

Sbilanciamoci!
Sbilanciamoci!



Per un'Italia
capace di futuro

The QUARS

ASSESSING THE QUALITY OF DEVELOPMENT IN ITALIAN REGIONS

Sbilanciamoci! –member NGOs are:

AIAB www.aiab.it **Altreconomia** www.altreconomia.it **Antigone**
www.associazioneantigone.it **Arci** www.arci.it **Arcs Arci Cultura e**
Sviluppo www.attivarci.it **Arci Servizio Civile** www.arciserviziocivile.it
Associazione Finanza Etica www.finanza-etica.org **Associazione**
Obiettori Nonviolenti www.obiettori.org **Associazione per la Pace**
www.assopace.org **Beati i Costruttori di pace** www.beati.org
Campagna per la Riforma della Banca Mondiale www.crbm.org
Carta www.carta.org **CIPSI** www.cipsi.it **Cittadinanzattiva**
www.cittadinanzattiva.it **Cnca** www.cnca.it **Comitato Italiano**
Contratto Mondiale sull'Acqua www.contrattoacqua.it **Comunità**
delle Piagge Firenze Cocis www.cocis.it **Consorzio Italiano di**
Solidarietà www.icsitalia.org **Cooperativa "Roba dell' Altromondo"**
www.roba.coop **Crocevia** www.croceviaterra.it **CRS**
www.centroriformastato.it **CTM-Altromercato** www.altromercato.it
Donne in nero www.donneinero.org **Emergency** www.emergency.it
Emmaus Italia www.emmaus.it **Fair** www.faircoop.it **Fondazione**
Responsabilità Etica www.bancaetica.com **GESCO**
www.gescosociale.it **ICEA** www.icea.info **SICSALI Italia** www.sicsal.it
Legambiente www.legambiente.it **Lila** www.lila.it **Lunaria**
www.lunaria.org **Mani Tese** www.manitese.it **Medicines Sans**
Frontieres www.msf.it **Microfinanza** www.microfinanza.it
Movimento Consumatori www.movimentoconsumatori.it **Nigrizia**
www.nigrizia.it **Pax Christi** www.paxchristi.it **Rete Lilliput**
www.retelilliput.net **Terre des Hommes** www.tdhitaly.org **Uisp**
www.uisp.it **Un Ponte per...** www.unponteper.it **Unione degli**
Studenti www.unionedeglistudenti.it **Unione degli Universitari**
www.udu.org **WWF** www.wwf.it

SBILANCIAMOCI

C/o Lunaria,

Via Buonarroti 39, 00186 Roma

Tel. +39 068841880 Fax. +39 068841859

info@sbilanciamoci.org

www.sbilanciamoci.org

Skype: sbilanciamoci

CONTENT

Introduction	4
The limits of standard economic indicators	5
Social and environmental indicators	7
Human Development Index	7
Genuine Progress Indicator	7
Gross National Happiness	7
Measuring environmental sustainability	8
The case of Italy in the alternative development	
indicators.	10
The HDI	10
The GPI	12
Ecological Footprint.....	12
Assessing the quality of development: the QUARS	20
Methodology	21
Application to the Italian case	22
Macro-indicators	23
Environment.....	23
Economy and labour	26
Rights and Citizenship	28
Education and Culture.....	32
Health	34
Equal opportunities	37
Participation	39
QUARS	42
Public expenditure.....	44
GDP and QUARS compared.....	50
Possibility of a study at European scale	52

Introduction

Sbilanciamoci! is a campaign involving 45 associations, NGOs and networks working on globalisation, peace, human rights, environment, fair trade, ethical finance. Since 1999 *Sbilanciamoci!* has proposed alternatives to the Italian budgetary policies, arguing for social and environmental priorities. *Sbilanciamoci!* publishes yearly reports, meets policy makers, organizes conferences to promote a different use of public resources and new role of public actors in the economy.

The *Sbilanciamoci!* campaign thinks it is necessary to radically change the perspective of public policies, giving new economic and social priorities in order to push for a solid world in which more attention is put to people's rights and environment instead of the needs of a market economy based on privileges, rents, wastes, inequalities.

Sbilanciamoci! elaborates an annual report where, after reviewing the orientations of economic politics emerging from the Budget Law and from the State Budget, develops alternative proposals about how to use public expenditure for society, environment and peace.

In the year 2000 the campaign published the first report, edited by Lunaria, which was focused on the Budget Law 2001. This report underlined the need for changing radically the perspective of public policies, and questioning social and economic priorities. The old indicators, first of all the GNP, do not explain any more, or maybe had never explained, which is the real welfare of a society

During six years of activity, the campaign elaborated research tools, critical analysis and proposal that are the essential part of its activity of information, politic pressure and mobilisation.

Sbilanciamoci! has published 18 reports of national diffusion (6 on State Budget, 5 on indicators, 1 on Irak, 2 on development cooperation 2 on military expenditures, 1 on tax justice, 1 global taxes), has organised 12 congresses and convention, has promoted 180 local initiatives, such as seminars or debates, has collected more than 30,000 signatures sustaining the State Budget proposals; moved 57 amendments to the Budget Law through the MPs supporting the campaign.

The limits of standard economic indicators

Indicators provide a crucial support to the decision-making process in many ways. They can transform knowledge of physical and social sciences into easily usable information. They can help to measure and calibrate progress towards objectives of sustainable development. They can make provisions for launching an alarm signal in time to prevent economic, environmental and social damage. Moreover, they are important tools for communicating ideas, thoughts and values (CSD, 1995).

After the Second World War the developed economies experienced an unprecedented phase of growth that had extraordinary consequences from the point of view of living standards. The expectation of global richness round the corner started to take root and, at the same time, the idea that disparities would disappear and that the differences between countries were merely delays whose elimination should be planned became increasingly widespread. The pro capita GDP became the basic indicator of the living standard and welfare and the fundamental criterion for measuring the level of development.

Although dimensions other than the economic one, such as the social and environmental dimension, are attributed to welfare, public opinion associates the idea of a strong economy with that of welfare and thinks that the economic one is the most important area of welfare subject to political influence. This has made GDP, which, due to its nature, is a measurement of market performance, into a general index of welfare, assigning it a strongly legislative role able to address economic policies aimed at increasing the welfare of citizens.

“The Gross Domestic Product [...] measures everything in a few numbers, except what makes life worth living” (Bob Kennedy)

But then, why can't the GDP be a good welfare indicator?

Firstly, the GDP does not contain the value of all those **assets that do not have a market value** and so do not have a price. This means both services and assets supplied by nature, from renewable and non-renewable resources that are part of the economic process to all those mechanisms that make man's life on earth possible such as the water cycle or conserving the habitat of species, and everything that can be defined as informal economy meaning a non-market economy based on talent, reciprocity and social relationship, housework being a prime example. There being no market in which they are exchanged, these assets do not have a price that expresses their value in monetary terms so their value does not form part of national accounting. There are techniques for assessing the monetary value of assets that don't have a market but these techniques tend to undervalue their value itself.

Furthermore, **transfers from the government**, in the form of social and health welfare, are not considered, since public expenditure is understood as only goods and services purchased by the state, which include the salaries of public employees. This makes the public expenditure accounted in the GDP considerably less than the total actual expenditure in the public sector.

Finally, no account is taken of **negative external effects**, namely of external costs generated by production activities: environmental pollution, loss of biodiversity, unsustainable exploitation of resources, unemployment, unequal distribution of income, etc. External costs are generally social costs that, sooner or later, are paid by society even if they are produced by private individuals who increase their own profits by not taking them into account. There are numerous examples, in general environmental pollution is the classic case of a cost generated by an economic activity that is not paid for by whoever produces it, but by the whole of society or by future generations. Connected to the concept of negative external effects we find the concept of **defensive expenses**, namely all those economic activities that arise from the need to meet the external costs generated by certain production processes: a large part of the expenses of consumers and public administrations in advanced economies are used, not so much as to obtain benefits, but to correct or avoid the 'ills' caused by their own economy. These, indeed, are defined as defensive or compensating expenses and, notwithstanding their nature, are considered as production and final income. Expenses incurred to protect oneself from acoustic pollution, or medical expenses connected with illnesses generated by environmental pollution or by the stressful lifestyles typical of rich Western societies, costs for reclaiming polluted areas or coastlines, social expenditure against unemployment, etc. are defensive. These defensive expenses should be considered as costs that have been made necessary due to the production process and should therefore be removed from national accounting since they are intermediate assets and not final assets (Daly and Cobb, 1991; Hüting, 1991).

In consequence, an increase in the GDP, which is interpreted by society as a positive signal of the increase of individual and global welfare, is sometimes generated by situations arising that are socially considered harmful to individuals, society and the environment in which it lives. It could be started by an increase of highly polluting production processes that cause irreversible harm to the environment or by unsustainable exploitation of non-renewable resources. In addition, a certain GDP value can be produced, at the same time, starting from a relatively egalitarian distribution of income or from one that is heavily unequal or from a labour force whose rights are or are not protected by adequate laws. A road accident, starting a chain of activities from the breakdown truck setting out to the repair work on the vehicles, increases the GDP; the deforestation needed for manufacturing furniture increases its value.

Social and environmental indicators

Starting from the Nineties, in consequence of the considerations made up to this point, there has been a flourishing of alternative indicators to the GDP. The common purpose is that of producing a tool that can monitor the welfare of a society taking account of all those environmental and social aspects that, conversely, do not form part of the construction of the GDP.

Human Development Index

According to the UNDP definition, human development is “a process for extending human possibilities that allows individuals to enjoy a long and healthy life, be educated and have access to the resources needed for a dignified level of life”, as well as enjoying the political, economic and social opportunities that give them full right to feel to members of the community to which they belong. Prepared by UNDP, the HDI (Human Development Index) is the most famous among the alternative indicators and concentrates on three essential elements: longevity, knowledge and a dignified standard of life. For the first element the indicator is life expectation from birth, as regards knowledge a combination has been chosen between the literacy rate and that of access to all levels of education and finally, for the third element, control of the resources needed for a dignified tenor of life approximates with per capita incomes

Genuine Progress Indicator

The GPI is a composite indicator that attempts to correct the GDP in order to be able to have a good estimate of economic well-being that also takes environmental and social aspects into account. To obtain this ambitious result the GPI estimates the expenditure of time and money, positively or negatively depending on the role they play as regards well-being: for example, housework or voluntary work that, as we have seen, are not a part of national accounting, contribute positively to economic well-being and thus to the GPI while environmental pollution, unequal distribution of income and social disruption reduce the GPI. Obviously these adjustments to the GDP require value judgements that allow the direction of the well-being contribution of the various items to be established, judgements that are the constant subject of discussion.

Gross National Happiness

A new indicator still in the embryonic stage of development but that, perhaps more than the others, highlights the distance in daily life between the economic situation and welfare understood as the happiness of an individual, is Gross National Happiness (GNH). A group of researchers between psychology and economics led by Prof. Kahneman, psychologist at Princeton University and Nobel Laureate for Economics in 2002, have devised a test that allows the satisfaction of individuals relative to their daily life to be calculated. The sum of this individual accounting allows the GNH to be calculated. The test is built starting from a technique called “day reconstruction method”, according to which people are asked to put together their memories of past days by writing a small diary. People must think back to their days as a series of episodes in a film and answer a set of questions about how they felt during each event or activity. After which they must give a score of between 1 and 6 to each episode. At the end the total is divided by the number of hours devoted to each activity to obtain a total score for every day. Up to now the work has been conducted on a sample of 900 American women, and what has emerged is that the general circumstances of life have a relatively low impact on their happiness. Excluding cases where the subjects run the risk of going hungry, income does not play any role in their satisfaction.

Measuring environmental sustainability

There is a trend in the search for new indicators for exclusively monitoring the relationships between economy and environment, without wanting to enter into the merit of considerations about social well-being. Perhaps the most famous of these indicators is the **ecological footprint** that represents the requirement of a given economy or population of critical natural capital in terms of ecologically productive areas. It is a calculation tool that allows an estimate to be made of the consumption of resources and the request for assimilation of waste by a given human population or a certain economy and to express these magnitudes in surface area terms of corresponding productive territory. Another indicator is the **MIPS** (Material Inputs Service), developed by the Wuppertal Institute, that sums the materials used directly or indirectly for each production service unit measured in tons. The materials include minerals, carriers of energy and the whole biomass, for the calculation the whole life cycle of the product, including the disuse and recycling stage, is taken into account. The use of materials measured in tons is compared with the services provided sector by sector. Namely an attempt is made to understand how much material is implied in providing a travel service to a passenger or providing a dwelling service in an apartment of so many square metres. If a decrease of the MIPS value is registered with the passage of time, it can be thought that the same needs can be satisfied with less recourse to material resources. The idea of developing a **green account**, a satellite of the economic one, is also well developed and consists of accounting the resources and their variations in physical terms. For example: stock of wood of various types in cubic metres, farmlands and their quality, biodiversity, count of dangerous emissions from domestic and industrial

waste. It involves analysing a rich variety of statistics, which it is supposed complete and enrich the information that can be obtained from an analysis of the aggregate production data, even though they are expressed in different units of measurement. The final objective is that of integrating economic and environmental information that allows the actual impact of human activity on the environment to be understood. Certain interesting indicators can be found in this research trend, an example of which is the **TMR** (Total Material Requirement), an aggregate indicator of the material bases of an economy, which expresses the overall mass of raw materials extracted from nature to support the sum of human activities.

Finally there is a very useful and intuitive tool, the **Dashboard of Sustainability**¹, developed by a group of indicator programming experts called "Consultative Group on Sustainable Development Indices" (CGSDI). The objective of this tool is to give visual support to the information provided by a set of previously defined indicators and to insert them better into the decision-making process, making them also understandable to a vaster public.

To summarise, the Dashboard of sustainability is a software package that has been developed to obtain, starting from a set of indicators grouped into subjects and sub-subjects, sorted rankings assigning a score within each modality. The subcategory rankings are obtained by linear interpolation, the rankings by macro-category, on the other hand, are formed by summarising the scores for each subcategory by means of an arithmetic weighted average. The final ranking or general (overall) performance indicator is obtained by summarising the scores of the macro-categories by means of an arithmetic weighted average. The output from the software provides the display of both the tables with the relative scores and a graphic presentation of the interpolation by reference territory.

The Dashboard is a very simple tool to use, with a very effective visual impact, but it shows the typical problems connected with the search for a single sustainability indicator. To start with, the weightings for the weighted averages must be defined, a bit like wanting to give a price. Furthermore, a maximum score must be defined, and here we run into an evaluation problem: if the maximum score is given to the best performer, it does not mean that the behaviour is necessarily sustainable but only more sustainable than that of the others.

¹For further information visit website: <http://esl.jrc.it/envind/dashbrds.htm>, where it is also possible to download the Dashboard free of charge.

The case of Italy in the alternative development indicators.

The HDI

To start with, let us look at the results for Italy based on the Human Development Index². In the ranking contained in the Human Development Report 2005, in which the data refer to 2003, Italy was in 18th place, gaining 3 positions compared to the 2004 Report in which we were 21st. We are eighth for life expectancy, only thirtieth according to the knowledge indicator and eighteenth for GDP pro capita. But, in truth, the variations in the upper part of the ranking are not very informative and do not reflect, except perhaps in the long term, the true differences among industrialised nations. This is because these countries are typified by level economic and social conditions not emergency ones and, all in all, uniform among themselves. Just to give an example; we have overtaken Germany in human development, but the only difference between the two countries is that life expectancy in Germany is a year less than ours, to say, from this that Italy is more developed than Germany is pushing it!!! The HDI is obviously an indicator much more suited for comparing the North and South of the world and the non-industrialised nations with each other.

The Human Development Report also gives some interesting indices relative to poverty, relations between the sexes and development aid. As regards poverty, Italy shows certain critical aspects. The UN uses two indices called HP1 (Human Poverty Index) and HP2. The former is designed for the poorer countries and is not calculated for countries belonging to the OECD. Thus the HP2 value must be examined for Italy. This is composed of the data relative to life expectancy at birth, poverty (those whose income is less than 50% of the national average are considered poor), literacy and long-term unemployment. Italy is ranked in 18th place, showing specifically a worrying fact regarding literacy; the value refers to all individuals lacking in functional literacy, those who, on paper, possibly know how to read and write but, in reality, have not acquired the skills and abilities in reading and writing that make them capable of effectively undertaking those activities where skill in reading and writing is normally taken for granted in his/her culture or reference group³. Italy shows the worst value among all the countries for which this data item is available. But it is the results relative to questions of gender and development aid that define an alarming situation. There are two indices relative to gender, the GDI (Gender Development Index) and the GEM (Gender Empowerment Measures). The former uses the same indices as the HDI but separates out data relative to women only; the latter measures the gender disparity in participation in the economic and political life of a country – the indices used include the percentage of women

² Human Development Report 2005

³ Gray W.S., *The Teaching of Reading and Writing: An International Survey*, UNESCO, Paris, 1956

directors and professionals, the average income of women and the percentage of women's income with respect to that of men. And it is just by observing the data used for building the GEM that one realises that the Italian situation is an anomaly in the context of countries with a high HDI. Italy is, and will probably remain, a conservative and backward country especially, but not only, from the question of gender: we are in 107th -!!!!- place for the number of women MPs (10.4%); ahead of us there are very many African countries and, in any case, very many countries with an HDI well below the Italian one: 69th for the percentage of woman business administrators or managers (21%), 60th for the percentage of women whose work requires high-profile technical skills (45%) and, finally, 102nd -!!!!- for the income gap between men and women (the income of an Italian woman is, on average, less than half that of a man). An even more alarming thing, as if these data were not enough, is that the situation is certainly not improving seeing that we have lost a good 4 places with respect to the GEM calculated in the 2004 Report!

Also worrying are the data, again published in the UN Report, on public development aid (Table 1) showing that Italy, notwithstanding all the good intentions paraded from one Live8 to the next, is the Cinderella of public expenditure. Only the United States does worse than us and thus we are second to last with only 0.17% of GDP destined for PDA. We also hold another sad record, we are the country, together with Canada and Finland, in which this rate has fallen most rapidly starting from 1990, dropping by over 80%. Not to speak of the pro capita datum, 37 dollars per annum, with only New Zealand behind us with 32 dollars (Norway with 388 dollars pro capita and Denmark with 265 dollars are in the first two places).

Table Errore. Nel documento non esiste testo dello stile specificato..1 **Public Development Aid in % of GDP**

HDI		Development Aid in % of the GDP		
		1990	2003	variation %
1	Norway	1.17	0.92	-27%
3	Australia	0.34	0.25	-36%
4	Luxembourg	0.21	0.81	74%
5	Canada	0.44	0.24	-83%
6	Sweden	0.91	0.79	-15%
7	Switzerland	0.32	0.39	18%
8	Ireland	0.16	0.39	59%
9	Belgium	0.46	0.6	23%
10	United States	0.21	0.15	-40%
11	Japan	0.31	0.2	-55%
12	Netherlands	0.92	0.8	-15%

13	Finland	0.65	0.35	-86%
14	Denmark	0.94	0.84	-12%
15	United Kingdom	0.27	0.34	21%
16	France	0.6	0.41	-46%
17	Austria	0.11	0.2	45%
18	Italy	0.31	0.17	-82%
19	New Zealand	0.23	0.23	0%
20	Germany	0.42	0.28	-50%
21	Spain	0.2	0.23	13%
24	Greece	..	0.21	
27	Portugal	0.24	0.22	-9%

The GPI

Unfortunately this indicator for Italy, the GPI, has only been calculated once in its first version called ISEW by the Enrico Mattei ENI Foundation and the WWF Italy for the period, now rather distant back to 1960 and renamed RIBES (Sustainable Welfare Index for Italy) and calculated for the period between 1960 and 1990 inclusive. In any case it is worthwhile giving a glance at the result compared with the GDP value. Figure 1 clearly shows that while, up to the end of the Eighties, the two indicators both grew, starting from the Eighties the GPI tended to stop growing, unlike the GDP that, instead, continued its run: this means that, notwithstanding continuous economic growth, the well-being of Italians stopped following the same trend. Comparing the results with the United States GDP it emerges that the distribution of income in Italy, more equitable than in the United States, weighs less on the trend of the Index, while the components that weigh positively on the well-being index, such as housework, are cancelled out by those with a negative influence, especially environmental damage and the loss of ecological systems such as farmland, variables that tend to prevail in the long term, increasing the gap between GDP and RIBES.

Ecological Footprint

Starting from a set of parameters linked to consumption, the footprint calculates the amount of nature needed to produce food, energy and the materials that the human being consumes and for absorbing the waste. In slightly more specific terms, the value of the Ecological Footprint expresses the number of hectares of biologically productive land needed to produce the flow of goods and services used in the economic process of production-distribution and consumption. As can be easily deduced, the value is therefore strictly linked to the GDP value, the larger the dimensions of an economy, the larger the flow of materials and energy that enter the economic process and the flow of emissions and residues being output. To make

considerations regarding the sustainability of this flow the value of the footprint must be compared with both the value of the biologically productive share of land that would be due to each individual on the planet and the value of the local biological capacity, namely the capacity of nature to make that flow available at local level.

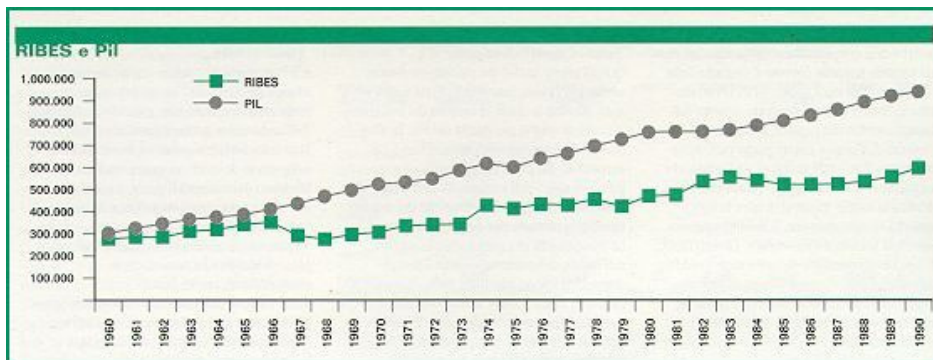


Figure Errore. Nel documento non esiste testo dello stile specificato..1 **The Well-being Index for Italy, RIBES, compared with the GDP**

Examining the values given in Table 2, we can see that the Ecological Footprint for the world is 2.2 global hectares pro capita, which is already an unsustainable value in itself, seeing that the biological capacity of the whole planet is 1.8 hectares pro capita. Seeing that we live on one finite planet and, as of today, are unable to go to other planets to stock up with raw materials or dispose of refuse, we are borrowing it from future generations through unsustainable use of resources. This unsustainable use reflects on another item of data: the variation of the earth's biological capacity is diminishing progressively. This is due to the loss of wetlands, biodiversity, urbanisation of the ground, intensive exploitation of fertile land, deforestation, intensive exploitation of pastures, the exponential increase in the population and thus of its density, the consumption style of one part of the planet, etc. The high income countries are those that contribute most to this scenario: their pro capita ecological footprint is 6.4 hectares, almost three times the global one, more than three times the footprint of medium income countries and a good 8 times the footprint of the low income ones. This clearly shows us the unequal distribution of resources on our planet that, as we have seen, provides a biological capacity of 1.8 hectares pro capita, and the impelling need for redistribution that reduces this embarrassing gap. And Italy? Our country's Ecological Footprint is 3.8 global hectares pro capita, with an ecological deficit of 2.7 hectares pro capita, which means that, in part, we are importing resources from other countries, one has only to think of fossil fuels, which represent almost 60% of our footprint on their own, and,

in part, we are borrowing them from future generations through unsustainable use of some resources, such as fertile land and marine resources.

The economic system we have consolidated at the end of the last millennium is therefore not only unsustainable but also profoundly inequitous.

Table Errore. Nel documento non esiste testo dello stile specificato..2 Ecological Footprint, Biological Capacity and Ecological Deficit

	Population	Ecological Footprint	Ecological Footprint from energy	CO ₂ from fossil fuel
		Global hectares pro capita		
WORLD	6148.1	2.2	1.2	1.03
High income count.	920.1	6.4	4	3.44
Med. income count.	2970.8	1.9	0.9	0.85
Low income count.	2226.3	0.8	0.3	0.2
Austria	8.1	4.6	2.5	2.36
Belgium	10.7	4.9	2.6	1.68
Denmark	5.3	6.4	2.9	2.92
Finland	5.2	7	2.6	1.34
France	59.6	5.8	3.6	2.18
Germany	82.3	4.8	3.1	2.68
Greece	10.9	5.4	3.6	3.59
Ireland	3.9	6.2	4.2	4.21
Italy	57.5	3.8	2.2	2.21
Netherlands	16	4.7	2.9	2.83
Norway	4.5	6.2	2.4	2.37
Portugal	10	5.2	2.4	2.33
Spain	40.9	4.8	2.6	2.24
Sweden	8.9	7	2.6	0.89
Switzerland	7.2	5.3	3.7	2.92
United Kingdom	59.1	5.4	3.4	3.13

U.S.A.	288	9.5	6.1	5.47
--------	-----	-----	-----	------

	Biological Capacity	Ecological Deficit	Footstep variation	Biological Capacity variation
	Global hectares pro capita			
WORLD	1.8	0.4	-2	-12
High income count.	3.3	3.1	8	-7
Med. income count.	2	-0.1	-5	-10
Low income count.	0.7	0.1	-11	-16
Austria	3.5	1.1	4	-7
Belgium	1.2	3.7	10	-4
Denmark	3.5	2.9	7	-14
Finland	12.4	-5.4	16	-6
France	3.1	2.8	4	-8
Germany	1.9	2.9	-3	1
Greece	1.6	3.9	19	-15
Ireland	4.7	1.5	25	-9
Italy	1.1	2.7	5	-12
Netherlands	0.8	4	7	-8
Norway	6.9	-0.8	11	-8
Portugal	1.6	3.6	33	-7
Spain	1.6	3.2	21	-7
Sweden	9.8	-2.7	6	-3
Switzerland	1.6	3.7	-6	-11
United Kingdom	1.5	3.9	-1	-12
U.S.A.	4.9	4.7	7	-11

Source: WWF, Living Planet Report 2004

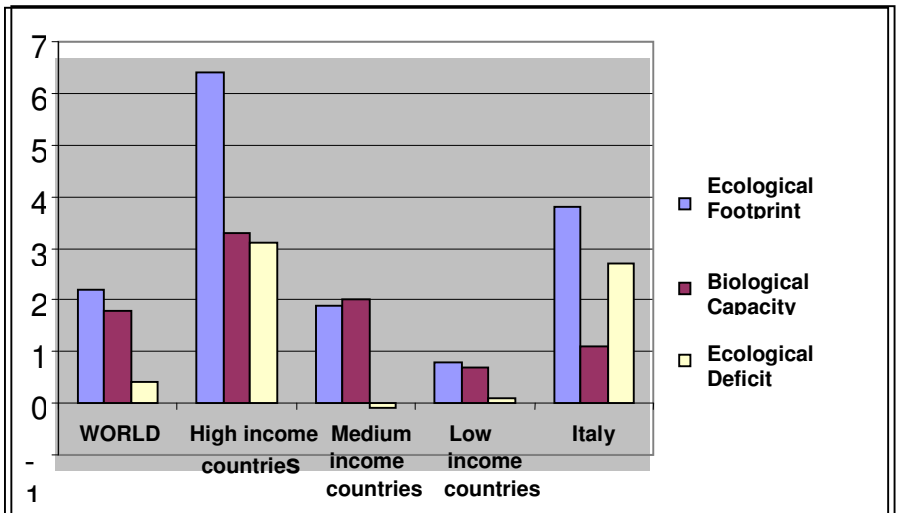


Figure Errore. Nel documento non esiste testo dello stile specificato..2 **Ecological and Ecological Deficit**

Several experiments have been made in Italy in calculating the footprint. Various local bodies committed themselves to promote a different approach to environmental questions and development: this is the case of the Municipality of Como, the Region of Liguria and the calculation on the objective 1 regions. It is important, however, that this approach is not reduced to worthy and useful conferences, pilot experiments and visible initiatives but with little impact. The priority, instead, is to devise policies centred on the idea of reversing a trend. By starting concrete experiments. Examples: why do schools in Italy not have their power supplied, at least partially, by wind turbines? Why not start a major public work of energy saving and recycling (and reuse) within the public administration machine? In the last ten years, at least, the problem of Regions, Municipalities and Ministers was that of keeping costs under control. Would it not be sensible to work and commit oneself in the same way to keeping superfluous consumption under control?

Coming to the calculations made by the WWF on the objective 1 regions (Basilicata, Calabria, Campania, Puglia, Sardinia and Sicily), the data highlighted by the

partiality of this indicator is confirmed, able to measure the development limits very efficiently (the impact of human beings on the environment in which they live) but not of speaking about its quality. Germany was mentioned earlier, where the ecological footprint is smaller than that of other countries with a comparable GDP and located in latitudes requiring high consumption for heating dwellings. But Germany's footprint is large, however, leaving aside the virtuous policies undertaken. The reason is that it is a country with an impressive production system. In the same and opposite way, the ecological footprint measurement of the Southern regions of Italy shows a lower weight than the average one in Italy. Not because, as in Germany, the regional and municipal administrations have undertaken advanced policies to reduce energy consumption, but because they are in temperate latitudes and have a less developed production system than the regions of the North.

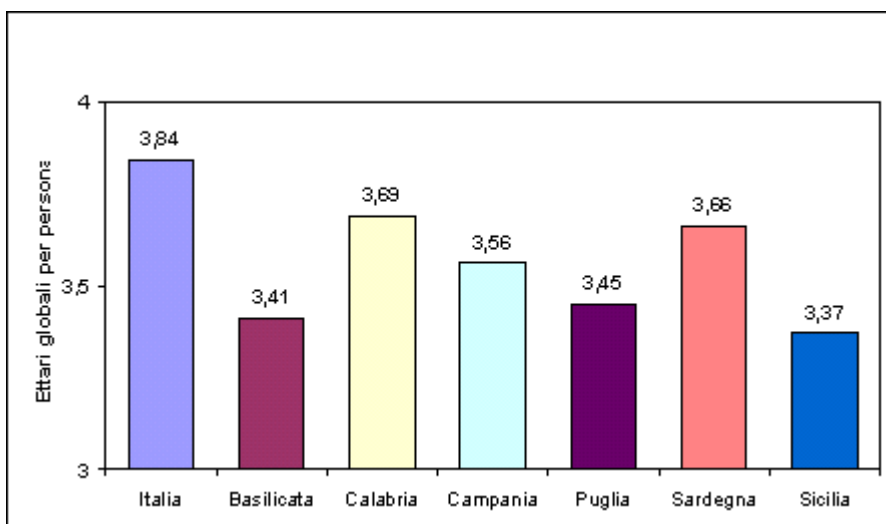


Figure Errore. Nel documento non esiste testo dello stile specificato..3 **Ecological footprint in the Italian regions**

Another very useful indicator for revealing information is the *Dashboard of sustainability*: shown as the dashboard of an aeroplane, coloured from dark green to dark red. It is a tool that takes account of and calculates human development, economic growth and environmental sustainability at the same time. The tool works as follows: a set of indicators relative to the three categories mentioned is chosen, a value is assigned to each, the data relative to the territorial area to be measured are entered and a score relative to each indicator is obtained. Calculating the weighted

average gives a score that can be compared with that of the other territories. Dark green implies greater sustainability compared to that of the zones taken into consideration (not absolute sustainability), while dark red implies worse sustainability. Yellow (median values) and the other shades of red and green are in-between.

This tool has been used, in the same way as the QUARS produced by *Sbilanciamoci!*, to measure the welfare of the Italian Regions and produce a ranking⁴. The group of economists who worked on this calculation considered a very large set of variables relative to the economy, environment, social aspects and quality of life, infrastructures and perception of problems. The ranking derived from it as in the case of the QUARS and all other existing rankings (or also of the differences between countries that we took into consideration when speaking of the UNDP data) tells us that the income of a zone, region or nation counts. It also tells us that the GDP is not everything. A larger GDP does not necessarily mean better sustainability or quality of life and development, even if there is a connection between richness and territories and better quality of life. This is slightly less true when speaking of the ecological footprint: less richness, less impact but, and we have just underlined it, the footprint does not tell us about quality of life.

Table Errore. Nel documento non esiste testo dello stile specificato..3 **Dashboard of sustainability, ranking of the Italian Regions**

Position 2004	Position 2003	Difference 2003-2004
1 Trentino A. A.	2	1
2 Emilia Romagna	3	1
3 Friuli V. G.	6	3
4 Lombardy	4	0
5 Liguria	5	0
6 Umbria	11	5
7 Tuscany	7	0
8 Marche	8	0
9 Molise	14	5
10 Valle d' Aosta	1	-9
11 Piedmont	9	-2
12 Basilicata	15	3
13 Veneto	10	-3
14 Lazio	12	-2
15 Puglia	18	3
16 Abruzzo	13	-3
17 Campania	20	3

⁴ Ricca B., Genovesi A., Monastero M, *La misurazione del benessere tra crescita e sviluppo: il caso delle regioni italiane*, University of Messina, 2002.

18 Sardinia	16	-2
19 Calabria	17	-2
20 Sicily	19	-1

Source: Ambiente Italia www.ambiente.italia.it/ecosistema/cruscotto.html

Assessing the quality of development: the QUARS

The Sbilanciamoci! initiative of preparing a new work tool for evaluating the well-being and development quality of our regions originated four years ago. It is the QUARS (Qualità Regionale dello Sviluppo – Regional Quality of Development), an indicator that attempts to identify and connect the components of development quality based on environmental sustainability, promotion of rights and quality of life. A region (or a territory in general) typified by a good quality of development is a region in which the economic dimension (production, distribution, consumption) is sustainable and compatible with environmental and social factors, where the social and health services adequately meet the needs of all the citizens, where participation in cultural life is alive, where the conditions needed to guarantee economic, social and political rights and equal opportunities to all individuals regardless of income, sex or country of origin are present and where the environment and territory are protected.

What has been described is obviously an ideal situation at which to aim, but it has not yet been achieved in any territory. It is therefore a hard task to measure a development of quality so defined in *quantitative* terms because there is no *model* region to refer to against which the nearness or farness from the objective can be measured. Not only this, but the choice of variables that allow these features to be measured is undoubtedly arbitrary. What are the *objective* indicators for equal opportunities? And for integration of immigrants rather than underprivileged people or the elderly? Or again: what are acceptable indicators for participation policies or for the minimum standard of quality of personal services? We are obviously faced with questions to which different answers can be given that, in their turn, can be based on different, but potentially equally valid, definitions of quality of development. Here is therefore deliberateness in the choices of researchers or of organisations that promote this type of approach, which are obviously involved with the idea of quality and the development model to aim at. And which has not been achieved in any way in any of the regions taken into consideration.

For all these reasons the result of the following processing and calculations will not permit us to say which region is doing well and which badly in absolute terms, but only which is doing better and which worse in relation to the other regions taken into consideration.

Finally it must be stressed that the QUARS does not set out to be a quality of life indicator, which contains factors that are not considered in the treatment, such as the happiness of an individual and a group that can be determined in their turn by factors outside the development of a region.

Then, starting from this year, the QUARS will change its form (but not its substance). It will remain an index of development quality, based on the conviction that what is really important is not economic growth but a form of development that is as fair, sustainable and inclusive as possible. It will basically remain a composite index that will allow us to build a final ranking of the Italian regions. It changes in the composition, number and content of the variables that will be used and the way these will contribute in creating the final ranking. Sbilanciamoci! has decided to change to make the QUARS a solid index that takes account of a larger number of the factors that contribute to the development of quality.

Methodology

At the bottom of the QUARS construction is the identification of the variables that form its structure. Sbilanciamoci! has identified a set of variables that are representative, as much as possible, of the development quality idea that, in substance, animates all the work of the campaign. The set is composed of variables of environmental, social and economic type, divided into seven groups all of the same importance. The seven groups are defined as follows:

1. **Environment:** evaluation of the environmental impact deriving from the forms of production, distribution and consumption and proper steps taken to mitigate the relative effects.
2. **Economy and labour:** working conditions and income guaranteed by the economic system and redistribution policies eventually adopted.
3. **Rights and citizenship:** social inclusion of young people, the elderly, underprivileged people and immigrants.
4. **Equal opportunities:** absence of barriers, based on sex, against taking part in economic, political and social life.
5. **Education and culture:** participation in the school system, quality of the service, education of the population, cultural demand and offer.
6. **Health:** quality and efficiency of the service, proximity, general health of the population.
7. **Participation:** political and social participation of citizens.

Once the set of variables has been identified they are aggregated into a single synthesis value. To do this, all the variables must first be expressed in values that are comparable with each other: they can be percentages or scores defined a priori or

numbers that have been standardised in some way, in any case what is important is that they are not values linked to units of measure.

As we mentioned at the start of this chapter, it was not possible and, in part, not wanted to identify an objective from which to measure a distance so it was therefore not possible to identify a maximum for either a scale from 1 to 100, if dealing in percentages, or for any other scale. One of the possible ways of dealing with this problem is to establish that the highest value present in the distribution represents the maximum and the lowest value the minimum: this means assigning a value of 100 (or maximum score) to the former and a value of 0 (or minimum score) to the latter.

This way of working, greatly used, runs into a series of problems. Firstly it cannot be said in any way that the region that does best is doing well, but this is a problem that is hard to solve since an absolute objective has not been identified. Another problem that can be remedied, however, is that linked to the possible presence of outliers. Outliers are values that stand out since they are a long way away from the mean value, the problem arises from the fact that a construction like the one described above starts from these very values, which often have the nature of unexplained outliers with actual quality much higher or much lower than the development, which is why the procedure distorts reality to such a great extent.

Application to the Italian case

How to read the QUARS

Before starting to read the data and the individual macro-indicators it is important to clarify what is represented by the figures used here to describe the development quality, to summarise indicators that differ from each other into a single number and to be able to make a comparison between regions.

All data have been standardised, this means that each indicator we have used has a mean of zero and the same order of magnitude. This transformation allows the relative differences between region and region to be maintained. In both the case of the seven macro-indicators (Environment, Economy, Rights and Citizenship, Health, Education and Culture, Equal Opportunities and Representation) and in the case of the QUARS, positive values represent a score above the mean for the regions and negative ones a score below. The further away the values are from zero, the further away they are from the mean value. The differences in score therefore represent the actual differences existing between the regions in the various aspects considered here.

For example, in the final QUARS ranking we find:

Emilia Romagna	1.05
Valle d'Aosta	0.96
Liguria	0.13

We can say about this situation that Emilia Romagna, Valle d'Aosta and Liguria have a development quality above the average for the Italian regions, but while Liguria is very close to the mean, Emilia Romagna and Valle d'Aosta reach levels much above the mean and close to each other. It can also be said that the difference between the situation of Liguria and that of Basilicata is equivalent to that between Liguria and Emilia Romagna.

Macro-indicators

Environment

Building a synthetic index for quality of the environment is a very difficult task. Sbilanciamoci! decided to pay attention to two fundamental aspects that typify the environmental question, **the environmental impact** of human activity and the **policies** followed to attenuate its effects. If, on the one hand, it is important to record the political willingness to reduce the effects of human activity through innovative policies, on the other we are convinced that, before any policy, the total dimension of the impact must be reduced. It is important to recycle refuse and produce energy from renewable sources but it is equally important to produce less refuse and consume less energy. Earth has finite dimensions, some resources are non-renewable and others have a certain speed of regeneration⁵, this is why it is fundamental to take account of the total dimension of the impact and not only the pro capita one. Policies are not enough on their own, indeed they often give the false impression of being able to reverse the harmful effects on the environment produced by man without modifying out lifestyle. Sbilanciamoci! has identified 10 variables starting from the above considerations.

The first half attempt to give an overall assessment of the impact. They are:

- **population density**, a good approximation for the total levels of refuse and emission production, consumption of resources and human pressure on the territory;
- level of **environmental illegality**, which summarises three indices prepared by Legambiente: offences against the environmental and natural heritage, unauthorised building and illegalities linked to the refuse cycle;

⁵ Among these resources some services provided to man by nature can also be counted, such as the water cycle, preservation of ecosystems and absorption of refuse and emissions.

- use of **fertilisers in agriculture**, on which the quality of water and the pressure generated by intensive farming closely depends;
- the **quality of the air**, measured with data from Corinair: a European programme that records carbon dioxide emissions deriving from over 300 human activities, thus not only pollution from road traffic but also from industrial production and from heating;
- the impact generated by **mobility**, the great environmental and social killer – and not only for the air, acoustic and visual pollution deriving from it – measured using a synthetic indicator developed by Sbilanciamoci! that takes account of the number of motor vehicles per inhabitant in circulation, the pollution deriving from road traffic, the use of alternative means of travel and road accidents.

Another 5 variables belong to the second group that, on the other hand, describes the implementation of policies aimed at stemming the pressure of man on the environment:

- the **protected areas** by region with which an attempt is made to draw attention to areas uncontaminated by human presence;
- **differentiated collection** and the production of **energy from renewable sources**, very important actions for which efficient implementation is necessary and urgent, aimed at stemming the negative effects caused by emission of pollutants and refuse into the environment;
- the spread of **biological farming**, the symbol of a new way of farming that pays attention to both the consumer and the environment;
- **Eco-Management**, a synthetic indicator also developed by Legambiente, in which account is taken of the many good local administration practices from biological canteens to the presence of the *energy manager* and the *mobility manager*.

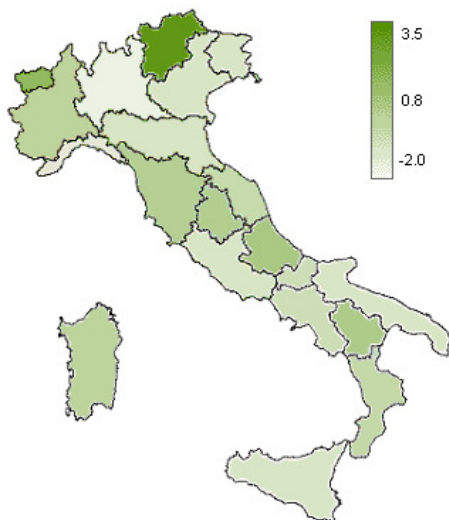
All these data serve to give a picture of the sustainability of the environmental model that has developed in each region.

Environment Macro-Indicator

The overall result (Table 4), given by the average of the indicators, is built so as to permit some additional assessments of the relative distances between the regions. As was explained in paragraph 3.2, a summary index value of 0 means that the region is behaving at the regional mean, for positive values the performance is always more positive as the value increases, and vice-versa for negative values. The summing of the values relative to all the indicators seen up to this point gives the ranking relative to the environment. It causes no amazement to find Trentino Alto Adige and Valle d’Aosta in the first two places: two regions typified by a specific geography from which the special attention paid to environmental subjects derive and by a

production structure and population density that presage a low environmental impact. They generally find themselves above the average from all points of view, from both the impact and the policies side. Two regions in South Italy follow: Abruzzo and Basilicata. They both have a particularly little developed production structure and therefore an environmental impact well below the average which closely approaches that of the two regions that are first in the ranking. What distinguishes them from the latter two is the policies side, where the results are not stirring with the exception of the protection of certain areas of particular natural interest. In Piedmont attention is paid to policy aspects that compensates for the not very brilliant result (but neither disturbing if account is taken of the region's production structure) from the point of view of impact. The situation is reversed for Sardinia, where it is the low environmental impact that compensates for the structural lacks from the point of view of policy. Sardinia is an interesting case: it is in fact, the region with the lowest environmental pressure but also where the use of innovative environmental and energy policies and practices is also low. In the last places in the ranking we find the regions where the environmental impact of the economic and social structure is so intense that not even special attention paid to good practice succeeds in alleviating its effect. This can be the case for Veneto, Lombardy and also Campania.

Table Errore. Nel documento non esiste testo dello stile specificato..4 **Environment Macro-Indicator**



ENVIRONMENT	
Trentino Alto Adige	3.13
Valle d'Aosta	1.50
Abruzzo	0.66
Basilicata	0.56
Umbria	0.42
Toscana	0.39
Piemonte	0.21
Sardegna	0.13
Calabria	0.04
Marche	-0.16
Emilia Romagna	-0.20
Molise	-0.31
Campania	-0.44
Sicilia	-0.69
Veneto	-0.70
Liguria	-0.72
Lazio	-0.77
Friuli Venezia Giulia	-0.78
Puglia	-0.81
Lombardia	-1.45

Economy and labour

This macro-sector contains 4 variables that play a particularly important role for the quality of development in a territory: job insecurity, unemployment, poverty and inequality. The four variables are closely connected to the regional economic context and efficiently reflect the most frequent social exclusion mechanisms.

Job **insecurity** is assessed using a synthetic index prepared by Sbilanciamoci! consisting of the data relative to submerged work, fixed-term contracts and those with continuous and coordinated collaboration. The Sbilanciamoci! insecurity index is built in a very simple way: it starts from the sum of all continuous and coordinated contracts, all long-term contracts and all work units in the black economy (we cannot speak of workers because each worker can have several co.co.co. contracts, or several jobs in the black economy), a sum that is then related to the size of the labour force in the region, namely to the number of people participating in the job market. Obviously the orders of magnitude of these phenomena are very different one from the other, by simply summing them it is established that the numerically most consistent phenomenon, in this case the submerged, is then the one with the most weight. This is a desired effect because it is considered that submerged labour is the main source of non-respect and job insecurity in worker's rights. Notwithstanding this, the ranking of the least insecure regions is led by Piedmont, which, however, is not the region with the least submerged labour: this is Lombardy, which is penalised in the overall job security ranking, however, due to the spread of part-time collaboration jobs that involve 13% of the labour force. Casual labour does not weigh heavily in general, with the exception of the small regions typified by seasonal jobs linked to tourism such as the Valle d'Aosta, which, in fact, has a low place in the ranking. The ranking is closed by the regions of the South, the last being Calabria where submerged labour touches 36% of the work force.

The term **unemployment** refers to the number of people in search of a job in relation to the total labour force. The Italian situation is one of heavy dualism: on the one hand there are the regions of North and Central Italy where it is easier to speak of full employment: we are talking of regions like the Trentino, Emilia Romagna and Veneto. A group of regions that, with a rate of between 4 and 5%, certainly do not present an alarming situation or one that need necessarily be the object of an urgent policy. With the exception of Abruzzo that is placed in this latter group and of Lazio that acts as a buffer region, all the regions of the South show an unemployment rate stably above 10%, while Sicily Campania and Calabria show a rate of 20% and more.

The **poverty index** used in the QUARS represents the share of the population that lives in families below the relative poverty threshold. The definition of poverty considers those families to be poor whose average monthly expenditure for consumables is below the average expenditure pro capita in the Country⁶. This measure can be defined as of absolute poverty, even if, relatively, it is an income threshold, because this threshold is not established region by region but at national level. Built in this way, this indicator reflects the family income situation: in regions where the average family income is higher it is proportionally less probable to come across families whose income is below a threshold defined at national level. The data show the existence of an obvious geographical gap between the Centre-North and the South, even if the position of Trentino Alto Adige is surprising, since it is last of the regions in the first group notwithstanding a high average income and an unemployment rate among the lowest in the country.

Inequality, on the other hand, refers to distribution of income. The GINI index, that is built starting from the distribution data of income among families, varies from 0 to 1, increasing with the increase of the inequality and thus of the concentration of total income in the hands of a few families. Unfortunately the GINI index data for the Italian regions only refers to a span of 5 years and the most recent is for the period going from 1995 to 2000. Also, merely the fact that the index is not calculated represents an obvious signal of how little importance is given to the subject of equality in social and economic policies while it should represent an absolute priority. During this time-span no particular differences were noted among the Italian regions, whose GINI index oscillates slightly around the average, which was 0.39. The exception is Lazio with a value of 0.52 (the highest in the country). This is certainly due to Rome, where there is considerable real estate, financial and patrimonial wealth that contrast with the much lower wealth held in the outskirts and in the rest of the region.

Instituting inclusion policies aimed at increasing equality and social integration firstly means acting on these factors, guaranteeing dignified work and a minimum income to everyone, through a more equitable redistribution of wealth.

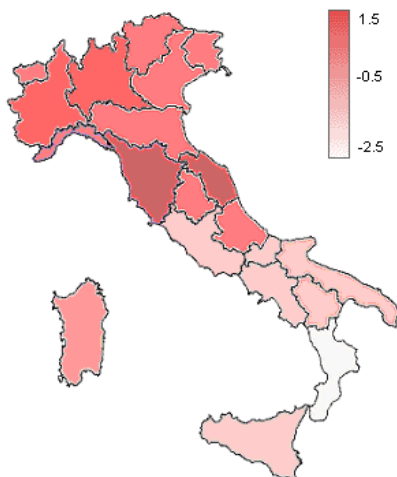
Economy and Labour Macro-Indicator

The macro-indicator's general ranking (Table 5) shows that Tuscany and Marche, together with Lombardy, are the regions showing a condition of greatest inclusion.

⁶ In 2002 this expenditure, for a two-component family, was 823.45 Euro per month, a value that defines the standard poverty line. For families of a different size the value of the line is obtained by applying a suitable equivalence scale.

Emilia Romagna, Piedmont and Trentino also do well. There follows a group of regions that shown at least one of the 4 values that contribute to the formation of a non-positive index: it is distribution of income in Veneto, Friuli and Liguria, poverty in Abruzzo and job insecurity in Valle d'Aosta, very widespread and mainly due to seasonal work in the tourist sector. In any case, the overall result for this group of regions is above the regional average. The regions of South Italy follow, very distanced from the other regions – going from 0.33 to -0.46 – heavily penalised by the diffusion of submerged labour and thus of relative poverty. In the middle of these regions we find Lazio, where the worst datum in Italy relative to inequality in distribution has a strong influence.

Table Errore. Nel documento non esiste testo dello stile specificato..5 **Economy and Labour Macro-Indicator**



ECONOMY AND LABOUR	
Toscana	1.20
Marche	1.19
Lombardia	1.09
Emilia Romagna	0.97
Piemonte	0.90
Trentino Alto Adige	0.71
Veneto	0.59
Liguria	0.45
Friuli Venezia Giulia	0.45
Umbria	0.39
Abruzzo	0.36
Valle d'Aosta	0.33
Sardegna	-0.46
Puglia	-0.67
Basilicata	-0.74
Lazio	-0.93
Molise	-1.06
Campania	-1.15
Sicilia	-1.31
Calabria	-2.30

Rights and Citizenship

Apart from the economic aspects that typify the phenomenon of social exclusion, an income and a respectable job do not make an inclusive system in themselves: it is fundamental that the system looks after all citizens and, especially, the individuals

most exposed to the risk of marginalisation and social exclusion, guaranteeing certain rights and certain essential services. Four population brackets are considered in this indicator: families, the elderly and weak categories, young people and immigrants.

The aspects taken into consideration for families relate to the problem of a home and access to services. The **right to a home** is monitored through the number of evictions in relation to the number of families living in the region. Three or four groups of regions with similar values can be identified. The first group is typified by less than one eviction for each thousand families; four regions in the South belong to this group typified by a low housing density. This is followed by a large group of regions, which could be divided into two regional subgroupings with a number of between 1 and 2 evictions for each thousand family nuclei. In order to monitor ease of access to various **basic services** such as hospitals, police stations, school facilities or post offices, Sbilanciamoci! has summarised the information contained in an opinion poll from ISTAT (Central Statistics Institute) done by means of a survey made on a significant sample of families for each region into a single index. We find Sardinia in first place in the ranking, followed by a group of regions for which the efficiency of the services and the efficient efforts made by the public administration is noted and recognised, such as Trentino and Valle d'Aosta, but also Umbria and Emilia Romagna. We find some of the regions of the south at the bottom of the ranking, but Liguria also belongs to this group. Although it is a relatively wealthy region of the North, it records a difficult situation for many families to reach some of the essential services. The ranking is closed by Calabria, where the number of families that have the most difficulty in reaching the services covered by the survey is greatest, possibly also due to the geographical context that makes some of the territories inaccessible, but mainly due to the chronic disinterest of the State.

As regards people belonging to groups especially exposed to the risk of exclusion, such as the handicapped, the drug dependent, abandoned minors and the elderly, it is important to guarantee them an effective social assistance system and a **job** where possible. The latter is monitored through the spread of type B social cooperatives throughout the regional territory⁷. The region where these cooperatives are most widely diffused is the Valle d'Aosta with 9 cooperatives every 100 thousand inhabitants, while the regions where they are least diffused are Calabria, Sicily and Campania. **Social Assistance**, on the other hand, understood as the sector in which the social services are linked to insufficiency of economic resources or unfortunate situations such as handicaps, abandonment, etc. and are financed by general taxation, is measured here using a synthetic index developed by the Nuovo Welfare

⁷ In this regard, the bias of the situation revealed by this indicator must be highlighted; finding a job for the weaker categories should certainly not be segregated into ad hoc structures such as social cooperatives, but unfortunately this is the only fact we have available.

Association in its Bollino Blu report, which deals with the assessment of Welfare in the Italian regions. The region that stands out from the others under this aspect is Trentino Alto Adige, where the social services are particularly effective, followed by a group of 8 regions with a performance above the Italian average (34); they are mainly regions of the Centre-North, including Molise. More than half the regions are positioned below the average and among these we also find Lombardy, Tuscany and Lazio, while 4 have a worrying score: Sicily, Basilicata, Puglia and Campania. These are regions where the assistance is often entrusted to the family and this does not mean that it is less effective, the problem arises at the time this family support becomes lacking.

Relative to the policies of the fight against the social exclusion of the younger generations, especially in metropolitan urban contexts, there are many aspects that should be analysed such as, for example, at meeting times and sporting activities. Unfortunately, very little data are available at regional level. It remains of fundamental importance to guarantee an adequate level of education and therefore completion of **compulsory education**, namely until the second year of high school, by all schoolchildren. The regions where the dropout rate is lowest are the small regions without distinction between North and South, we find Molise and Basilicata as we do Trentino and Friuli. These are followed by a group of larger regions from the Centre-North such as Emilia Romagna, Lazio, Tuscany and Liguria. The large regions like Lombardy, Sicily and Campania are at the bottom of the ranking.

Finally, Sbilanciamoci! has developed a synthetic indicator to assess the inclusion level of **immigrants**: a band of the population whose rights are often not recognised. The indicator takes account of 3 basic aspects: reuniting of families, that reveals a favourable situation for stable insertion of the immigrant, school attendance by minors and the attractiveness level of a region, which reflects a wide range of assessments that are often subjective or, in any case, difficult to monitor that lead a large number of foreigners to establish themselves in one region rather than another⁸. The regions that perform best are Marche and Veneto, regions where the economic growth over the last few years and a situation close to full employment have attracted an increasing amount of foreign manpower starting from the Nineties. This factor, together with policies for the home and social integration, has obviously created the ideal condition for greater integration. At the bottom of the ranking we find four regions (Sicily, Basilicata, Calabria and Campania) of passage

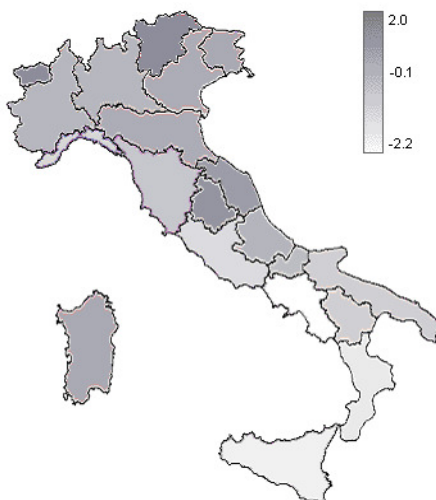
⁸ There are obviously numerous aspects that typify a situation of real inclusion of immigrants and include participation in the public and political life of the community. Unfortunately, this aspect is very difficult to monitor due to the lack of relevant data. The indicator developed by Sbilanciamoci! focuses attention on integration into the labour market, which can be seen as the first step in a wider form of integration.

in which the foreign worker does not seem induced to settle permanently, not being able to find a stable, regular job with a decent rate of pay.

Rights and Citizenship Macro-Indicator

The majority of the regions are placed above the mean performance (Table 6). Solidly at the top we find Trentino and Valle d'Aosta. Both regions have a very widespread and effective social assistance system and at the same time the services for families are spread in capillary fashion over the territory, providing families with easier access. They are closely followed by two regions from the Centre: Umbria and Marche. These two regions are typified by good levels of immigrant integration and insertion of the underprivileged categories into the job market. The high school dropout rates are also among the lowest in the country. In general, they are four small regions where situations of privation and exclusion can be more easily monitored and countered by an administration that sets itself this objective. Four regions follow in the final ranking that are solidly above the mean: Friuli, Sardinia, Veneto and Emilia Romagna. All four regions show an inhomogeneous picture, some deeply negative performances with respect to some of the indicators are compensated in the final results by equally positive performances. Sardinia represents an emblematic case: we find it in first place for ease of access to the services by families and in second for the right to a home while it is at the bottom of the ranking for immigrant integration, dropout from school and insertion of the weak categories into the job market. Among the regions below the overall mean we find Tuscany and Lazio, both regions penalised by a high number of evictions and difficulty in integrating immigrants. The ranking is closed by three regions from the South: Campania, Sicily and Calabria where the State is unable to provide a complementary and additional service to be added to care within the family and to efficiently succeed in countering cases of marginalisation and privation.

Table Errore. Nel documento non esiste testo dello stile specificato..6 **Rights and Citizenship Macro-Indicator**



RIGHTS AND CITIZENSHIP	
Trentino Alto Adige	1.61
Valle d'Aosta	1.55
Umbria	1.19
Marche	0.94
Friuli Venezia Giulia	0.63
Sardegna	0.61
Veneto	0.50
Emilia Romagna	0.42
Abruzzo	0.19
Piemonte	0.15
Lombardia	0.11
Molise	0.04
Toscana	-0.37
Liguria	-0.43
Puglia	-0.59
Basilicata	-0.60
Lazio	-0.99
Calabria	-1.26
Sicilia	-1.69
Campania	-2.00

Education and Culture

To give an overall picture of the level of education and the opportunities that each region offers the resident population to guarantee a high cultural level, Sbilanciamoci! has taken a set of indicators into consideration that investigate the cultural and education level of the population, the structures available in the regional territory and the accessibility of places where culture is produced and flourishes. These aspects interweave in the examination of schools, universities, libraries, cinemas, and theatres.

The **level of higher education** differs in an important way among the Italian regions. Lazio and Basilicata are in the first two places with all the population aged between 14 and 18 attending high school. Values very close to 100% are also reached in Umbria, Marche and Molise. Below 90%, however, we find Sicily, Campania, Veneto and Lombardy, and very much below, Trentino Alto Adige, where only 74% of children attend upper middle school..

Great differences can also be observed in the percentage of the **population who have obtained a degree**, going from 4.4% in Valle d'Aosta to 8.2% in Lazio. Nonetheless the level remains too low with respect to European and international standards. Italy, in fact, is last among the OECD countries for number of graduates, equally with Turkey, not even reaching half the average level. Even Lazio, which does very well in Italy, would not be placed higher than third-to-last among the thirty industrialised nations. The condition is worrying at all levels of education: 36% of Italians, mainly in the regions of the South, have no educational qualification or only an elementary school leaving certificate, and the total illiterates are estimated to be about 6 million (12%). (ISTAT, 2001)

We decided to measure the spread of culture among the population through the **average annual expenditure on theatrical and musical shows**, for which a relatively clear division can be seen between the Centre-North and the South of the country. Lazio is in first place, where an average of over 12 Euro a year are spent, a fact that is clearly due to the heavy concentration of activities that typify Roman life. Over 11 Euro are spent in Lombardy and Veneto. The figures fall heavily in the South. In fact less than 3 Euro a year are spent in Puglia, Basilicata, Calabria and Molise.

The structures for spreading culture were analysed through four indicators. The quality of school structures is assessed through the results of the "**School Ecosystem**", the dossier from Legambiente on the state of health of school buildings in Italy. Legambiente has built a provincial index that takes 54 parameters into consideration, from static usability to nearness to risk zones, from the presence of gardens to differentiated refuse collection and the school bus service. Emerging from the analysis is the stagnant heavily inert situation of our country relative to the school building question although with important differences among the regions: the situation is relatively good in Emilia Romagna – first by a long way in the ranking – and in Umbria, Tuscany and Piedmont; the worst situations, however, are to be found in Liguria and Campania.

Many of the few who graduate are compelled to move out of their own region. This mainly happens in the smaller regions where there are no important universities or an adequate training offer. The datum used refers to the ratio between the **net balance of migration of students** and the total of matriculating students times 100.

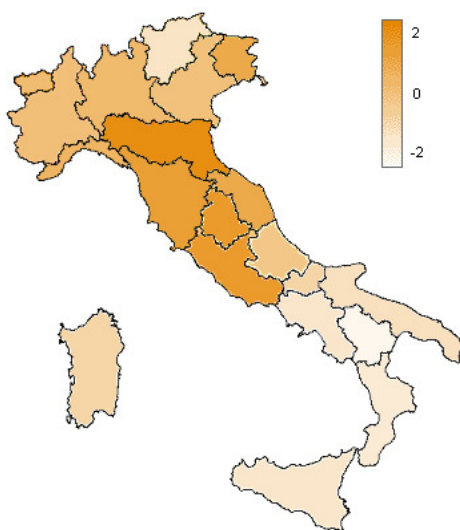
As regards **accessibility to culture**, we instead analysed the hours of cinema showings in small centres. Valle d'Aosta and Emilia Romagna show the best results, while Calabria and Molise are at the bottom of the ranking. However Molise, with the Valle d'Aosta, does very well for libraries. However there are very few libraries for the inhabitants of Puglia and Campania. But this data item, too, depends heavily on the population density in the regions, in fact, in densely populated areas, one library can satisfy the demand of a far larger number of citizens.

Education and Culture Macro-Indicator

The synthesis of the various indicators leads to a ranking (Table 7) that sees Italy once again divided between Centre-North and South, with the sole exception of Trentino Alto Adige, heavily penalised by low attendance at high school. The best results are for Emilia Romagna, followed by Lazio and Umbria whose overall result is virtually identical.

Whereas we find Calabria and Basilicata at the bottom of the ranking.

Table Errore. Nel documento non esiste testo dello stile specificato..7 **Education and Culture Macro-Indicator**



EDUCATION	
Emilia Romagna	1.74
Lazio	1.33
Umbria	1.32
Toscana	1.16
Marche	0.80
Friuli Venezia Giulia	0.79
Liguria	0.43
Lombardia	0.37
Valle d'Aosta	0.21
Piemonte	0.10
Veneto	0.04
Abruzzo	-0.13
Molise	-0.49
Sardegna	-0.52
Puglia	-0.97
Trentino Alto Adige	-0.98
Campania	-1.06
Sicilia	-1.07
Calabria	-1.33
Basilicata	-1.73

Health

Health and healthcare are essential elements in a welfare system guaranteeing citizen's rights. The certainty of being cared for well and quickly is naturally a central element in the definition of the quality of life of individuals and the quality of development of a territory.

The subject of health in the Italian regions has been faced comparing indicators that provide information about the quality and efficiency of the hospital structures (procedures activated for clearing waiting lists, hospital migration and user satisfaction), on prevention (screening for tumours and preventable death) and territorial assistance that is slimmer and more effective than hospital assistance (Integrated Home Assistance).

Firstly **hospital migration**: this is a very interesting piece of data because it can be read from two different perspectives, on the one hand it expresses user mistrust in the local structures and on the other it can be an indicator of an actual lack of specialist structures or of slowness in meeting user needs. All the regions show a share of their inhabitants who are outside the region at the time of hospitalisation, however for some the migratory flow out is very low. These are the large and densely populated regions of the Centre-North and Sardinia. The small regions of the South are those most hit by this phenomenon, the structures are obviously not able to provide sufficient and sufficiently specialised services and the people regularly go outside the region to obtain care; the rate exceeds 20% for Basilicata and Molise. The data for Campania, a region with a high population density that, for this, should be able to provide all the services the population needs is striking.

One of the explanations that can be found for this flow are **the waiting lists**: two months to obtain an echography, six months for a routine surgical operation, these are the waits that often induce people to seek refuge in the health service of another region or in the private sector seeing that illness cannot wait. This actually means the failure of the National Health System to face up to the needs and rights of citizens. Through a monitoring carried out by CittadinazAttiva, Sbilanciamoci! has built a synthetic indicator of the innovative procedures adopted by the Regions for the purpose of reducing waiting lists. The most active regions in this field are Emilia, Trentino and Friuli, however Molise, Valle d'Aosta and Calabria do very badly.

Once having entrusted themselves to the care of the regional hospital service, do patients consider themselves satisfied with the services received? The regions where **satisfaction** is greatest are the three Special Status Regions of the North (Valle d'Aosta, Trentino and Friuli). Liguria is very close to the result of the first three, followed by a large group of regions with similar results: the regions of the Centre excluding Lazio, Abruzzo and the large regions of the North (Lombardy, Veneto and Piedmont). The regions of the South follow; they are all ranked below the mean. Lazio is also found in this group.

For some categories of patients and pathologies hospitalisation is not the most effective service, this is why we also take into consideration the **territorial**

assistance services, normally more flexible and more effective than the hospital one: first of all Integrated Home Assistance (Assistenza Domiciliare Integrata – ADI), especially for the elderly. The ADI is a service, organised by the Local Health Authorities in collaboration with the Municipalities, that allows citizens who need it to be assisted at home with personalised programmes, avoiding admission to a Hospital or Nursing Home for longer than necessary. The data go from the over 7% for Friuli to fall gradually down to 0.20% for Trentino Alto Adige.

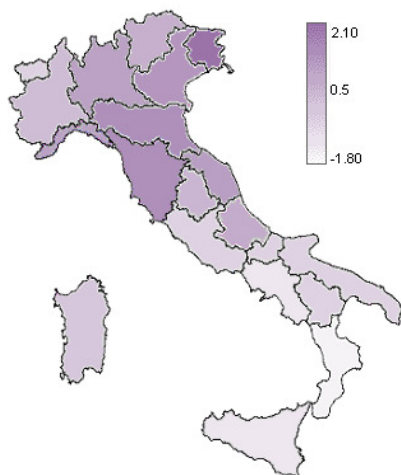
Another fundamental task of the Public Health System is that of **prevention**, which consists in encouraging sensible behaviour in citizens, monitoring the population with respect to more serious pathologies that can be cured if treated in time and in guaranteeing the efficiency of not only the preventive services but above all the intervention and care ones. Sbilanciamoci! attempts to give the picture of the preventive activity of the National Health System through two indicators, an output one and a result one: the proportion of the female population undergoing **screening** (pap-test and mammography) and the preventable death index. The former indicator shows an Italy ridged by great differences, going from the about 20% for Valle d’Aosta and Tuscany to drop down to not even 3% for Lazio.

Preventable death is an average of the days of life lost at ages between 5 and 69 years for reasons preventable through State action: a faster 118 (emergency telephone number) in the case of a heart attack, monitoring curable illnesses but also the quality and health of the environment, prevention of road accidents. From this point of view Italy is, all things considered, a homogenous country apart from the exceptional case of Valle d’Aosta, which is separated from the other regions by a much higher, and therefore negative, piece of data. In some regions, where the health service is rated positively in overall terms, preventable death is often higher than in the regions with a less good health service. This can be explained because other factors enter into preventable death such as atmospheric pollution or road accidents, which are more widespread in the richer regions, which are often the ones with a more efficient health service, such as Emilia Romagna for example.

Health Macro-Indicator

The final ranking (Table 8), which summarises all the items illustrated, highlights Friuli as the most sensible region, followed by a group of regions typified by a situation that is generally similar in overall terms comprising Tuscany, Emilia Romagna, Veneto and Marche. We find a numerous group of regions below the mean, almost all in the South with the exceptions of Lazio and Valle d’Aosta. Sicily, Campania and Calabria close the ranking.

Table Errore. Nel documento non esiste testo dello stile specificato..**8 Health Macro-Indicator**



HEALTH	
Friuli Venezia Giulia	2.05
Toscana	1.22
Emilia Romagna	1.13
Veneto	0.97
Marche	0.82
Liguria	0.63
Lombardia	0.62
Abruzzo	0.41
Trentino Alto Adige	0.30
Umbria	0.17
Piemonte	0.00
Sardegna	-0.46
Molise	-0.62
Lazio	-0.66
Basilicata	-0.68
Puglia	-0.69
Valle d'Aosta	-0.72
Sicilia	-1.33
Campania	-1.46
Calabria	-1.71

Equal opportunities

As has already been seen, equal opportunities is one of the subjects about which Italy finds itself in an almost embarrassing situation at international level.

To compare the implementation of equal opportunities among the Italian regions, Sbilanciamoci! has considered four different dimensions: political and economic equal opportunities and the spread of crèches and advisory bureaux.

The participation of women in political activity is measured through the share of **women present in Municipal Councils**. The results clearly show the exclusion, in some cases virtually total, of women from political decisions. The best result is found in Tuscany, where a quarter of councillors are women. Much lower down are found Umbria, Lazio, Abruzzo and Marche with about one sixth of the Council composed of women. If these data are certainly not comforting, those relative to Sicily and Calabria are worrying, which settle at around 4%. The ranking is closed by Puglia with only 2.8% of women in Council, namely two women.

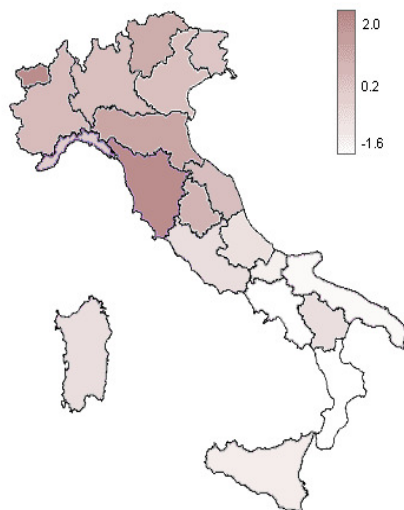
Participation in economic life is assessed by the difference between the **female activity rate** and the male one. This value seems to depend mainly on geographical factors: the largest differences between male and female activity rates are, in fact, seen in the Southern regions. The exception is Lazio, last in the ranking, where the difference between activity rates exceeds 32%. The best situation is in Trentino Alto Adige, the only region where the difference drops below 15%.

From the point of view of support for equal opportunities and woman's self-determination from the State, we instead take into consideration the availability of municipal crèches – an absolutely essential service to guarantee the professional career of women – and the spread of **family advice bureaux** over the national territory, instituted within the framework of Law 405 of 1975, that has the task of supporting self-determination of the woman in sexual choices, for aware and responsible procreation. Law 34 of 1996 specifies an advice bureau for every 20 thousand inhabitants, there are few regions and all in the North of Italy that have reached this objective, in the South the average of the regions is halted at 0.5. Very significant differences among the regions exist regarding the number of places available in **municipal crèches**. In this case, too, a clear division can be seen between the North and South of the country. Emilia Romagna has the highest number of crèches in Italy with over 18 places for every 100 children aged between 0 and 2. In second place is Valle d'Aosta – offering 12.3 places per 100 children – then all the other regions following down to the 1.9 places of Calabria, a virtually non-existent service. This reality impinges heavily on the participation of women in the labour market. Where there is a total absence of the service, women do not have that support needed to be able to decide tranquilly whether to enter the world of work.

Equal Opportunities Macro-Indicator

Thus the question of gender remains one of the subjects where there is still a lot of work to be done in our country, where the political and economic power are poor and where the services for guaranteeing equal opportunities are still insufficient. Taken overall (Table 9) things go better in Tuscany and Valle d'Aosta, while the last positions are all occupied by Southern regions. Puglia, Campania and Calabria are the zones where the question of equal opportunities has need of a profound change.

Table Errore. Nel documento non esiste testo dello stile specificato..9 Equal Opportunities Macro-Indicator



EQUAL OPPORTUNITIES	
Toscana	1.77
Valle d'Aosta	1.75
Emilia Romagna	1.12
Trentino Alto Adige	0.96
Umbria	0.70
Liguria	0.51
Piemonte	0.43
Marche	0.36
Lombardia	0.31
Veneto	0.29
Friuli Venezia Giulia	0.22
Sardegna	-0.46
Lazio	-0.48
Basilicata	-0.48
Abruzzo	-0.66
Sicilia	-1.01
Molise	-1.09
Puglia	-1.29
Campania	-1.45
Calabria	-1.51

Participation

With the expression participation we refer to all those practices that raise the quality of democracy contrasting the two typical pathologies of liberal democracies: the participation crisis (abstentionism) and the representation crisis. It is important to monitor the progress of the actual participation of citizens in public and political life, namely in those activities that contribute to the political life of a territory although outside the normal institutional spaces. In particular we refer to the activity of civil society that gives an important contribution to the political and social life of a territory. Moreover it is necessary to verify the effective use of certain representation tools provided for by the most classic forms of representational democracy or direct democracy and the introduction of new participative democracy tools that represent a model of the extension of democracy.

In order to monitor the level of participation of the population in the social life of society, Sbilanciamoci! has developed a macro-indicator that includes certain of its

characteristic traits. The index is composed of five indicators that measure the extent to which the population carries out political or social activities in its territory.

This is firstly done through monitoring the activities of civil society, namely looking at **people aged 14 and above who have taken part in voluntary and ecological association, civil rights or peace meetings or who have carried out activities free of charge for voluntary associations**, and through **the number of voluntary associations** in each region in ratio to the population, Civil society represents an increasingly determinant space for the political activity of the population. It no longer confines itself to a presence inside the traditional places of political participation, but identifies associationism as the space to discuss and bring one's civil commitment. The differences are very larger within the country. In particular, Trentino Alto Adige shows a decidedly higher value with respect to all the other regions, with over a quarter of the population undertaking activities linked to the world of associationism and civil society in general. This result is explained by factors that are as much historical as political that typify the Province of Trent in particular⁹. Veneto and Tuscany, with sixteen percent of the population undertaking activities of group interest well represent the traditional places of Roman Catholic and "red" associationism respectively. A good result is also reached by Lombardy. The ranking also shows a tendentious difference between the North and South of the country, represented by the threshold of 10%, above which no region of the South manages to place itself and below which no region of the North drops.

In order to see how much the population is interested in questions of society and attempts to obtain information to understand it better, we have taken into consideration the **circulation of non-sporting daily newspapers**, in particular the number of times the dailies are read, an indicator that takes account of the fact that one person can read more than one paper, but also that the same paper can be read by more than one person. There are no great differences among the regions in this area, with the exception of a very high datum for Abruzzo.

The commitment of the population and its participation in the life of society then passes inevitably through **turnout at the polls**, namely the time when the institutions call the citizen directly to active participation.

However, the active participation of the citizenry at institutional decision-making times is increasingly seen as a necessary condition for the good functioning of an

⁹ From the historical point of view, in fact, there is a tradition in Trentino of community type that has been maintained in many activities, from voluntary firemen, to nursery schools, to choirs up to lands for civic use. From the political point of view, the self-government probably determines greater closeness to local institutions that is clearly expressed in strong social and political self-organisation.

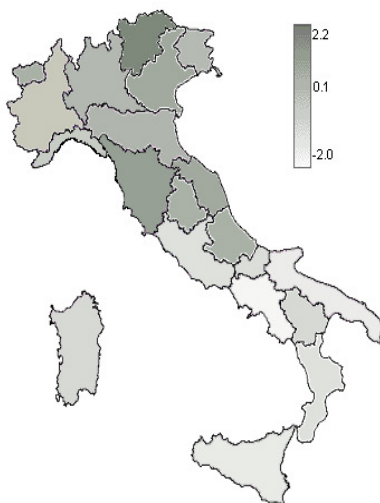
administration. Notwithstanding this, it is very difficult to obtain data on the spread of a set of heterogeneous and innovative practices, going from the participative budget to the appointment of a representative for foreigners on Municipal Councils. One of these practices, however, is constantly monitored: we are speaking of the civic defender. The post of **civic defender** was instituted in 1990 to reinforce and complete the system for safeguarding and protecting the citizen in comparison with public administrations and to ensure and promote full respect for the principles of impartiality and good performance of the public administration. The law specified its institution for Municipalities and Provinces, however there are still very few civic defenders in Italy. The best result is in Marche, where there are 1.53 civic defenders for every 100,000 inhabitants, namely there are 23 in the whole region. This is one of the few indicators where no division can be noted between North and South Italy. Calabria, Tuscany, Sicily and Umbria also do well, while in the last positions we find Lazio, Trentino Alto Adige, where there are only two provincial defenders and last is Molise where there is not even one civic defender.

Participation Macro-Indicator

On processing the synthetic participation index (Table 10) Trentino comes first, seeing the very strong participation in civil society and voluntary areas and notwithstanding the low results in reading daily papers and number of civic defenders, two indicators that we have seen not varying much among the regions. Tuscany, which we have seen in the top places in all the aspects considered, also does well. Veneto and Marche follow closely behind, obtaining practically the same result.

We can then group the remaining regions into four groups by level of participation. One group of regions typified by high participation going from Umbria to Friuli; a small group of regions with participation just below the mean: Piedmont and Liguria; a group of regions going from Sardinia to Calabria with participation rates abundantly below the mean; the ranking is closed by Sicily, Puglia and Campania.

Table Errore. Nel documento non esiste testo dello stile specificato..10
Participation Macro-Indicator



PARTICIPATION	
Trentino Alto Adige	2.04
Toscana	1.29
Veneto	0.91
Marche	0.90
Umbria	0.77
Abruzzo	0.66
Valle d'Aosta	0.66
Emilia Romagna	0.57
Lombardia	0.46
Friuli Venezia Giulia	0.31
Piemonte	-0.05
Liguria	-0.17
Sardegna	-0.71
Basilicata	-0.72
Molise	-0.79
Lazio	-0.93
Calabria	-0.94
Sicilia	-1.26
Puglia	-1.32
Campania	-1.65

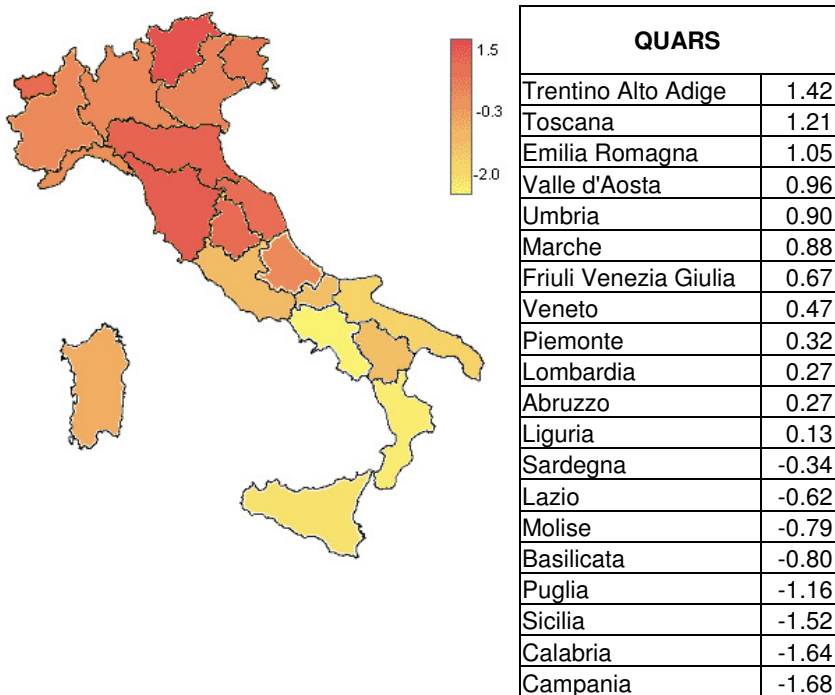
QUARS

Synthesising¹⁰ the results obtained from the Italian regions in the various indicators considered up to this point, it is possible to make a ranking of the quality of development determined by the QUARS value (Table 11). We see Trentino Alto Adige in the lead very closely followed by Tuscany. Then comes Emilia Romagna, followed by Valle d'Aosta and then Umbria and Marche very close together. Halfway down the ranking very similar results are reached by Piedmont, Lombardy and Abruzzo. Then from thirteenth position down there the regions obtaining a result below the mean among the Italian regions (negative QUARS values), namely first

¹⁰ See the Methodological Note to find out about the data aggregation and synthesis system.

Sardinia and Lazio, then Molise and Basilicata very close together and the ranking is closed by Calabria and Campania.

Table Errore. Nel documento non esiste testo dello stile specificato..11 QUARS of the Italian regions



Tendentiously it is possible to identify three blocks of regions. The small regions of the Centre-North in the upper part of the ranking. The larger and most populated regions, Veneto, Piedmont, Lombardy and Liguria in the central part and – with a notably worse result – Lazio. The Southern regions are found in the lower part, confirming the eternal southern question that identifies our country.

Trentino gains first place thanks to the excellent results in Environment, Rights and Participation that compensate for the negative result in Education. Thus a rich region, careful about the territory and social quality and that spends its money well is rewarded. The strength of **Tuscany**, on the other hand, lies in the results for Equal Opportunities, Quality of the Economy and never doing too much harm. The case of **Umbria** should be noted in this sense, the only region to obtain results with a plus

sign for all the macro-indicators, showing great equilibrium in the various declinations of the development.

The region that appears most balanced is **Marche**, obtaining results always much above the mean (with the exception of Environment) between 0.80 and 1.20 inclusive. **Emilia Romagna** is also typified by a substantial equilibrium among the various macro-indicators considered, again with the exception of Environment and with a wider field of variation.

On the other hand there are regions that owe their good result to levels of excellence in some sectors that compensate for the low level in others. Among these we find **Valle d'Aosta**, which does very well in Environment, Rights and Equal opportunities, while it does badly in Health and an average result in Education, or **Friuli**, that obtains an excellent result in Health and very good in Equal Opportunities but is third from bottom in Environment.

Among the regions at half-ranking, differences can again be noted between those showing equilibrium among the various aspects, such as **Abruzzo**, **Piedmont** or **Sardinia**, and those that, on the other hand, compensate negative results with positive, such as **Lombardy** and **Liguria**.

Looking at the lower part of the ranking it can be seen how **Lazio**, although achieving a low result for every indicator, lifts itself up thanks to the excellent result in Education.

Molise achieved a negative result but one balanced among the various aspects, while **Basilicata**, with a very similar final score, is penalised by the very bad result in Education.

It can be seen that **Puglia**, **Sicily** and **Campania** always obtain results with a minus sign, although Puglia never achieves very low results, unlike the other two, which achieve bad results in Rights and citizenship. Campania also does very badly in Participation.

Finally **Calabria** that, although achieving a result within the national mean as regards Environment, is then very far away from the mean for things relative to the Economy.

A final observation regarding the Special Statute regions. While in previous editions of QUARS they were rewarded by relatively high public expenditure pro capita, they are now distributed throughout the ranking occupying 1st, 4th, 7th, 13th and 19th place.

Public expenditure

Notwithstanding the decision not to include Public Administration expenditure in this new version of QUARS in building the index, the analysis of pro capital expenditure for the various sectors of activity in a region remains an important factor in the analysis of the development quality of a territory. Indeed various levels of expenditure pro capita show a different level of interest and different attention by the administrations to the sectors that are financed. Naturally the differences in expenditure volumes can be given by many different factors, population density first of all, seeing that offering a service in a very populated area involves economies of scale that do not exist when the population is dispersed: guaranteeing complete hospital assistance to the same number of citizens is much less costly in a city than in a mountain zone. The other important limit in the public expenditure analysis, and a determining factor in the choice not to include it in QUARS, is the difficulty in determining its efficiency. A little money well spent can be much more useful and effective than large sums that get lost in the bureaucracy, inefficiencies and misgovernment. The complexity of government activity, that cannot be limited to mere analysis of expenditure volumes, emerges clearly from the comparison between expenditure volumes for the various sectors and the qualitative indicators relative to the same sectors. The choice of financing one sector rather than another is, in fact, the outcome of a policy decision and a definition of priorities.

PA expenditure pro capita	
Valle d'Aosta	7964.7
Trentino-Alto Adige	6145.2
Liguria	5180.1
Lazio	5041.9
Sicily	4947.7
Sardinia	4833.7
Molise	4772.3
Umbria	4678.2
Calabria	4478.6
Friuli-Venezia Giulia	4412.1
Basilicata	4386.9
Abruzzo	4366.0
Emilia Romagna	4324.3
Tuscany	4282.2
Marche	4248.1
Campania	4133.3
Lombardy	4031.4
Piedmont	3935.8
Puglia	3906.4
Veneto	3881.0

The volume analysis is the starting point of the analysis because, in any case, it is important to determine the availability (and actual expenditure) and resources for pursuing objectives finalised for social welfare. The data refer to the expenditure for final consumptions of the Public Administration, namely to that part of the expenditure that refers exclusively to the production of services destined for the citizens. Thus, in particular, transfers (cheques, indemnities, sundry pensions, etc.) are excluded from these statistics. As has already been said, this partly corresponds to a methodological requirement – these are data supplied by ISTAT – but is fully compatible with the vision of public intervention in the economy spread according to this relationship: the State, local bodies and public administrations must build equity and social cohesion models based on opportunities for citizens, access and

concrete promotion of rights. Therefore, first of all, looking after the services and their quality, then also to provide for transfers, which, in any case, in our country, are clearly below the European average (one only need think of the small, if not nil, unemployment and maternity benefits). Looking at the expenditure pro capita of the whole Public Administration by region (Table 13), it can be immediately seen that the first positions are occupied by the two richest Special Statute regions, Valle d'Aosta and Trentino Alto Adige – that spend much more than all the other regions – followed by Liguria and Lazio, and by the other two Special Statute regions, Sicily and Sardinia. Conversely at the bottom of the ranking are found the most populated regions with greatest densities, namely Campania, Lombardy, Piedmont, Puglia and Veneto.

For several years Sbilanciamoci! has calculated an index relative to public expenditure, used for building the old QUARS. It takes four parameters into account: the expenditure on education, health, assistance and the environment. The value of the index is calculated with respect to expenditure pro capita related to the objective values, chosen from among the Member States of the European Union that show a greater capacity for adequate expenditure and investment with respect for social and environmental needs.

As it is easy to see from Table 12, Italy does not spend at all more than the other important countries for health, education and assistance, indeed not. We are basically within the EU average as regards military and environmental expenditure – too high in one case and decidedly too low in the other. However we spend much less than the other States of the European Union for health, education and assistance.

Table Errore. Nel documento non esiste testo dello stile specificato..12
Expenditure pro capita in Euro

	Education	Health	Assistance	Environment	Defence
EU	1129	1625	1558	144	429
France	1356	1918	1754	208	608
Germany	1062	2000	2049	126	370
Great Britain	1048	1595	1619	127	595
Italy	887	1230	545	149	424

Source: Eurostat, 2003

Looking at expenditure pro capita in the regions for the four sectors comprising the indicator it can be seen that there are important differences between regions.

Regarding expenditure for **education**, Trentino is ahead of all the other regions followed by several regions from the South, Basilicata, Calabria, Sicily and Sardinia with an expenditure pro capita of over 1200 Euro. Various rich regions spend much less; Piedmont, Lombardy, Veneto and Emilia Romagna, whose expenditure is half that of Trentino, do not reach 900 Euro. However the differences between what is spent and the results obtained are truly wide in the case of education. The relationship between expenditure and the various indicators we have used to assess the quality of the educational structures and the cultural level of the population are inversely proportional to expenditure. The very 5 regions that spend the most are the ones we have seen to be at the bottom of the education ranking. This is partially due to heavy population dispersion over the territory, which requires there to be numerous small schools rather than a few large ones. Wastage certainly also plays an important role in explaining the phenomenon.

Health expenditure shows lesser differences but is still worthy of note. It goes from the 1800 Euro pro capita for Liguria, which spends more than Trentino and Valle d'Aosta, probably due to a particularly elderly population, to the 1200 of Basilicata. The relationship between expenditure and actual quality of the health system sees differences, including important ones. Those attaining excellent results in relation to expenditure are Friuli and Veneto –which gain twelve positions in the passage from health expenditure pro capita to the health index – followed by Tuscany, Piedmont and Marche, which gain 9, 8 and 7 positions respectively. Those doing worst, however, are Lazio, which loses 10 positions, and Valle d'Aosta, which loses 15.

The differences between regions are also large for **social protection** expenditure since there are no homogenous standards. The Welfare and social protection policies should ensure a guarantee of the essential levels of homogenous social-sanitary assistance that is standard in all the Regions (LIVEAS).

Our system is still linked to the three basic axes of health, social security and education, while in the other European countries interventions of various types – social rent support, help for single mothers, various forms of income integration and reduction of precariousness – are relatively widespread tools. The Italian regions that do the most are Lazio, followed by Valle d'Aosta, Trentino, Liguria, Friuli and Emilia Romagna. Regarding these types of interventions – not involving school and health, which imply a certain share of obligatory and homogenous expenditure – the differences are greater and there are regions and local bodies that have promoted services and interventions that others have not provided for at all. The legislation on the subject (Law 328 of 2000), among other things, transfers the money to local bodies without any restrictions of use, and this leaves the local bodies a wide area of discretion in deciding whether to use it for the elderly or children, those with no fixed abode or asking for asylum. This is a double-edged weapon: on the one hand it allows the territory to evaluate emerging social needs with greater effectiveness and responsiveness to true necessities and on the other there is the possibility that the local body no longer deals with a matter it considers secondary and cancels or neglects all the support programmes for a given category, due to the political orientation of the

local government or a determined lobby's ability to exert pressure. As has been said, the differences in expenditure are very marked, going from the 447 Euro pro capita of Lazio down to the 87 of Campania and only six regions exceed 200 Euro pro capita. In this case the relationship of expenditure with the indicators used for calculating the QUARS – especially with the synthetic indicator of social assistance used in the Rights and Citizenship section – is relatively close. The expenses and quality rankings do not have many differences, apart from certain cases represented by Lazio and Sicily, which have a clearly lower quality with respect to the level of expenditure, and of Veneto that, on the contrary, seems able to offer good services with one of the lowest expenditures.

The differences are even more marked in the case of expenditure for protection of the **environment**. Valle d'Aosta, with 177 Euro pro capita, spends twice as much as Sardinia, which is ranked third. With the exception of Basilicata, all the regions are below 100 Euro, down to Lazio, which only spends 30 Euro pro capita for protecting the environment.

Comparing these data with the environmental indicator used for building QUARS, it can be seen that there are regions with low expenditure but that have a relatively high environmental quality, such as Abruzzo, Tuscany or Piedmont, while there are regions that do not reach satisfactory levels in relation to the expenditure disbursed, like Friuli or Liguria.

Putting these data in line we reach the actual **index**, which combines the four axes of public expenditure at regional level.

Valle d'Aosta and Trentino are in the first two places, with Lazio third, followed by Liguria, Molise and Sardinia. The case of Lazio helps us to understand the *ambiguities* of this index better. Lazio, in fact, is relatively behind in the general QUARS ranking but is so highly placed due to expenditure on health and assistance, thanks to the fact that it contains the largest metropolis in the country – with all its troubles, its marginalities – and due to the presence of religious structures that guarantee many services and make use of many public resources. As can be seen from Table 13 there are several other examples that lose numerous places in the passage from public expenditure to QUARS, first of all Sicily, Calabria and Basilicata. In the same way there are regions that gain many positions. Tuscany gains 13, followed by Veneto with 11 and Emilia with 10.

Table Errore. Nel documento non esiste testo dello stile specificato..13 **Public expenditure pro capita in the regions**

Public Expenditure Index ranking ¹¹	Education	Health	Protecting the environment	Social protection	Total PA expend.	Difference between Public Expenditure Index position and QUARS Index position
Valle d'Aosta	1183.73	1758.81	177.03	330.61	7964.70	-5
Trentino Alto Adige	1608.6	1668.42	87.12	289.05	6145.20	1
Lazio	1178.13	1589.07	30.14	491.86	5041.90	-11
Liguria	1045	1801.02	84.96	227.64	5180.10	-7
Molise	1187.34	1530.31	81.80	185.84	4772.30	-10
Sardinia	1222.3	1455.35	90.95	181.00	4833.70	-7
Umbria	1111.97	1489.65	84.84	196.04	4678.20	4
Sicily	1287.06	1394.66	77.97	182.58	4947.70	-10
Basilicata	1297.02	1244.86	110.75	115.52	4386.90	-8
Friuli Venezia Giulia	941.94	1397.99	81.58	218.84	4412.10	3
Abruzzo	1104.87	1504.40	74.24	131.79	4366.00	2
Calabria	1311.05	1348.37	82.12	109.33	4478.60	-8
Marche	1041.9	1415.42	78.60	156.25	4248.10	8
Emilia Romagna	877.02	1512.67	55.75	205.22	4324.30	10
Tuscany	982.77	1419.09	65.91	173.30	4282.20	13
Campania	1161.04	1359.00	59.54	88.70	4133.30	-3
Lombardy	829.01	1440.05	52.79	152.46	4031.40	5
Piedmont	844.54	1332.25	58.53	156.85	3935.80	8
Veneto	841.96	1356.56	67.13	127.77	3881.00	11
Puglia	1056.41	1339.50	45.26	94.14	3906.40	4

Source: ISTAT, 2003

¹¹ The public expenditure index takes four parameters into consideration: expenditure for education, health, assistance and the environment.

Distribution of resources also plays an important role in the analysis of public expenditure, namely how much it is decided to allocate to some sectors necessarily at the expense of others. Priorities can be identified by examining the percentage of expenditure that each region allocates to the various items.

The share of public expenditure allocated to Health is very high in Lombardy (35.5%) and below 30% in various regions of the South (Basilicata, Calabria, Sicily and Sardinia) and in Trentino Alto Adige. As regards Education, the low level of the Valle d'Aosta is striking, 15% against the 23% of the national average.

A significant case is that of Lazio. The Lazio expenditure shares, in fact, are relatively in line with the national trend with two exceptions: a very high share of expenditure for Assistance (9.7% against the 4.2% for Italy) and a very low share of expenditure for the Environment (0.6% against the 1.4% for Italy). The decision to remove resources for safeguarding the environment to allocate them to social protection seems obvious., a policy that, on the one hand, reveals the patronage of the Storace junta in supporting private health and on the other a short-sighted policy that aims at solving the problems without, however, devoting resources to creating a new, more supportable territory, for example by fighting the isolation of the disadvantaged section of the population through new forms of mobility or through the creation of green spaces that are also places for gathering.

GDP and QUARS compared

Observing the world in terms of threshold of poverty and income is the equivalent of doing so through opaque lenses, which make the rich variety of colours disappear turning all the differences into shadows of the same colour (Latouche, 2004).

Table Errore. Nel documento non esiste testo dello stile specificato..14 Comparison between GDP and QUARS

	QUARS	GDP pro capita	
	Position	Position	Difference
Trentino Alto Adige	1	2	1
Tuscany	2	9	7
Emilia Romagna	3	3	0
Valle d'Aosta	4	4	0
Umbria	5	12	7
Marche	6	11	5
Friuli Venezia Giulia	7	7	0
Veneto	8	8	0
Piedmont	9	6	-3
Lombardy	10	1	-9

Abruzzo	11	13	2
Liguria	12	10	-2
Sardinia	13	15	2
Lazio	14	5	-9
Molise	15	14	-1
Basilicata	16	16	0
Puglia	17	17	0
Sicily	18	19	1
Calabria	19	20	1
Campania	20	18	-2

QUARS is an indicator built specifically to signal the difference between income level (especially if measured in terms of GDP pro capita) and development quality. As we have seen, this, for Sbilanciamoci!, goes beyond the consideration and measurement of general or pro capita income or of other purely quantitative indicators. QUARS assesses – beyond how general wealth is spent and redistributed – the quality of the work of the economic system; the quality of the social services (education, health, assistance); the quality of the environment, that does not only mean *attention* for the environment but evaluation of the impact of the economic structure of production and consumption. In substance, a region may also have a higher GDP pro capita in which residents can buy 2 cars, 2 houses rather than change their cellphone every 3 months. But this does not represent a value in itself – it has not been said that it improves the quality of life – while it represents it in some of the quality of life and development indicators such as that of the Sole24Ore newspaper. In this research we have seen what the qualifying aspects of an authentic quality of development are: respect for rights and widespread social services, the environment protected and enhanced, a different economy, organised forms of participation, equal opportunities, etc. Naturally, with greater resources there are greater possibilities for promoting adequate policies for attaining these objectives. But something else can also be done: supporting the opening of new commercial centres, encouraging privatisation of services, overbuilding the environment, making new motorways, etc. The GDP – and also the public expenditure available to each region – do not therefore translate into quality of life and development. Regions with a higher GDP have a lower quality of development and vice-versa. The differences are considerable for certain regions, especially for Umbria, Tuscany and Marche, that come halfway in the GDP pro capita ranking while they occupy the leading places for quality of development (Tuscany and Umbria gaining 7 places and Marche 5 respectively), and for Lombardy and Lazio that, vice-versa, have a high income pro capita with respect to the Italian mean and a QUARS in the mean (Lombardy) or below the mean (Lazio). Both regions see their relative position fall by a good 9 places. It therefore becomes important to know how economic wealth is used and directed, which policies are supported by public expenditure and what

weight a series of interventions and choices (and their effectiveness) has that cannot in themselves be measured in purely quantitative and economic terms.

Possibility of a study at European scale

Transferring the same approach used with the QUARS at European level, *Sbilanciamoci!* means to build a synthetic index of European Quality of Development (EQUADE) as a tool for policy makers that would allow them to look at European regions from a different point of view.

The study will be based on the regional databases provided by both Eurostat and OECD Territorial Statistics and Indicators.

Other possible databases to be used are: European Union Labour Force Survey, European Community Household Panel Survey Community Innovation Survey, Community Innovation Survey I-I, II and III, European Quality of Worklife Survey, Eurobarometer, the International Social Survey Programme (ISSP), the Luxembourg Income Study. Union of International Associations, the World value survey, Globescan databases, the Global Civil Society Yearbook data.

As part of the international Social Watch Coalition (www.socialwatch.org), we mean to generate a network of European Civil Society Organizations working on this issue..