



BANCA D'ITALIA  
EUROSISTEMA

## **'Ma se ghe penso'. Migrants, demography and sustainability**

Luigi Federico Signorini  
Senior Deputy Governor of the Bank of Italy

Rotary Club, La Spezia, 10 November 2023

I shall<sup>1</sup> start with two quotations.

*'(...) these wretches, poorly clothed in grimy worn-out rags and mainly employed in excavating land made putrid by centuries of debris, had miserable, inadequate and repulsive lodgings in shacks with badly fitting rafters, lying on thin and filthy straw at night that even animals would have scorned (...).'*

*'(...) Nor did the unknown frighten him at all. (...) three times he had remade his fortune, wiped out by the calamities typical of those regions. And he always managed to maintain the serene fortitude that is proper to heroes. This admirable and triumphant fellow (...) is congratulated by his fellow citizens and compatriots (...).'*

These are both from the *Corriere della Spezia*, one from 1864 and the other one from 1909.<sup>2</sup> The first is a description of the immigrant population in the city, probably also from the nearby hinterland, when the *Arsenale* (naval base) was under construction. The second is a panegyric on someone from San Terenzo (a village close to La Spezia) who had emigrated to Argentina and made his fortune.

Liguria, including the province of La Spezia, have both been sources for and destinations of migration. This part of the world is still, or rather is once again a destination, although people and conditions have changed considerably since then, as are the whole of Italy, all of Europe and many other countries, especially the advanced ones. Nowadays we tend to remember less often that there was a time when this region was also a starting point for huge migration flows; but I should not be surprised if some of those in the audience who have a long-standing local heritage had examples of this in their family histories. After all, the most famous Genoese song, *Ma se ghe penso*,<sup>3</sup> is about an emigrant's homesickness.

---

<sup>1</sup> I would like to thank Gaetano Basso and Giacomo Caracciolo for their valuable assistance in preparing this speech.

<sup>2</sup> D. Poggio (2021) 'Dalla grande emigrazione alle comunità online: il caso dei liguri in Argentina raccontato attraverso i vecchi e nuovi media', master's thesis, University of Genoa (only available in Italian).

<sup>3</sup> Roughly translated, the title means 'But if I think about home'.

Especially at times like this, with significant flows that span long distances, both in physical and cultural terms, migration is one of the topics that causes the biggest rifts in host countries. Profound issues of identity and solidarity, of concrete needs and concrete fears, of reasons and emotions, and of secular ideologies and religious faiths are part of the debate, which of course we cannot adequately address here, nor would it be appropriate for me to do so. Instead, I propose to draw your attention to some demographic, economic and public finance issues that are closer to my profession and my role.

## Global trends

Let us begin with global demographic trends, which I believe to be indispensable as a backdrop to this phenomenon.

As is well known, the world's population, which had begun to grow rapidly in Europe after the beginning of the Industrial Revolution, soared in the second half of the last century. Its total went from less than one billion at the start of the nineteenth century to around six billion at the end of the twentieth century.<sup>4</sup> This year it is estimated to have passed the eight billion mark, but growth is slowing down very quickly, and is expected to stop before the end of the century; perhaps long before, according to some.

The slowdown and, looking ahead, the reduction, are due to a marked decline in fertility. This has either happened or is happening everywhere; however, the figures are still very different from region to region, and this is what matters for our purposes. Fertility is below the replacement rate (2.1 children per woman) almost everywhere in developed countries, if not well below it: around 1.7 in the United States, 1.5 in the European Union and 1.3 in Japan. Italy has one of the lowest figures, recording 1.24 in 2022. The situation is not all that different in the emerging countries, although the fertility rates cover a fairly wide range: at one extreme there is China, whose rate is lower than Italy's, yet even India, at the other extreme, should be (just) below the replacement level by now. The only regions where the fertility rate, though declining, remains above 2.1 are the Middle East (over 2.5) and Africa, especially sub-Saharan Africa (over 4.5).

It is clear that, if there is no migration, such trends will lead to the ageing and demographic decline of advanced countries. The incoming migration flows of recent decades have slowed but not halted these phenomena. Italy's population reached its peak in 2014, and has been decreasing ever since; the resident population in Liguria has been declining since 2012.

There are also bound to be migratory pressures, from countries where income is low and the population is growing to those where income is high and the natural balance between births and deaths is negative. These pressures could be channelled, organised or regulated in some way, but it seems difficult to stop them completely.

How are we to think about these phenomena? Aside from the cultural or in any case more general aspects, what are their economic pros and cons and how can they be managed?

---

<sup>4</sup> M. Livi Bacci (2016), *Storia minima della popolazione del mondo*, Bologna, Il Mulino (only available in Italian); United Nations (2022), 'World Population Prospects 2022: Data Sources'.

## Demography and sustainability

First of all, is population decline a problem from an economic standpoint? After all, a nation's prosperity is measured by its per capita income, not its total income. The population of Singapore is (more or less) forty times smaller than Nigeria's, but each of its citizens is nearly forty times wealthier. For a nation, population size has nothing to do with wealth.

It could be argued that population size and overall income can determine, or at least contribute to determining the political weight of a country and its power on the international stage. This kind of argument matters for those who are concerned about such issues. However, remaining as far as possible within the confines of our profession, we would rather focus on a different question: one of sustainability, which is not a matter of strategic sensibilities but of economic facts.

The public debt and the pension system are the two tools through which one generation transfers the financial burden to the next. Our pensions will be paid by our children; the debt that we accumulate will be shouldered by them. The fewer the pairs of shoulders available, the greater the burden that each will have to carry. In other words, the issue is not the size of the population at a given moment, but rather the size of one generation compared with the next one or better, the output that the latter will generate.

The public debt problem is a particularly salient one in Italy. I never miss a chance to point out that the high debt-to-GDP ratio is one of our economy's main sources of vulnerability. Aside from Greece, Italy has the highest ratio in the European Union. After peaking at almost 155 per cent in 2020 as a result of the pandemic emergency, the debt-to-GDP ratio fell to 142 per cent at the end of 2022; but it is still more than 7 percentage points higher than the pre-pandemic level and, under the Government's programme, it is expected to fall only marginally in the coming years.

At the same time, the ageing of the population, caused by falling birth rates and longer average lifespans, will be quite rapid in Italy. In 2022, there were three people aged 15 to 64 years for every two people in the other age groups. According to Istat,<sup>5</sup> the ratio will be 1:1 by 2050.<sup>6</sup>

This has significant consequences for aggregate growth, and influences debt-to-GDP ratio projections. The decline in the working age population (all other conditions being equal) is bound to diminish the economy's potential output growth, although as the effects of the pension reforms unfold, they are expected to mitigate this factor by raising the retirement age.<sup>7</sup> Public spending on welfare for those who are not self-sufficient, on healthcare, and on pensions will increase. While the reforms enacted in Italy over

---

<sup>5</sup> Istat (2023) 'Previsioni della popolazione residente e delle famiglie, base 1° gennaio 2022', 28 September (only in Italian).

<sup>6</sup> Population ageing is also particularly striking in Liguria. To cite one curious, but telling statistic, although the region has 2.6 per cent of Italy's population, it is home to 3.7 per cent of Italians who are at least 105 years old. See Istat (2022), 'Rilevazione della popolazione supercentenaria'.

<sup>7</sup> Provided that it is not offset by a progressive delay in the age of entry into the workforce.

the years have placed pensions on a sustainable path over the long term,<sup>8</sup> the gradual retirement of the baby boomer generation, which enjoys comparatively generous pensions, will continue to drive up pension expenditure as a percentage of GDP until 2042.<sup>9</sup> More generally, all expenditure connected with ageing will have a hump-shaped profile, rising from 24 per cent of GDP in 2023 to 25 per cent in 2044, and then declining to 23 per cent in 2070.<sup>10</sup>

The evolution of debt is monitored by the European Commission, which, in the latest edition of its Debt Sustainability Monitor,<sup>11</sup> assigned Italian public finances a high risk level in the medium term and a medium level in the long term. Demographic factors are the primary drivers of the assessment.

### Policies to raise the birth rate

Could or should these trends be mitigated by trying to increase the Italian fertility rate?<sup>12</sup>

The reasons for reproductive behaviour are profound ones that generally evolve rather slowly. In Italy, the fall in the birth rate began in 1965 and has become more marked over time. The fertility rate went from 2.70 in 1964 to the abovementioned figure of 1.24 in 2022. The low fertility of Italian women is barely offset by that of foreign women (1.18 for the former and 1.87 for the latter).

In the advanced economies, including Italy,<sup>13</sup> the decline in fertility in the 1970s and 1980s was associated with an increase in female labour market participation.<sup>14</sup> However, in some countries where it appears to be easier to reconcile career and family, both female participation and birth rates have increased since the 1990s (though fertility continues

---

<sup>8</sup> M. Belloni, A. Brugiavini, E. Buia and G. Pasini (2015), 'Social security wealth in Italy: 20 years of pension reforms', Banca d'Italia, conference on 'The Bank of Italy's analysis of household finances. Fifty Years of the Survey on Household Income and Wealth and the Financial Accounts'; D. Franco and P. Tommasino (2020), 'Lessons from Italy: a good pension system needs an effective broader social policy framework', *Intereconomics*, 55, pp. 73-81.

<sup>9</sup> Medium/long-term simulations of the State General Accounting Department, 'national baseline scenario'.

<sup>10</sup> Ragioneria generale dello Stato (2023), *Le tendenze di medio-lungo periodo del sistema pensionistico e socio-sanitario*, 24, June. This publication does not take account of either Istat's most recent demographic projections, published at the end of September, or the updated macroeconomic outlook set out in the Update to the Economic and Financial Document (NADEF) of September 2023.

<sup>11</sup> European Commission (2023) *Debt Sustainability Monitor 2022*.

<sup>12</sup> We are not dealing here with the prospects for increasing the rate of female labour market participation (considerably lower than the European average), which is another way to counter the effects of demographic decline on the labour force, at least for a while.

<sup>13</sup> M. Doepke, A. Hannusch, F. Kindermann and M. Tertilt (2023) 'The Economics of Fertility: A New Era', *Handbook of the Economics of the Family*, 1; for Italy, see F. Barbiellini Amidei, S. Di Addario, M. Gomellini and P. Piselli, 'Female labour force participation and fertility in Italian history', Banca d'Italia, Temi di Discussione (Working Papers), forthcoming.

<sup>14</sup> See for example N. Ahn and P. Mira (2002) 'A note on the changing relationship between fertility and female employment rates in developed countries', *Journal of Population Economics*, 15, pp. 667-682.

to be below the replacement rate). Several empirical studies<sup>15</sup> have tried to find policies that could encourage female participation in the labour market without having negative effects on fertility,<sup>16</sup> for example through the rules on parental leave<sup>17</sup> or the availability of childcare provision.<sup>18</sup> Furthermore, better working conditions for mothers and new parents, including the spread of more flexible working arrangements and more equal social standards between men and women, seem to foster a better balance between work and raising children.<sup>19</sup> However, there are no clear-cut results, and certainly no magical recipes.

Efforts have been made in some countries to provide direct incentives to increase birth rates by means of monetary transfers. In Italy, the '*bonus nido*' ('nursery school bonus'), introduced in 2016, was followed by the single and universal children's allowance (AUU) in 2021. It has not been possible to quantify the impact of these measures on birth rates so far.<sup>20</sup> International experience provides no incontrovertible evidence that monetary incentive policies to increase birth rates are effective.<sup>21</sup>

Finally, it must be borne in mind that it would take about twenty to twenty-five years for any outcomes of such policies to affect the labour market.

It seems to us that we should welcome every initiative that can help women and couples in an efficient and non-invasive way so as to make their wish to create a family possible, which may be hindered by the demands of work: this is also regardless of any effects on aggregate demographic variables. Whatever the reason for adopting them, the evidence available so far suggests that policies to raise birth rates usually have fairly modest and slow effects on these variables.

---

<sup>15</sup> For a thorough guide to the literature, see also 'Women, labour markets and economic growth', Banca d'Italia, Workshops and Conferences.

<sup>16</sup> M. De Philippis and S. Lo Bello, 'The ins and outs of the gender employment gap: assessing the role of fertility', Banca d'Italia, Temi di Discussione (Working Papers), forthcoming.

<sup>17</sup> F. Carta, 'Female labour supply in Italy: the role of parental leave and child care policies', Banca d'Italia, Questioni di Economia e Finanza (Occasional Papers), 539, 2019.

<sup>18</sup> Italy's overall spending on children aged 0 to 5 as a share of GDP is only just below the average for OECD countries, but is only two thirds of that allocated in France and in Germany; it is significantly lower than the average for children aged 0 to 2 (only one in four children under the age of two are enrolled in a nursery, one of the lowest figures in Europe). Increasing the provision of nursery schools and kindergartens is one of the objectives of the National Recovery and Resilience Plan.

<sup>19</sup> M. Doepke et al., op. cit.

<sup>20</sup> N. Curci and M. Savegnago, 'L'assegno unico e universale per i figli: aspetti di equità ed efficienza', Banca d'Italia, Questioni di Economia e Finanza (Occasional Papers), 636, 2021 (only in Italian). There are currently no studies that analyse the impact of the nursery school bonus and the single and universal children's allowance, presumably for three reasons: (1) both support measures were introduced uniformly in Italy in one fell swoop, making it difficult to identify the effect of the policies in a causal way compared with that of other relevant factors; (2) in any case, it would not be easy to mould the behavioural choice to conceive, in conjunction with choosing to participate in the labour market, particularly in a dynamic context; and (3) these are recent measures (especially the AUU) and the time series available is therefore very short.

<sup>21</sup> See the review of the literature in G. Laroque and B. Salanié (2014) 'Identifying the response of fertility to financial incentives', *Journal of Applied Econometrics*, 29, pp. 314-332.

## Migrants: legal flows, integration and costs

From an economic standpoint, the inflow of migrant workers, if integrated into the production process, can alleviate the problem of demographic decline, especially when this occurs in full respect of the law. The costs and benefits involved are worth analysing in some detail.

On-the-books workers pay taxes and contribute to the national pension system. INPS' 16th annual report (for 2017)<sup>22</sup> concluded that immigration proved to be a net benefit to Italy's welfare system, through the net contributions of foreign workers. The data on the overall fiscal impact of migration to Europe, though not entirely conclusive, suggest that its effects are generally positive.<sup>23</sup>

In some sectors (construction, agriculture, housekeeping and caregiving, and tourism), immigrant labour already accounts for a significant share of total labour.

Some European countries, especially northern ones, have taken in large numbers of migrants over the last few decades. According to Eurostat data, between 2008 and 2021, gross flows of migrants accounted for 10.3 per cent of the resident population in Denmark, 11.3 per cent in Germany and 12.9 per cent in Sweden; this share exceeds 11 per cent in Spain too. Italy, and even more so France, recorded lower figures: 7.3 and 4.5 per cent respectively. Between 2015 and 2018, Germany, a country that is similar to Italy in terms of demographics, offered asylum to about one million people, mainly from Syria, and to a further nearly one million people from Ukraine in 2022 (just over 150,000 Ukrainian citizens came to Italy in the same year). According to some studies, the experience of Syrian refugees has shown that, despite the difficulties associated with managing large flows of migrants, integration through participation in the labour market is possible.<sup>24</sup>

European countries differ in many respects and some of the statistics I have just mentioned are difficult to compare. They do, however, help show that the situation in Italy is not extreme in this respect.

The hardest challenge, as well as the biggest one from an economic (and perhaps not only economic) point of view, is making sure migrants are well integrated into the labour market.

---

<sup>22</sup> INPS, *L'integrazione contributiva degli immigrati* ('The integration of immigrants into the system of pension contributions'), 16th Annual Report, 2017 (only in Italian).

<sup>23</sup> The impact of migration on budgets is generally difficult to quantify. It depends, among other things, on the mix of skills of incoming foreigners, on the integration process and on the length of stay in the country. See C. Dustmann and T. Frattini, 'The Fiscal Effects of Immigration to the UK', *Economic Journal*, 124, 2014, pp. F593-F643.

<sup>24</sup> M. Higgins and T. Klitgaard, 'How Has Germany's Economy Been Affected by the Recent Surge in Immigration?', *Federal Reserve Bank of New York Liberty Street Economics blog*, 20 May 2019. (<https://libertystreeteconomics.newyorkfed.org/2019/05/how-has-germanys-economy-been-affected-by-the-recent-surge-in-immigration.html>); H. Brücker, J. Hainmueller, D. Hangartner, P. Jaschke and Y. Kosyakova, 'Refugee Migration to Germany Revisited: Some Lessons on the Integration of Asylum Seekers', *Report for the 21st European Conference of the Rodolfo De Benedetti Foundation*, 2019; Y. Kosyakova, H. Brücker, K. Gatskova and S. Schwanhäuser, 'Labor Market Integration of Ukrainian Refugees: Employment rises one year after arrival', *IAB-Kurzbericht*, 14, 2023.



From this angle, increasing the labour migration quota<sup>25</sup> can help improve the composition of immigration flows. In Italy, between 2011 and 2021, non-EU migrants<sup>26</sup> were mainly granted residence permits for family reunification purposes; only 6 per cent entered the country on a work permit. In 2022, around 67,000<sup>27</sup> new work permits were granted, the highest number since 2014; nearly three quarters of these, however, are attributable to the exceptional regularisation measures adopted during the pandemic emergency.<sup>28</sup> Looking ahead, recent government measures<sup>29</sup> realistically raise the work permits quota to 450,000 for the years 2023-25, around two and a half times more than in the previous three-year period, and facilitate staying in Italy for those who have completed a course of study.

However, if a significant number of migrants are to be welcomed, more investment in integration and training programmes is also needed to improve matching between job seekers and vacancies. In this field, there is no shortage of initiatives to be considered as an example, both international<sup>30</sup> and Italian.<sup>31</sup>

The arrival of migrants produces costs for society: reception, integration, training and administrative costs, which should not be underestimated. From the perspective of the society that welcomes the migrants, and regardless of any social or humanitarian considerations, these costs should be seen as an investment with a potential for a positive return in terms of growth and sustainability. For this to happen, however, the investments must be efficient and targeted.

---

<sup>25</sup> As was recently proposed for the United States: J. Hunt, 'Renewing America, revamping immigration', The Hamilton Project-Brookings, 2022.

<sup>26</sup> EU citizens can of course move freely within the Union and do not require any permits.

<sup>27</sup> This figure is in line with the overall increase in the number of accesses to Italy. In 2022, net of temporary protection permits granted to Ukrainian citizens, around 300,000 residence permits were granted, nearly 60,000 more than the year before and the highest number since 2011. Work permits (15.0 per cent of the total) ranked third among the types of permits granted (behind humanitarian protection and family reunification).

<sup>28</sup> Article 103 of Decree Law 34/2020, converted into Law 77/2023.

<sup>29</sup> Article 1 of Decree Law 20/2023, converted into Law 50/2023, and Decree of the President of the Council of Ministers of 27 September 2023, 'Programmazione dei flussi d'ingresso legale in Italia dei lavoratori stranieri per il triennio 2023-2025 (Plan for legal migration flows to Italy of foreign workers for the three-year period 2023-2025).

<sup>30</sup> For example, in Denmark: J. N. Arendt, C. Dustmann and H. Ku, 'Refugee migration and the labor market: Lessons from 40 years of post-arrival policies in Denmark', *CReAM Discussion Paper*, 9, 2022; M. Foged, L. Hasager and G. Peri, 'Comparing the effects of policies for the labor market integration of refugees', *NBER Working Paper*, 30534, 2022; J. N. Arendt, I. Bolvig, M. Foged, L. Hasager and G. Peri, 'Language Training and Refugees' Integration', *NBER Working Paper*, 26834, 2020. Restricting access to income support programmes or delaying entry into the job market does not seem to improve long-term integration: F. Fasani, T. Frattini and L. Minale, 'Lift the Ban? Initial Employment Restrictions and Refugee Labour Market Outcomes', *Journal of the European Economic Association*, 19, 2021, pp. 2803-2854. Another tool that seems to be useful in practice is a foreign qualification recognition system (see H. Brücker, A. Glitz, A. Lerche and A. Romiti, 'Occupational recognition and immigrant labor market outcomes', *Journal of Labor Economics*, 39, 2021, pp. 497-525. The level of education of the migrant population in Italy is lower than in other European countries: 12 per cent of the foreign population aged between 25 and 74 has a university degree compared with an EU27 average of 28 per cent. However, the German certificate recognition system extends recognition to professional qualifications for skilled workers, such as mechanics and electricians, crafts workers, certified consultants and qualified sales representatives.

<sup>31</sup> See the Forwork project experience sponsored by the National Agency for Active Labour Policies (ANPAL) and other associations since 2018 (<https://www.forworkproject.eu/>).

In addition to these costs, there are those for the public services that the legal migrants and their families use, such as schools, healthcare and many more – but to which, in principle, they also contribute by paying taxes and easing constraints on growth.

Immigration translates into an increase in labour supply. There is widespread fear that the competition between newcomers and residents will result in downward pressures on wages and fewer available jobs. In fact, empirical studies mostly show that the crowding out of native workers is modest and limited to specific segments of the population,<sup>32</sup> namely those with the lowest levels of education and less stable employment (who sometimes are simply immigrants from previous waves of migration). This phenomenon should not be taken lightly, especially given its impact on certain parts of the population. Managing it wisely is key to the social acceptance of migration. For instance, immigration flows should be adjusted to match the labour needs of businesses as much as possible, in order to maximise the benefits and reduce the costs in the job market.

### Ligurian stories

Let us now return to the region where we are gathered, and draw some further food for thought from its history.

The facts of Ligurian emigration are perhaps less well known than those of southern Italy, Veneto or Lombardy, but they are not insignificant. Steady migration to the Americas started as early as the 18th century, when Ligurian communities first settled in South America. In the first half of the 19th century, migration flows still headed primarily to Argentina and present-day Uruguay, later to the United States, then to northern Europe, and then again to the Americas. Some 361,000 people are estimated<sup>33</sup> to have left Liguria between 1876 and the outbreak of World War II, roughly 500 per 100,000 inhabitants – a fairly high rate, albeit lower than for other northern Italian regions.

Some stories about Ligurian emigration can help us focus on a couple of non-trivial, wide-ranging issues.

First of all, when we think of migrants, it is often the poorest strata of the population that come to mind. The reality seems to be a little more complex.

Like the other Italian emigration regions, Liguria had large pockets of poverty in the 19th century, yet migration involved sections of the population who were a little more well-off and had the information and connections needed to move abroad, including contacts with the first Ligurian communities to settle in Argentina, Uruguay and the United States in the first half of the 19th century. The data provided by the Statistical yearbook of

---

<sup>32</sup> There is extensive empirical literature on the effects of immigration on the labour market. For a recent review, see 'Symposium: Immigration and labor markets', *Journal of Economic Perspectives*, 30, 2016, pp. 3-106.

<sup>33</sup> Istat, time series on Emigrants and national returning migrants (available at [https://seriestoriche.istat.it/index.php?id=1&no\\_cache=1&L=1](https://seriestoriche.istat.it/index.php?id=1&no_cache=1&L=1)). For detailed statistics on outward migration up to 1925, see also the Commissioner General's Office for Emigration (1926), 'Statistical Yearbook of Italian Emigration from 1876 to 1925' (only in Italian).



Italian emigration from 1876 to 1925<sup>34</sup> show that growth in migration from Liguria was relatively higher among skilled workers, traders and freelance professionals.

This should be kept in mind by those who believe that, in order to stop the flows of migrants, we should foster development in their home countries. Of course, there is nothing wrong with working in this direction; however, the effects on migration flows would be uncertain and perhaps even counterintuitive, at least initially. Indeed, the economic literature has shown that today's migrants are often also positively selected because of their income and education,<sup>35</sup> socio-demographic characteristics, and propensity to risk and to adjustment.<sup>36</sup> Migrants are people who have the financial resources to pay for their journey, access to information through the media, and contacts with communities of fellow citizens in the countries of destination. Moreover, the main countries of origin seem to be middle-income countries rather than poor ones.<sup>37</sup>

What was true for Liguria one or two centuries ago therefore seems to hold true for the regions from which today's migrants leave. Furthering the development of their home countries (possibly through cooperation policies), desirable as that may be, can hardly be seen as a tool to ease migratory pressure, in the immediate future anyway.

Secondly, it is worth considering the effects of migration in those same countries. This is too large a subject to be discussed thoroughly here. Let us just touch upon a few issues. One is a potential talent drain – perhaps a major issue, in light of our previous point, i.e. that migrants are mostly selected for their resourcefulness and initiative. Another, however, is that migration can boost wages at home by reducing excess local labour supply.

In the long run, trade, the circulation of ideas, return migration and remittances, which are all related to people flows, can generate significant economic benefits. This can be achieved through various channels,<sup>38</sup> but we can draw specifically on the Ligurian experience to look at just a couple of the many possible points, as this conversation cannot explore such a vast topic in full.

---

<sup>34</sup> Op. cit., pp. 213-215.

<sup>35</sup> M. Clemens and M. Mendola (2020), 'Emigration from Developing Countries: Selection, Income Elasticity and Simpson's Paradox', *IZA Discussion paper*, No. 13612; F. Docquier and H. Rapoport (2012), 'Globalization, Brain Drain, and Development', *Journal of Economic Literature*, 50, pp. 681-730.

<sup>36</sup> A. Bütikofer and G. Peri (2012), 'How Cognitive Ability and Personality Traits Affect Geographic Mobility', *Journal of Labor Economics*, 39, pp. 559-595; M. Czaika and C. Reinprecht (2020), 'Drivers of Migration: A Synthesis of Knowledge', *IMI Working Paper*, 163; and D. Jaeger, T. Dohmen, A. Falk, D. Huffman, U. Sunde and H. Bonin (2010), 'Direct Evidence on Risk Attitudes and Migration', *Review of Economics and Statistics*, 92, pp. 684-689.

<sup>37</sup> World Bank (2023), 'World Development Report 2023: Migrants, Refugees, and Societies'.

<sup>38</sup> F. Docquier and H. Rapoport, op. cit. For the Italian case, see C. Ó Gráda and M. Gomellini (2013), 'Outward and Inward Migrations in Italy: A Historical Perspective', in G. Toniolo (edited by), *The Oxford Handbook of the Italian Economy since Unification*, Oxford University Press, also published in Banca d'Italia, Quaderni di Storia Economica (Economic History Working Papers), No. 8, 2011. The accumulation of human capital in the countries of origin is another way for emigration to contribute to economic growth; for the Italian case, see F. Giffoni and M. Gomellini (2015), 'Brain Gain in the Age of Mass Migration', Banca d'Italia, Quaderni di Storia Economica (Economic History Working Papers), No. 34.

The credit system, which was very limited in Ligurian provinces until the mid-1800s (we are not talking here about the major financial centre that Genoa was then), developed in the second half of the century, when local and savings banks were set up to finance emigrants' journeys and manage remittance investment. For example, between the 19th and 20th centuries, Banco Ghio di Chiavari, established as a spin-off of a small family-owned trading house, 'grew considerably owing to the population increasingly migrating to the Americas'. Its owners took over several local banks, including Banco de Italia y Río de la Plata, which operated in South America and Italy with some success.<sup>39</sup> In another example, Amadeo Giannini, the son of Ligurian emigrants, had founded Bank of Italy (later Bank of America) in San Francisco in the early 20th century. He was a very resourceful entrepreneur and supposedly had, among other things, a prominent role in designing banking practices aimed at extending banking services to large sections of the population. He invested in his home country by founding Banca d'America e d'Italia,<sup>40</sup> a credit institution operating mostly in Liguria and in other regions with strong ties to their emigrant communities abroad.

The ports of Genoa and La Spezia grew as a result of the connections between their emigrant and resident communities. Genoa prospered thanks to the commercial network and the transatlantic traffic that began to develop in the 19th century. La Spezia flourished between the 19th and 20th centuries with the expansion of the Muggiano shipyards, mainly used for building cargo steamers for trade with North America.<sup>41</sup>

\* \* \*

There are many more anecdotes one could recount about Ligurian emigration. For example, the *Bachicha de la esquina*, i.e. the corner shopkeeper (a clear reference to *Baciccia*, a traditional nickname for Genoese people), was a typical figure in some parts of South America. It was the man who ran the local general shop in the *barrio*, trading in basic necessities and acting as a point of reference, a mediator, a matchmaker and a moneylender.

Emigration to South America is also part of your speaker's family history. One great-grandmother was born and raised in Argentina, where her family had moved from Liguria, specifically from Monterosso (or so the story goes), in search of a better life. Having done well for themselves in America, her family sent the young woman back to her homeland to get married—although there is no indication as to how much she appreciated this decision. This great-grandmother was a second-generation immigrant, whose native language was Spanish, much like the son of the narrator in the nostalgic folk song '*Ma se ghe penso*' ('*Ti t'ê nasciû e t'æ parlòu spagnòllo*', 'you were born and you have always

---

<sup>39</sup> Banco Ghio eventually became part of the Istituto Bancario San Paolo di Torino (1970). The quotation is translated from Intesa Sanpaolo's website.

<sup>40</sup> Banca d'America e d'Italia was acquired by Deutsche Bank in 1986, following a period of strong growth into the post-World War-II era; it disappeared as a trademark in 1994.

<sup>41</sup> A. Incoronato (2006), 'Il Cantiere Navale del Muggiano tra Storia e Futuro', *Culture e impresa*, 4; P. Fragiaco (2012), 'L'industria come continuazione della politica. La cantieristica italiana 1861-2011', Milano, Franco Angeli (only in Italian).

spoken Spanish') who, unlike the father, has no desire to go back to Europe. According to the stories I heard as a child, she often spoke in her mother tongue with her daughter, and her Italian was somewhat broken. The family lived in Genoa for a long time, and this is what brought some bits of *castellano* and Genoese into the family conversation, as well as a plot of land in Portovenere where a house would be built many years later, to which I owe my partly Ligurian roots.

All of these stories, big and small, shaped the history of our country when it was still mainly a land of origin for migratory flows. Reflecting on them can help us understand the migration problems we face now that we are predominantly a country of destination.

Demographic trends suggest that migratory pressures towards advanced countries will continue for years to come. Those called upon to manage them will have the difficult task to strike a balance between costs and benefits, ethical concerns and social dynamics that are not always easy to reconcile. In so doing, however, they should not lose sight of the plain and simple fact that, if demographic trends do not change dramatically (and they do not usually change quickly), the decline in and ageing of our population, and their impact on growth and sustainability, are a problem for advanced societies; migratory pressures, if managed wisely, can help to tackle it.

Apart from strictly economic considerations, and without addressing any ideological or identity issues, which we will leave aside today, a number of potential cultural, social and legal issues remain. Everything we have talked about so far assumes authorised migratory flows, lawful employment, and migrants and natives all abiding by the law. We have not touched on the challenges of managing illegal migration and the emergencies it causes. Your speaker has neither the competence nor the authority to provide data or advice in this regard.

Let us just consider one thing. The sometimes harrowing scenes portrayed by the media show that large numbers of people – I am not referring to refugees, who are a different story – are willing to do anything to find a better life in a faraway land; they will spend their life savings, risk their own lives and those of their loved ones, and rely on ruthless intermediaries. This is a fact, however we may feel about it. It is unrealistic to think that we can manage such intense pressure without thinking about some forms of regular entry routes, clear-cut conditions, well-designed integration policies and calibrated entry programmes that take into account the needs of our economies. The more difficult it is to halt this trend, the more it seems appropriate for a country like ours, which is facing a marked demographic decline, to see it not (or not only) as a problem but also as an opportunity.

Massimo Livi Bacci, in a beautiful book of his<sup>42</sup> that retraces several ancient and recent migratory events, points out that human movements have marked the entire history of mankind, for better or for worse. He even finds in Seneca 'all the arguments for a modern

---

<sup>42</sup> M. Livi Bacci (2022), 'Per terre e per mari. Quindici migrazioni dall'antichità ai nostri giorni', Bologna, Il Mulino.

debate' on migration: from the fact that 'migration is inherent to the human species', to its modes, characteristics and causes. 'People migrate when they are "deprived of everything", because they are driven away by conflicts or natural disasters such as plagues and earthquakes, or for other reasons that today we would call Malthusian factors, "because of excessive population density" [...] or "because they are attracted by the reputation of a fertile land, praised as the best".'

Livi Bacci says: 'Today too, as in Seneca's time, the mixture of peoples and ethnicities is evident, as a result of the historical stratification of migrations'.<sup>43</sup>

This is borne out, if you wish, by the Ligurian words that are still heard in the Spanish of Río de la Plata, especially in the ancient Genoese settlement of La Boca (or rather '*da Bocca*', in Genoese) in Buenos Aires, or by the *día del fainà*,<sup>44</sup> which I understand is celebrated every year on 27 August in Montevideo, in honour of what has become a national dish in Uruguay.

---

<sup>43</sup> Ibid, pp. 19-20.

<sup>44</sup> '*La farinata*' (Italian) or '*a fainà*' (Ligurian), a sort of chickpea-based pancake, is a traditional Ligurian dish, especially popular in La Spezia to this day.

