

CIRCULAR ECONOMY, MIGRATION AND DEVELOPMENT: ITALY AND COUNTRIES WITH STRONG MIGRATORY PRESSURE

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Sommario

Al cuore di questo lavoro vi è la consapevolezza che abbiamo bisogno di ripensare i modelli di sviluppo usando *paradigmi circolari*. In questo articolo prendiamo in considerazione due di essi, "economia circolare" e "migrazioni circolari", che sono elementi fondamentali per un modello di sviluppo sostenibile - lo chiamiamo "sviluppo circolare" - che può adeguatamente coinvolgere le società euro-africane. Lo sviluppo circolare è un modello proposto come possibile risposta allo stallo economico che l'Italia e altri paesi con alta pressione migratoria sembrano sperimentare. Esso può affermarsi con il contributo dei varistakeholder della società e necessita di una forte visione politica.

Abstract

At the core of this work is the awareness that we need to rethink development models using *circular paradigms*. In this paper we look at two of them, “circular economy” and “circular migrations”, which are fundamental elements for a model of sustainable development - we call it “circular development” - that can adequately involve Euro-African societies. Circular development is a model proposed as a viable response to the economic gridlock that Italy and other countries with high migration pressure seem to experience. It grows with the contribution of the many stakeholders of society and it needs a strong political vision.

Keywords

Circular paradigms, migrants, sustainable development policies, Italy, Euro-African societies

Introduction

This paper aims at highlighting sustainable development paths in Italy and sending countries, looking at migrants not just as a “useful labour force”, but as a “constituency force” equally entitled to express their potential and play a central role in development policies. Its perspective pivots on immigration as one of the most impactful ongoing social changes.

At the core of the work is the awareness that we need to rethink development models using *circular*

paradigms. In this paper we look at two of them, “circular economy”¹ and “circular migrations”², well aware that the two “circularities” are not the only ones we could take into consideration, they refer to very different dynamics and may not appear immediately connected. Nevertheless, it is the conviction of the writers that nowadays these two circularities are fundamental elements for a model of sustainable development that can adequately involve Euro-African societies to create a fluid space not just for exploitative trade exchanges, but also for a regenerative economy based on knowledge and innovation. In this perspective - that we call *circular development* - better ecosystems, efficient rural economies and a new youth friendly urbanism in Africa would create a perfect match for some stagnant European societies (and defuse the immigration “threat”).

In the last ten years, the international scenario became more and more complex due to a variety of factors, often strongly argued and subjected to hard policy decisions. However, as far as the European and the South of Mediterranean Countries are concerned, some of them were undoubtedly very important, such as: the ongoing financial and economic crisis, the Arab springs, the turmoil in the Middle East, the refugee crisis and the institutional reforms processes started in many regions. Italy, being at the frontline of the Euro Mediterranean geo political scenario, suffered the most direct impact.

The first part of the paper depicts immigration in Italy within a compass with four cardinal points: the general framework, the legal framework, the collective consciousness and the demographic magnitude and trends.

The second part connects circular migrations to circular economy, thinking at the possible outcome as circular development.

The third part explores the role of key actors such as supranational, national and local Governments, International Organisations, Development Agencies, profit and non-profit institutions, universities, whereas circular development is a viable approach, on the horizon of the Sustainable Development Goals.

The conclusions draft three key elements for a circular development deployment.

¹For a recent review of the literature on the circular economy and on its relations with the concept of sustainability see Geissdoerfer, Savaget, Bocken, Hultink (2017).

²For a systematic and concise contribution on circular migration see Hugo (2013).

1. Immigration in Italy: four cardinal points

1.1. General framework: a global narrative without a global governance³

A recent worldwide survey (Gallup 2016) reveals that in almost every region of the world people are more likely to be in favour of migration than against it. The one, notable exception to this is Europe. Migrations in developed countries are problematic when they bring uncertainty that reflects in the fears of receiving communities (which are wealthier, safer and more secure) to lose privileges. This mentality hardly sees migrations as consequences of unequal accumulation of wealth, promotion of conflicts as a mean of regional resolutions and unidirectional environment exploitation. And improving one's own quality of living chasing job opportunities, escaping conflicts or fleeing from natural disaster is intimately human, especially when one doesn't feel responsibility or control over such causes.

Certainly, migrations have moral implications being consequences of - and having impacts on - the way human relationships are conceived (connected versus disconnected) and environment is respected (exploited versus nurtured). Pragmatically, there's need of a structured multinational debate where the normative reflection could be treated within the grounds-of-justice. Hopefully, this would feature restrictive practices as problematic because they are at odds with the fact that our planet belongs to humanity collectively. A fair approach would extend the principles of redistributive justice to migration as it applies to shared membership in a state, shared subjection to a global trade system, shared humanity and undivided ownership of the earth.

Consequently, less restrictive immigration policies should not merely be demanded as one possible way of aiding the poor, but should be required as such (United Nations Development Programme 2009).

1.2. Italian legal framework: lack of long term strategic vision?

Today, there are very narrow routes for people from developing countries to officially access Italy. Moreover, some of the mechanisms that regulate migrants lives in Italy are difficult and hermetic, they can generate social exclusion, and the more migrants enter the "underworld" the less they can be assessed and monitored, making public issues, from security to health, more uncontrollable.⁴

The lack of management in reception policies creates cases like Turin - where 1600 migrants and refugees are occupying the Olympic Village - or Rome - where the Salaam Palace and other 19

³See also Brugnoli, Matteini (2018).

⁴ International Organization for Migration (2016) estimates that 10-15% of the immigrants' population is illegal.

buildings are occupied by 3,500 migrants. None of these cases seem to have any ongoing solutions, nor the other 36 illegal settlements reported in the rest of the country.

The more the current “entry, stay, expulsion and inclusion” legal framework is made user friendly, the more the migrants could comply with legal requirements and would “emerge”.

The international protection system needs to be reformed and the EU should find an agreement that shares responsibilities fairly beyond the unattended Dublin regulation⁵. On the verge of a new demographic era where south/north migrations are expected to be consistent, Italy should come up with an original strategy to deal with people on the move.

1.3. Collective consciousness: the Italian dream adrift

The collective imagery of Italians on immigration has been forged through events that can't be deleted from its memory. The key episodes have brought awareness in many aspects: the landing of Vlora ship in Bari in 1991 made Italians discover how their country was desirable from Albanians and what a massive immigration process may signify in terms of social response. The Uprising of Rosarno in 2008 brought to light that there existed inside the country an underclass of African workers that were living in conditions comparable with ones in the countries they had fled. The wreckage of Lampedusa in 2013 signified that Italy couldn't tackle forced immigration on its own, but that it took a strong collective international action.

Today we need a new narrative on migrations that inform on the reasons that push people on the move, about the scale of global transformations and about the need of a transnational governance.

1.4. Demographic magnitude and trends: the Italian-African communicating vessels

Italy's population is shrinking and migration is one of the factors that can support it in the long run demographically and economically. The Italian-African relations are at the core of both sides future development for at least three good reasons.

Firstly, the African immigration segment is the fastest growing in Italy, with Gambian (+209%), Malian (+135%) and Nigerian (+68%) showing the sharpest increase last year; new national groups have very different cultural characteristics both from Italian society and from older African immigrant communities (Moroccan, Tunisian, Egyptian).

Secondly, Africa is on the verge of a demographic boom with more than half of global population growth between now and 2050 expected to occur there. By then, Europe, whose current median age is 42 and fertility rate 1.6, will shrink to 707 million (-31 million) while Africa, whose current

⁵The Dublin Regulation (Regulation No. 604/2013) is a European Union (EU) law that determines the EU Member State responsible to examine an application for asylum seekers asking for international protection under the Geneva Convention and the EU Qualification Directive, within the European Union.

median age is 22 and fertility rate 4.3, will double to 2.478 billion. Population growth remains especially high in the group of 48 countries designated by the United Nations as the least developed countries, of which 27 are in Africa. Moreover, by 2034 Africa is expected to have the world's largest working-age population, reaching 1.1 billion (United Nations Department of Economic and Social Affairs 2015).

Finally, in sharp contrast, the populations of some European countries such as Romania, Ukraine and Republic of Moldova, which are currently 1st, 5th and 8th migrant groups in Italy with some 1,524,389, collectively are expected to see their populations decline by more than 15% by 2050.

Italy is a much different country from twenty years ago, and it will be radically different in the decades to come. Migrants currently account for 11% of the workforce, 10.6% of employees, and generate 120 billion euros that equals 8.7% of Italian GDP (Idos Centro Studi e Ricerche 2015). In 2015 there were 4 million migrants in the 15–64 age range, which equals 10% of total; this will increase to 7 million in 2065 or approximately 23% (Istat 2016). Consequently, in the near future, their capacity to participate in the job market, to access qualitative jobs and to raise their incomes will be crucial to Italian economy. As stated by Centro Studi Confindustria (2016), up to now immigrant labour has allowed Italians to work more, perform more complex jobs, be more productive and earn more. The current concentration of migrants in less profitable and innovative industries, occupying *dirty, dangerous and demanding* jobs for low salaries (the average salary of migrants is one third of those of Italians) is rather a condition for those industries to exist, then a salary dumping. We need to think about what those 7 million *immigrant jobs* in 2065 would be like. If they will still be *dirty, dangerous and demanding* occupations for low salaries, Italy will probably have lost its battle for competitiveness. If they will be innovative occupations, unleashing the whole immigrants' potential, their energy, resilience and diversity, surely Italian economy will be stronger.

2. Circular development: a paradigm for regional sustainable growth

2.1. Circular economy: a regenerative capitalism model

“A circular economy is a regenerative system in which resource input and waste, emission, and energy leakage are minimised by slowing, closing, and narrowing material and energy loops. This can be achieved through long-lasting design, maintenance, repair, reuse, remanufacturing, refurbishing, and recycling.” (Geissdoerfer, Savaget, Bocken, Hultink 2017).

Indeed, raw materials, energy and technologies, from one side, and waste, emissions and energy leakage, from the other side, are all included in the same frame, even if alongside the production-consumption chain actors often think and act with divergent visions. In fact, circular economy criteria need a strong commitment from producers, consumers and public institutions.

Companies have to get ahead of rivals by innovating for both resource efficiency and customer value. Rethinking products implies that they change their culture including designing processes, research approaches, production techniques and their management styles sometimes in contrast to a 'take, make, dispose' linear economy model. Customers are facing an unexpected increase of choices and a widened possibility to become active part of the circular economy, whereas not only consuming, not consuming, sharing and upcycling can be a daily decision in everyone's life, but also creating own produced individual items has made possible thanks to new technologies. All this left no choice to institutions than supporting circular economy with sensible policies.

Circular economy approaches are valuable at driving innovation in manufacturing processes, waste management and consumption patterns and to some extent it can be supportive to biodiversity. The question is if circular economy it is anyhow linked to human diversity. Some studies (Florida 2005) showed that the wealthiest cities are those where the creative class became prominent: designers, scientists, artists and other type of young professionals create the conditions for cities to prosper promoting gender, race and lifestyle diversity. Those are also the categories that mostly create, demand and consume circular economy based product and services. It is arguable that this urban culture, while attracting talents from everywhere and pushing urban economies to call for freer access for international workers, it is also making these cities more expensive and potentially exclusive.

A robust model that capitalizes on circularity, creating growth and profitability, envisaging an ecosystem with partners, suppliers and market is still underdeveloped. What is at stake is a systemic change towards a "regenerative" capitalism (Fullerton 2015) that shed new light on the importance of fairness, and the unsustainability of high and growing inequality, maintaining the dynamism of a truly free enterprise system that taps into the unique essence of individual human creativity and drive. This might guarantee a level of growth and wealth, at the same time equitable and inclusive.

2.2. Circular migrations: fluid movement of interconnected people

"Circular migration refers to repeated migration experiences between an origin and destination involving more than one migration and return." (Hugo 2013)

“Although circular migration has long been an important type of human mobility, in the contemporary world it has gained increased significance for two reasons: (1) modern forms of transportation make it increasingly feasible (in terms of money and time) to circulate between two “homes”, and (2) modern forms of communication make it increasingly possible to stay immediately and intimately connected to both homes.” (Hugo 2013)

International migrations are at the core of Italian and European political debate. Italian policies historically thought about immigration as “useful labour force” designing its immigration policies around the workforce needed in various industries. Truly it never worked; the majority of immigrants were allowed into the country through extraordinary measures that distorted the original intentions. This would imply an unfocused design of integration measures and a degree of acceptance of misconduct in labour exploitation and human rights. The immigration model empowered by Italian Governments levered on a win-win (win) strategy in which migrants get jobs and support their families, countries of origin gain remittances and Italy gets its *dirty, dangerous and demanding* jobs covered. This “status quo” was undermined by the decrement in jobs available, the erosion of purchasing power, the decreasing of saving capacity and the legalization of many jobs previously left in the grey area of tax evasion.

Recently, due to the economic crisis in Italy and to the geopolitical crisis on the other side of Mediterranean, other streams of migration got more and more consistent: immigrant leaving Italy heading back to their countries of origin, immigrants heading to other European countries, seasonal workers, nomadic workers, family reunions, unaccompanied minors, refugees and transiting people. The idea that migrations aren't linear⁶ and abide cultural and economic assimilation is changing the already fragile Italian reception system and queries the entire welfare system. Italy can be temporary home for migrants for many reasons, as it has previously been for the 60,000 Italian born that last year decided to leave the country. Immigration in Italy has never been so fluid and both hard (demography, jobs, income, costs generated) and soft (cultural, political and societal changes) impacts on Italian society are difficult to grasp. What is new is the perception that a novel, urban, technology savvy, cross cultural, community based economy could be more capable to capture the potential of temporary communities and help build upon it.

2.3. *Circular development: a common “play-ground” for Europe and Africa*

Given the deep implications of Euro-Mediterranean interconnections at every level, it is not

⁶For a contribution on circular migration in the Mediterranean area see Fargues (2008).

exaggerated to talk of a necessary co-development. Countries like France, Italy, Portugal and Spain can somehow be considered a common geopolitical region with African countries. Also, the ecosystem is interdependent. The International Organization for Migration (2016) confirmed that degradation of the ecosystem and natural disasters caused by climate change are key drivers of migration and displacement while already the Fourth Assessment Report of the Intergovernmental Panel on Climate Change (2007) stated that climate change was having discernible and indeed worsening effects on communities. The developing world would have carried the heaviest burden, despite having contributed least to the greenhouse gas emissions responsible for it. In spite of this, southern countries have less resources and capabilities to adapt to environment changes compared to developed countries.

What is new is the perception that a novel, urban, technology savvy, cross cultural, community based economy could be more capable to capture the potential of temporary communities and help build upon it.

In this contest of interdependency, a *circular development* can be obtained as the integration of the virtuosity of the circular economy and circular migrations (Brugnoli, Matteini 2018). A Euro-Mediterranean circular development strategy would be an opportunity to enlarge markets, achieve a fairer redistribution of wealth, reduce inequalities inside and between countries, decrease exploitations of natural resources, accelerate transfer of scientific knowledge, widen digital spaces. The Circular development is also based on contaminations of different transnational communities (i.e. North-South) and different human groups (activists, tech savvy, businesses, academics, policy makers). The open source culture can create a common base of scientific knowledge and data, as well as opportunities for peer to peer interactions to become factual. This circular knowledge allows circular innovations to rise even in deprived contexts.

Of course, such circular development relies on a new *regenerative* type of capitalism, which needs institutions to ignite and overview its governance. Such institutions not only would promote environmentally friendlier productive systems, but also a more equitable resource allocation, a wider and more qualitative job market, an open access to data, a more democratic process for corporate decisions and a global welfare system. All this probably will slow down the growth rate by using capital more patiently, but it probably will lead to a more equitable development that make human circulation more functional.

2.4. *Would this new societal setting embed immigrants in its core functioning?*

In 2016, after 4 years, Italian economy turned positive and old resilient businesses that survived could expand, while new innovative circular economy based businesses could provide more

qualitative jobs. The start-ups ecosystem for example, even if at the moment involves only 2% of migrants, creates demand for more traditional services.

The future business environment is meant to favour workers' rapid changes, nomadism, social commitment, sharing of spaces, ideas and occupations. Such scenario could fit particularly to skilled migrants and second generations, and it could represent a favourable scenario for other migrant groups, if the reception system could provide tailor made solutions to include them and the legislative framework could create more agile accesses.

Circular development means more qualified jobs in new impacting industries in Italy and in sending countries. If public investments, private investments, open access to knowledge and sharing economy are addressed according to a Euro-African circular development model, immigration would be less of a problem.

3. The role of institutional actors

Some strategies of key actors, such as supranational, national and local Governments, International Organisations, Development Agencies, profit and non-profit institutions, universities, are already going in the direction of favouring a potential circular development.

However, in order to achieve the goal, it takes rethinking supranational, national and sub-national policies in a multi-level, multi-sector, multi-actor perspective on the horizon of the SDGs, and, specifically, a positive approach to immigrants' inclusion should seriously consider creating the conditions for decent works; promote inclusive and sustainable industrialization and foster innovation; reduce income inequality within and among countries; ensure inclusive and equitable quality education and promote lifelong learning, ensure healthy lives and promote well-being for all at all ages. Moreover, the approach stated in the SDG Number 17 "Revitalize the global partnership for sustainable development" should be considered carefully, above all for the systemic issues:

- *Policy and institutional coherence:*
 - Enhance global macroeconomic stability, including through policy coordination and policy coherence;
 - Enhance policy coherence for sustainable development;
 - Respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development;
- *Multi-stakeholder partnerships:*
 - Enhance the global partnership for sustainable development, complemented by multi-

- stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries;
- Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships;
- *Data, monitoring and accountability:*
 - By 2020, enhance capacity-building support to developing countries, including for least developed countries and small island developing States, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts;
 - By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries.

Conclusions

Circular development is a model proposed as a viable response to the economic gridlock that Italy and countries with high migration pressure seem to experience. It grows with the contribution of the many levels of society: citizens, companies, non-for-profit institutions, supranational, national and local Governments, International Organizations, Development Agencies and it needs a strong political vision.

The shift from a “take, make, dispose” to a “circular vision” of development can also shape a new way of thinking north-south relationships. In example:

Designing. Co-designing a stronger economic cooperation, focused exclusively on circular economies, including companies, b-corps, venture philanthropy and civil society representatives from Italy and key African countries. Italy should share its excellence in clean energy and recycling with African countries so that new jobs are generated. Governments could create bilateral policies to allow African students, workers, entrepreneurs to join Italian economies in such industrial sectors.

Producing. Growing African economies and Italy will increase their mutual prosperity with new circular economy schemes that will help African countries to rationalize energy, avoiding waste emergency, increasing food security and developing tourism. Italian Universities, Innovation

centres, think tanks and fab labs with African counterparts can co-create technology based “zero impact machines”, specifically for rural communities, increasing local job and business opportunities for Italian investors. Industrial symbiosis allows waste or by-products of one industry to become inputs for another.

Reusing. The circular development idea stems from the awareness that Italian and European countries won't be able to achieve any sustainable development if they leave behind the populations south of the Mediterranean. The circular stream of products and processes should be extended to knowledge and communication and must include people and jobs. Not only South to North movement, but also the opposite. There are segments of the Italian labour force that have lost or still haven't gained enough potential that can otherwise be effective contributors in African job markets. This would be the case for junior graduate, researchers, technicians, workers displaced or young retirees, who are willing to cross-adapt their competences in different environments.

Acknowledgements

We wish to acknowledge the precious support of Adam Clark, Vitality onlus, throughout the paper's writing.

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