
Economic revitalization requires extensive job-creation

Economic revitalization was stalled until the September elections. The Executive now has one month to prepare and select the 72-page guidelines to develop multiple projects acceptable to the EU Commission. A total of €209 billion has been made available, which makes Italy the country benefiting the most from low-interest loans and non-repayable grants. As expected, all sectors of the economy have started to knock on the door of the European treasury, each one anticipating the best recovery options, starting with their own businesses.

It is perhaps worth remembering that the Recovery Fund (now also referred to as the Recovery and Resilience Facility) is not a "money for everyone" fund.

Large macro-areas of intervention include economic recovery, job creation, green transition and digitization. The various economic sectors can certainly aim at a larger slice of the pie, claiming that urban redevelopment will meet almost all the targets, just to mention the example of real estate.

The Government will have to choose, probably by reiterating several "nays", so as to prevent the rejection of projects and the resulting criticism by other European countries.

"We are currently at a stage of informal dialogue with Europe - clarified the Minister of Foreign Affairs, Luigi Di Maio, in a hearing at the Italian Parliament - and thus our projects will have already undergone a preliminary review by the European Commission. We cannot afford for our projects to be rejected." The 2021 Budget Law is tabled for finalization in the same weeks, to be incorporated into the Recovery package. Furthermore, all spending constraints will be suspended 2021, and will be restored once the pandemic subsides. It is necessary to act effectively with due haste on everything, notably in the area of job creation - the sector with the greatest social impact. Each month, ISTAT (National Statistics Institute) monitors the employment rate of jobseekers, inactive people, professionals in discontinuous work or self-employed. Without job creation, economic recovery would ultimately cause a decline in purchasing power and domestic consumption within a few months. What is the Government proposing? Initial recommendations - said the Minister of Labour, Nunzia Catalfo - encourage training and retraining of workers, green economy and digital technologies, combating undeclared work and illegal recruitment, inclusion of the most vulnerable. Tax breaks are envisaged for contract renewals, minimum hourly wage schemes, fostering increased productivity bonuses. During the past months of lockdown, copious redundancy payments and restricted dismissals hampered natural labour market dynamics. At the end of June, the rate of short-term, self-employed workers, declined. Long-term employment was maintained, while the number of idle workers, including young people, is impressive. In the coming year - should the economy fail to recover rapidly - even the best-protected workers are likely to face greater risks.

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