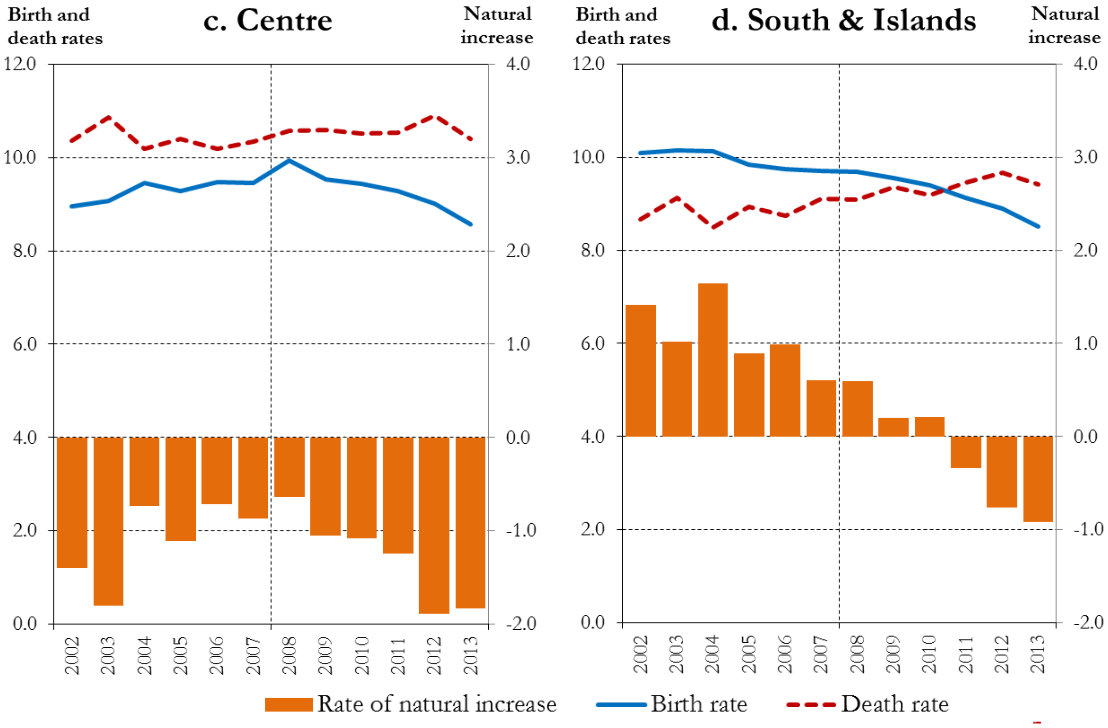
Source: Istat data.

A comparison among the three main geographical areas of Italy shows how in Northern and Central Italy the crude birth rates, which had increased slightly in the period 2002-2008, have decreased over the last five years to the point where they are lower than those recorded at the beginning of this century, with a subsequent growth in the negative value of the natural increase rate (fig. 1.2).

In Southern Italy the crude birth rate, which was already decreasing in the first part of the last decade, has decreased even more quickly and, also due to the «physiological» growth in the crude death rate, in the last three years a negative natural increase has been observed for the first time, and this trend is growing progressively. This is an important development in the South, given that until a few years ago it was precisely the natural component, combined with foreign immigration, which counterbalanced or limited the negative migratory balance with the rest of the country as well as the net emigration of Italians abroad. In this period of prolonged and profound economic crisis, the North-South divide has increased and at the same time influenced the natural dynamics, with a more pronounced reduction in reproductive behaviour than had been predicted by the most recent demographic forecasts[4].

FIG. 1.2. Birth and death rates (scale on the left) and natural increase (scale on the right) of the resident population, divided according to geographical division. Italy, 2002-2013 (*per 1,000 inhabitants*).





Source: Our processing of Istat data.

Overall, in the examined period, the demographic structure of the Italian population has generally continued in the ageing process as a result of a further fall in the birth rates and in a situation in which the foreign component also seems to be less dynamic. The role of the current economic instability is readable in these processes, although it is not completely clear since it influences people's behaviour and choices through complex mechanisms. Surely, it leaves marks that will continue to affect the Italian population in the years to come.

NOTES

[1] If those people immediately available for work were taken into consideration, even if they have not looked for work in the last 30 days, the area of «unemployment» would double, reaching 6,200,000 cases, which is almost 1,900,000 more compared to 2008. The rate of non-participation in the labour market would be close to 20%, with a much greater difference in the unemployment rate compared to the European average (as much as 6 percentage points higher in Italy).

[2] See for example Caritas-Migrantes [2013].

[3] Much of the population increase recorded in the last two years (1,350,000 more people at the beginning of 2014 compared to the census findings) is actually due to the balance between other registrations and other cancellations (over 1,040,000 elements), and therefore to post-census recoveries.

[4] According to the central scenario of the latest Istat forecasts (base year 2011) (http://demo.istat.it/uniprev2011/index.html?lingua=ita) the predicted figures of the Total fertility rate and the birth rate for the years 2012 and 2013 are higher than the values actually recorded.

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