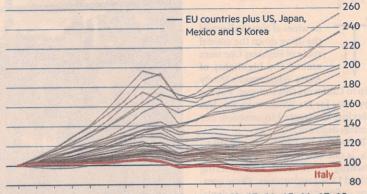
Graphical Insight Italy's economic woes

The Italian government is facing the challenge of how to get Italy out of the slow or no-growth trap it has been caught in throughout this century

Italy is the only EU country and major world economy where GDP per capita is still below its level in 2000

Constant GDP per capita (rebased)



2000 01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18

Italy's economic growth is hampered by structural weaknesses including an industrial system in need of modernisation, a dysfunctional education system, a high public debt and an unfriendly business environment

Italy's labour productivity growth Italy's 15-year old students underperform is lagging Average reading, science and maths, Compound annual growth rate on difference with OECD average, 2015 constant labour productivity, (Pisa scores) 1998-2018 (%) Italy US S Korea Japan 8 Poland Slovakia 30 S Korea -10 0 10 20 Turkey Czech Rep Italy's payments on public debt Hungary interest are high and forecast to grow Iceland Forecast for 2020 (% of GDP) US Sweden OECD Sweden UK Greece Italy Australia Israel UK Finland Canada Netherlands Greenfield foreign investment Denmark New Zealand Jan 2003- Sep 2018 (\$bn) Japan UK Portugal France Germany Austria Spain Belgium Poland Germany France Norway Spain Romania Despite being a Italy is the only Switzerland Netherlands larger economy, Italy **OECD** country where Greece Italy attracts less foreign labour productivity Mexico direct investment has not increased in Ireland Luxembourg

o; FT research; OECD; European Commission Autumn 2018 forecast; fDI Markets

Slovakia |

the last two decades

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