

ITALY

(POP. 60,753,000 (2021))



Income inequality in Italy today

In Italy, the average national income of the adult population is €PPP29,100 (or €27,340),¹³ which is below some Western European countries including France and Germany (€PPP36,300 and 39,900, respectively) but similar to the average income in Spain (30,600). While the bottom 50% earns €PPP12 100 (21% of the total) or €11,320, the top 10% earns on average eight times more (€PPP93,900 or €1,166,520, 32% of the total).

Income inequality in the long run

Income inequality in Italy declined considerably over the course of the 20th century, following the military, political and economic shocks of the period 1910-1940s as well as the effects of post-WWII policies. But since the early 1980s, the top 10% income share rose considerably, by 8-10 p.p., while the bottom 50% share dropped from 27% to 21%. Between 2007 and 2019, the bottom 50% average incomes dropped by 15%, while national income per adult dropped by 12% as a result of the austerity policies that followed the financial crisis and the European debt crisis of 2012-2014.

13: €1 PPP = \$PPP 1.4 = € 0.9

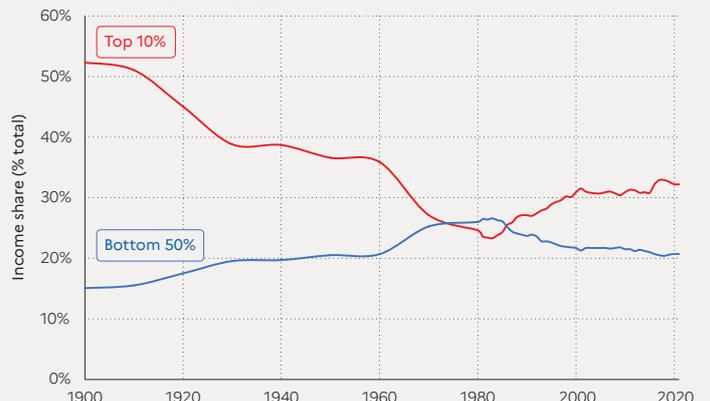
Table 1: Inequality outlook

	Income		Wealth	
	Avg. Income (PPP €)	Share of total (%)	Avg. Wealth (PPP €)	Share of total (%)
Full population	29 100	100%	185 000	100%
Bottom 50%	12 100	20.7%	36 800	10.0%
Middle 40%	34 300	47.1%	196 000	42.4%
Top 10%	93 900	32.2%	882 200	47.7%
Top 1%	253 700	8.7%	3 336 500	18.0%
Top 10% to Bot. 50% Income gap			1 to 8	
Female labor share			36%	
GHG footprint			9,1 tCO2 / pers.	
Transparency index			13 / 20	

Interpretation: See glossary for definitions of concepts and indicators.

Sources and series: wir2022.wid.world/methodology

Figure 1: Top 10% and bottom 50% income shares Italy, 1900-2021



Interpretation: The Top 10% income share is equal to 32% in 2021. Income is measured after the operation of pensions and unemployment insurance systems and before income tax.

Sources and series: see wir2022.wid.world/methodology

■ Wealth inequality

Italy is one of the countries with the highest wealth to income ratio. This implies that knowing the structure of wealth distribution in the country is crucial to a proper evaluation of the trends in inequalities. Wealth concentration in Italy today is high, but lower than most European Union countries. In 2021, the top 10% hold 48%, while the middle 40% and the bottom 50% respectively hold 42% and 10%.

■ Gender inequality

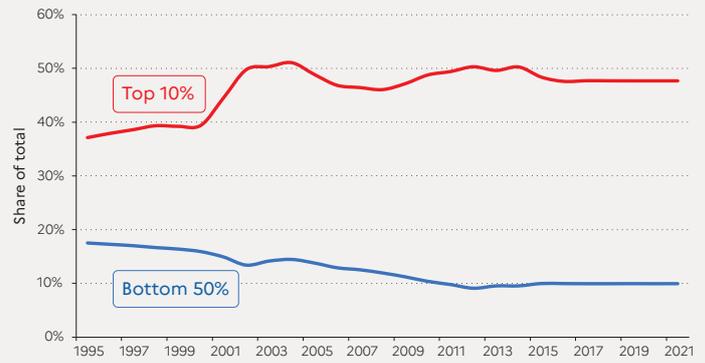
Gender inequalities in Italy are slightly higher than in other Western European countries. The female labor income share in the country is equal to 36%, which is close to values in North America (38%). This value is higher than in sub-Saharan Africa (28%) and Asia (21%, excluding China) but significantly lower than in the Eastern European region (41%). We observe a recent significant decrease of gender inequalities in the country, with female labor income share gaining six points in the last 30 years.

■ Carbon inequality

In Italy, the average greenhouse gas production is around 9 tCO₂e/capita. This is similar to European countries such as France (9 tonnes) and the UK (10 tonnes). The top 10% emit 24 tonnes today compared with five tonnes for the bottom 50%. Between 1990 and today, emissions in Italy decreased by around three tonnes of CO₂e/capita on average. While emissions among the top 10% have dropped by 8% since 1990, the bottom 50% recorded a 32% drop in its emissions. These dynamics are partly due to a stronger drop in incomes among the poor than among the rich after the lost decade of 2007-2017.



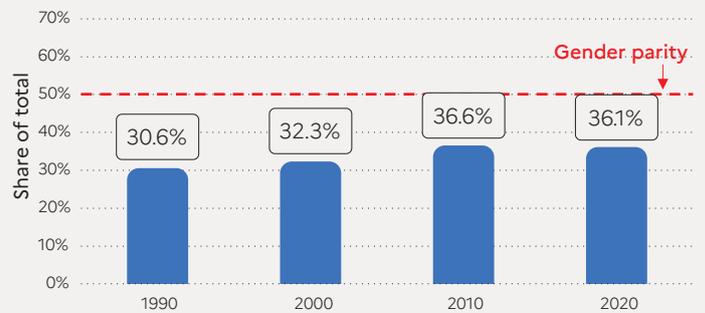
Figure 2: Wealth distribution in Italy



Interpretation: In 2021, the wealthiest 10% of the population own 48% of total household wealth. Household wealth is the sum of all financial assets (e.g. stock, bonds) and non-financial assets (e.g. housing), net of debts.

Sources and series: [wir2022.wid.world/methodology](https://www.wir2022.wid.world/methodology).

Figure 3: Female labor income share in Italy, 1990-2020



Interpretation: The share of total labor income accruing to women in 2020 is close to 36%.

Source and series: [wir2022.wid.world/methodology](https://www.wir2022.wid.world/methodology).

Table 2: Carbon table

	Avg. GHG footprint (tCO ₂ e/capita)
Full population	9.1
Top 1%	63.0
Top 10%	23.8
Middle 40%	10.3
Bottom 50%	5.2

Interpretation: The table presents average CO₂ emissions of different groups of the population in 2019. Emissions take into account carbon embedded in consumption and investment portfolios.

Sources and series: [wir2022.wid.world/methodology](https://www.wir2022.wid.world/methodology).