May Brings Good News on Jobs and the Economy

Judith Harris (May 01, 2019)



Despite gloomy predictions, the Italian economy has surged upwards. Showing an increase of 0.1% in the past 12 months, the hike in the GDP is accompanied by an increase in employment. While domestic demand remains timid, exports have increased.

ROME -- Against all predictions, thanks to its export products the Italian economy managed to surge upwards. Albeit by a mere 0.1% in the past 12 months, the hike in the GDP suffices to foster confidence in a future which had, until now, appeared singularly bleak. During the last two quarters of 2018, the GDP had actually shrunk by -0.1%, leading to predictions that Italy was in recession. Offsetting this disappointing showing was, however, growth by 0.2% in the first quarter of 2019.

Because May 1 is International Workers Day - the Italian equivalent of Labor Day - and celebrates workers, predictions before that national holiday were that there was nothing to fete. But the bearers of sad tidings were surprised at the news. "Italy has returned to growth, demonstrating the value of our economic maneuver," crowed Premier <u>Giuseppe Conte</u> [2]. As headlines in both the mainstream daily Corriere della Sera and the left-leaning La Repubblica daily similarly proclaimed, Italy is no longer in recession.

"The Italian economy is solid," said Economics Minister <u>Giovanni Tria</u> [3]. ISTAT reports that the improvement in the economy is from across the board: from agriculture, including the fishing industry, manufacturing and services. Although local demand remains modest, this is offset by exports. A bonus is that the official (and reputable) statistics-gathering agency ISTAT, reports that unemployment stands at 10.2%, the lowest figure since 2008, according to Tria. All told six out of ten Italians are employed. Youth unemployment has also improved slightly, down from 30.6 to 30.2%. However high, the figure, which refers to Italians from 14 to 25, is better than any since the year 2011. "The country is taking off again," said <u>Danilo Toninelli</u> [4], Minister of Transport and Infrastructure.

The trade unions are at last beginning to take the economic realities into consideration. Until now they have remained locked into their early postwar stance of the CISL union associated with the Christian Democratic party and the Communist-dominated union CGIL. This did not change with the demise of both these parties in the Nineties. Apparently hoping for restoration of their former power, these two parties, plus the Socialist UIL, continued as if lifetime positions in factories and offices still existed and were not a thing of the past. Finally, however, Maurizio Landini. [5] General Secretary of the CGIL, has proposed a unitary trade union "freed from the ideological draperies of the 1900s," in the words of reporter Roberto Mania, writing in La Repubblica.

Landini brings a breath of fresh air to the Italian union world. Italy is still struggling with its consolidated history of lifetime positions, but today these are ever more part of that antique world. Among his first moves after replacing Susanna Camusso as CGIL head was to meet with so-called "precari" (workers without solid contracts) in Naples. These include delivery workers (pizzas included) as well as temporary workers on farms. Elected head of the CGIL on January 24 this year, Landini was asked when he thought unification of the unions could come about. His reply: "I think the time is now. Our being divided into three unions was a reflection of the opposing political blocs of the past century - an antique world." Some hard-line opposition within the big two parties is expected, however.

Born in 1961, Landini was obliged to give up studies at age 15 to help his family by beginning work as an apprentice solderer in Reggio Emilia. Later he worked at Fiat Mirafiori plant, where he was head of a union in conflict with <u>Sergio Marchionne</u> [6]. Press reports say that, again as a top union official, for years he fought for protection of the environment and health of the nearly 15,000 factory workers at the former ILVA, the notoriously polluted steel works at Taranto, known for its record number of tumors, many associated with asbestos.

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