Costanza Guazzo

USING REDDITO DI CITTADINANZA AS BASIC INCOME DURING THE PANDEMIC

The pragmatic approach of young highly-skilled, underemployed welfare recipients

Abstract:

Italian young adults are at risk of precarity even when they are highly-skilled, but they lack protection from the welfare system, which mostly fails to respond to the needs of atypical workers. However, highly-skilled youth started to request welfare support in higher numbers from the onset of the pandemic. The article analyses the experience of 32 young highly-skilled adults who received conditional income support (*Reddito di Cittadinanza*). Their semi-structured interviews depict experiences mostly characterised by uncertainty and fragility: prior to the application, as the working careers are mostly fragmented; and once recipients, due to challenges in maintaining the benefit, because of income fluctuations due to atypical occupations. The article makes an important contribution to the literature by bringing to the spotlight the lived experience of an understudied population in Italy, subject to invisibilisation in the public discourse on welfare.

Keywords:

precarious work; youth; basic income; pandemic; underemployment.

1. *Introduction*

The article focuses on the lived experiences of young highly-skilled underemployed in Italy during the pandemic. Italian young, graduated workers face a paradoxical situation: despite being highly-skilled, they are still one of the most economically fragile groups on the job market (Eures 2024). However, the welfare system still mostly fails to account for their particular needs as atypical younger workers (Bertolini 2018). Quantitative evidence shows that in Italy the transition to work for young adults is much lengthier and more complicated – even for those with a university degree – in comparison with other European countries (Pastore *et al*. 2021; Anelli 2018), but

there is still scarce information on the way this shapes the use of the welfare measures among youth, particularly regarding minimum income schemes (cfr. Cacciapaglia 2023). The article builds on this gap by providing qualitative data on young adults' experiences and points of view on welfare.

An increasing flexibilisation of life careers characterises the Italian world of work: work deregulation and the introduction of flexible work arrangements have altered the landscape of work contracts and increased the prevalence of atypical work in the past thirty years, particularly for youth and women (Bertolini 2018; Pitti, Tuorto 2021; Semenza, Samek Lodovici 2012). Younger generations mainly enter the labour market with atypical and temporary contracts and struggle in transitioning to more stable jobs (Migliavacca, Rosina 2022). Moreover, in Italy there is no unemployment benefit for those entering the labour market for the first time and some atypical workers are still excluded from unemployment benefits (Bertolini 2018). Thus, even highly specialised professionals, due to minimum wage levels and exclusion from welfare benefits, are more exposed to the risk of unemployment, economic vulnerability and marginality in comparison with other European countries (Murgia, Poggio 2012).

The fragile position of younger workers in Italy worsened during the pandemic years. The pandemic, from its onset, had a significant impact on the labour market both quantitatively and qualitatively, due to the exacerbation of inequalities (ISTAT July 2022). The crisis affected above all the less protected components of the labour market (Quaranta *et al.* 2020; Busso *et al.* 2021). Young people were particularly hit by the pandemic, as they are relatively more present in the service sectors most affected by the crisis and hired through atypical and temporary contracts: accommodation and catering, administrative, recreational and family services (Quaranta *et al.* 2020; OECD 2021; ILO 2020).

Emergency and non-emergency welfare measures were fundamental to temper the effects of the Covid crisis: the measure that had the greatest impact was *Reddito di Cittadinanza* (Maitino *et al.* 2022; Busso *et al.* 2021). Reddito di Cittadinanza (also referred to as RDC) was an Italian conditional minimum income policy activated in 2019 and repealed in 2024. Entitlement was made contingent on the beneficiary's income (means-tested) and active job search. It was divided into two parts: economic support, based on the number of household members, and (compulsory) work activation activities, based on the needs of the family. However, from March to October 2020 work activation was suspended due to the emergency. In order to receive the benefit, the applicants must respect three types of requirements related to residence, income, movable assets. The maximum duration of Reddito di

Cittadinanza was 18 months which could be renewed for another 18 months maximum, after a month's pause (INPS 2020; cfr. Baldini, Gori 2019).

2. *Methodological note*

The present contribution focuses on 32 semi structured interviews with young highly-skilled underemployed adults that benefitted from RDC between 2020 and 2022 in Turin, showing how the common thread was a diffuse economic fragility that worsened during the pandemic, leading to a welfare request. Moreover, the welfare request did not result in a reliable form of relief, as atypical contracts were not really taken into account by the welfare measure, causing unpredictability of the support continuity. At the same time, most participants had developed a pragmatic view on welfare and on precarity, using RDC as a lifesaver during periods of un- and under- employment that were perceived as part of their "normal" lived experience.

The qualitative research, developed during the doctorate, focused on the work experiences for young adults with high cultural capital in low-intensity work situations and on their relationship with the measure. The interviews were conducted between 2020 and 2021; all the interviewees except two were then recontacted again in 2022 for a brief follow-up.

The sample focused on graduates or enrolled in a degree course, aged between 26 and 36, who were recipients of Reddito di Cittadinanza in the Turin metropolitan area. The recruitment of interviewees followed a combination of cluster sampling and snowball sampling. The data obtained were then anonymized, transcribed, segmented and coded via thematic analysis (Cardano 2011). All names were changed, and transcripts anonymised.

Regarding the main characteristics of the interviewees, gender-wise, 16 identified as women and 14 as men; no interviewees identified as nonbinary or transgender. All the interviewees had Italian citizenship, although five were not born in Italy.

The interviews were held during a period marked by lockdowns first, and deep economic uncertainty later. However, more than a third of the interviewees worked in some form while receiving Reddito di Cittadinanza, usually in teaching, social care, sales and hospitality sectors, and a minority was enrolled in a university course, or engaged in training activities. For these interviewees the RDC work activation was suspended; it must be noted that almost all interviewees were not called for activation altogether. In any case, the interviewees' occupations were not sufficient to

gain economic stability above the poverty level, as their Reddito di Cittadinanza request was indeed accepted. Regarding university education, most of the participants had chosen humanities or arts courses, particularly History, Philosophy, Political Science, and Arts; a minority had experience in STEM courses.

The requests were most frequently made after the onset of the pandemic and gradually increased during the two years of Coronavirus, with a peak in 2020, the year of the pandemic lockdown, mirroring the available longitudinal data on Reddito di Cittadinanza (cfr. ANPAL 2019; ANPAL 2022). The spread of more accessible forms of support and with fewer access barriers, like REM, actually opened up an important possibility of expression of vulnerable situations that previously, although present, remained latent (cfr. Quaranta *et al*. 2020). The interviewees, on average, received Reddito di Cittadinanza for about a year.

3. *Life and work trajectories*

The work experience of the participants was marked by precarity from its onset. During university years, families of origin provided support according to their economic availability, but most participants had their first contact with the world of work then, usually with undeclared, temporary, and on-call jobs in the catering and care sectors. The impossibility of stabilisation and the overqualification continued well after the university years. After graduation, most interviewees constructed a double career path, that could be defined, drawing on Goffman (1974), as "frontstage" and "backstage" jobs: the frontstage job was usually in the sector of specialisation, and it was considered very important for the identity of the interviewee, even if it was a minor source of income; while the backstage job allowed for income continuity but was not considered representative of the identity of the participant, nor focus for training or passionate investment (Farrugia 2019). This pragmatic view on income was then maintained also when discussing the decision to request a minimum income scheme.

Instability was described as structurally part of many working sectors: Libera, singer, underlined how her economic condition changed a lot from year to year and even from season to season, causing the impossibility to open a *Partita IVA* [a VAT identification number for tax purposes] earlier, and consequently, to request welfare support before the worsening of their conditions due to the pandemic.

> Libera (29, F, Dams BA, interviewed in 2021): «when I decided to do this job I knew it, a seasonal job is a rollercoaster… (…) you work in the summer and don't work in the winter. I have learned to live like this… the rest of the year I earn less but you organise yourself, I take care… That is the nature of the job and that's okay with me. The problem in fact are the off-the-book contracts. Because I don't get to be treated as a normal citizen. I cannot rent a house, because it seems that my income is zero, I cannot pay the taxes…and I could not request welfare».

Many interviewees worked primarily with off-the-book contracts in the hospitality and restaurant sectors, preventing them from legally forming a new home, renting or buying a house and, *ça va sans dire*, from requesting any form of assistance as a separate household from the family of origin.

> Beatrice (26, F, Sociology, interviewed in 2022): «…the problem has always been that in fact most of my jobs were off-the-book, with no rights …I never had the right to unemployment, holidays, or the possibility to make a mortgage»

> Didi (30, F, Philosophy, interviewed in 2021): «Yes, it was the first form of welfare for me… Having always had precarious jobs or off-the-book contracts (*in nero*) in any case… the jobs I had did not allow me to form an autonomous household. However, actually I have been living alone since I turned 20. So… Now I'm 29».

These excerpts show the problematic divergence between job market traits for younger workers and welfare policies rules: however, the participants still managed to request Reddito di Cittadinanza during the pandemic period, when the fragile balance of manual and specialised contracts that they had built crushed under the economic emergency, worsening their position on the labour market.

Despite the condition of need and the eligibility to receive the measure, they still had to face constant obstacles, caused by their atypical contracts, in order to continue receiving the measure.

4. *The experience with the welfare measure*

Having low expectations of a linear career, the interviewees seemed to pragmatically use the welfare benefit as a sort of economic lifesaver against in-work poverty and unemployment during the pandemic period: to keep their independence through a minimum source of income in tough circumstances; to avoid regressing in their life transitions because of their

economic situation, by coming back to live with their families of origin; or to avoid being exploited in indecent jobs. As Didi underlines, Reddito di Cittadinanza allowed many to avoid the underpaid or underqualified jobs and focus more on the sector of specialisation and on career coherence.

> Didi (30, F, Philosophy, interviewed in 2021): «I took [RDC] more as a breath of fresh air, between jobs… You know that jobs in shit conditions, there are as many as you want, it is the jobs with good conditions that are missing. So I never approached the Reddito di Cittadinanza thinking it would solve my precarity problems…».

Reddito di Cittadinanza interacted with the life and work trajectories of the participants in different ways. It is possible to divide recipients into three groups, considering their experience with work, their plans and their welfare request, drawing on Meo and Moiso's (2018) categorization of young workers in Italy:

1) *The Surfers* were individuals that received Reddito di Cittadinanza within a relatively coherent biographical path, viewing it as a temporary aid while maintaining clear future plans. The basic economic security of Reddito di Cittadinanza (although not always perceived as reliable over time) allowed them to learn new skills through a training course, to overcome the pandemic waves or a period of unemployment without accepting under qualified jobs. Instead of relying on the family of origin's support system when unemployed, these recipients maintained economic and personal independence, continuing to plan their lives, albeit on the shorter-term.

2) *The Overwhelmed:* in a different way, other interviewees seemed to use the Reddito di Cittadinanza as an economic relief, but without inserting it into a clear life plan. This type of interviewee recalled the definition of NEET, as young people not involved in training or in a job, even if they worked in different forms, despite not achieving sufficient income for financial independence. However, their jobs had no particular relevance to their passions, and there was a general perception of a confused biographical path. These interviewees usually came from families that had also already faced long-term economic difficulties.

3) *The Lifebuoyers:* Finally, a minority of participants used Reddito di Cittadinanza to deal with a sudden period of vulnerability, often exacerbated by the pandemic, such as sudden lack of employment, end of relationships, and health issues. For example, Abel, facing a romantic break-up and health issues, was able to use the economic support of the Reddito di Cittadinanza to plan a new course of action and find a new independent housing arrangement without burdening his parents.

> Abel (34, M, Philosophy, interviewed in 2021): «After getting the covid flu I got a neurological disease. (…) I was also separating from my ex-partner, I left my home… I was pretty depressed. (…) But taking the Reddito di Cittadinanza saved me (…) I said to myself: rather than take a job today, where I'm sure I will make an incredible effort because it will take three times the effort to get half the results, I can afford to take some time for myself and feel better, in a month, two months, three months but… focus for a moment on my mental well-being, and do some therapy… etcetera. And be able to recover, because it was a colossal blow».

In different ways, participants benefited from Reddito di Cittadinanza as a support system that allowed them to avoid requesting help from the family of origin, while at the same time allowing for stability during periods of un- and under-employment. Moreover, due to the lack of activation of the compulsory workfare policy of RDC, their experience with the policy recalled an unconditional basic income, more than a workfare and economic support policy.

5. *An unpredictable support*

Despite positive views overall, the welfare measure was perceived as unpredictable and unstable. The participants perceived Reddito di Cittadinanza rules as unclear and sometimes unfair: mostly, because of the impossibility to get clear answers regarding the state of the request and on the rules' application. These issues are not specific to this particular type of recipient, but they are highlighted by the research on beneficiaries' experiences with Reddito di Cittadinanza (Busso, Meo, Morlicchio 2018; Leonardi 2019; Cacciapaglia 2023).

Unpredictability was linked to three main motivations:

1) Abrupt suspensions or variations in cash amount from month to month, that might be caused either by errors, or by sanctions; usually, the interviewees were unaware of the reasons behind and faced the impossibility to get clear answers.

> Balentia (35, F, Languages, interviewed in 2021): «I don't know why now in February, March I saw the Reddito di Cittadinanza drop to 170 euros. I think it is (…) because of my atypical contract and because of its one-shot payment after three months of work. And therefore it turns out that I earned more than two thousand euros more than expected… it is supposed to be spread over the year, though. So it doesn't make sense, now I have to understand».

2) But mostly, the work precariousness of the interviewees itself created the conditions for the instability of the measure, highlighting again the distance between the needs of the young recipients and the welfare design. The cause usually was career fragmentation, which resulted in important income variations and changes in their economic condition. As the Italian economic condition certificate, the ISEE, refers to the economic condition of two years earlier, it was usually very distant from the current economic conditions of the participant in the current year. Juno, Art History graduate working as a primary school teacher assistant, explains her situation in the following excerpt.

> Juno (28, F, Art History, interviewed in 2021): «I applied for Reddito di Cittadinanza in November 2020 with the 2018's ISEE. I was unemployed in 2018, I had an average balance [giacenza media] of -25 euros in my bank account and therefore they gave me Reddito di Cittadinanza without even thinking about it. The following year, in the beginning of 2021, I had to re-apply, but then the ISEE was focused on 2019, when I was working as a collaborator in a publishing house, and therefore they would not give Reddito di Cittadinanza to me …even though [at that moment] I needed it more than ever».

The solution proposed by lawmakers, the current ISEE certification, that refers to the actual economic condition of the recipient, generated anxiety to the participants. The current ISEE certificate requires monthly updates: many avoided it because they feared the monthly meetings, and therefore lost the welfare measure.

> Iris (28, F, Political Sciences, interviewed in 2020): «At the beginning of 2021 I have to present my new ISEE for the recalibration of the figure, eeee… I don't think I will get RDC again [nervous chuckle]. Because [they won't give me RDC] unless… I do the current ISEE, and every month I'll have to do it again. But I don't think I will».

Overall, it was evident that despite the positive effects on the day to day experience of the participants, these young atypical workers in low work intensity contexts struggled to maintain a benefit for which they were eligible.

6. *Reddito di Cittadinanza as basic income?*

Despite all the challenges in receiving and maintaining the benefit, most interviewees emphasised the benefits of a welfare provision for the unemployed and underemployed, questioning the negative public perception of the Reddito di Cittadinanza. Some interviewees focused their attention onto the perverse effects of a negative representation of Reddito di Cittadinanza and in particular on what is referred to in literature as *non-take-up*: the risk of exclusion, *de facto,* of all those that feel too bad for asking, despite eligibility; others noticed that a small number of fake recipients could not outnumber all the people who truly needed it, as Antonio explains:

> Antonio (33, M, Industrial Design, interviewed in 2021): «I do not rule out that there are people who do take advantage of it but… it is a portion […] we have to look at everyone else. All the other stories. I guess the Reddito di Cittadinanza has helped an immense amount of people who would otherwise have been through really dark times».

Overall, in fact, most interviewees discussed Reddito di Cittadinanza as a right. This undoubtedly has to do with their strong cultural capital, political positions, and desire to disassociate themselves from a stigmatised identity, but it still represented an unexpected common thread.

> Iris (28, F, Political Sciences, interviewed in 2020): «I had talks with [my parents], I wanted them to understand that [RDC] is a right. And, it is right to exercise it in times of need, and that, in my ideal world, they would have Reddito di Cittadinanza too [laughs]. Were they not retired they would be entitled to an unquestionable minimum to live well».

> Abel (34, M, Philosophy, interviewed in 2021): «I personally do not feel guilty, I have never felt guilty, I believe it should be a given that there is a State that should take care of its citizens… in my view if [the State] establishes rules and has the money, it must do everything it can to improve the living conditions of citizens».

These thematisations of a right to receive institutional help also implicitly recalled the idea of basic income, as an unconditional, non-withdrawable income provided to every citizen, as a bare minimum payment, adequate to cover necessities, that is based on residency rights and paid to everyone, without restrictions and without the ability to be withdrawn, regardless of additional income, paid to the individuals – as opposed to as a household

(Standing 2017). Some participants explicitly discussed the idea of a universal basic income, and some were very passionate about it.

> Cain (30, M, Technology, interviewed in 2021): «..the data tells us that automation will take away a lot of jobs, we must rethink a system. A Universal Income would be a nice idea, in my opinion».

> Bearice (26, F, Sociology, interviewed in 2022): «I think that we should ask for an unconditional universal basic income for everyone regardless of citizenship… This is because of the changes in the labour market (…) I mean, I perceive the Reddito di Cittadinanza and continue to work despite the fact that if I stopped working my Reddito di Cittadinanza would increase!».

> Iris (28, F, Political Sciences, interviewed in 2020): «…simply if you make a universal income, those who are really in the shit maybe they can receive it "forever" [quotes with fingers] or those who for a period of their life don't find job stability or they don't look for it. (…) There are people, for example G., who works in tourism… his job is highly unstable. (…) But in a world where there is a minimum income, you can choose your life of unstable work, because your job is constitutionally unstable».

It is important to underline that the emergency pandemic temporarily suspended the compulsory RDC work activation, and that many participants experienced the welfare measure *de facto* unconditionally. On the other hand, many of them had a clear view of the political timeliness of such a welfare provision, that could temper most of the difficulties that young precarious workers have to face daily in Italy, despite the lack of similar forms of support in the Italian welfare system.

7. *Conclusions*

Young generations of workers are often less protected in the labour market but, paradoxically, also receive significantly less institutional support from the welfare system and the state than older generations. This situation will become even more critical over time, when the majority of the workforce will be engaged in precarious and flexible employment and thus more at risk of economic instability. Yet, young highly-skilled workers requested RDC in higher numbers from the onset of the pandemic (ANPAL 2022), because of worsened economic conditions, and maybe also because of a shift in the vision on welfare and income for younger generations. Faced with worsening economic circumstances and the inability to work, they

have sought support from measures such as Reddito di Cittadinanza. *De facto* many interviewees used the welfare measure as a sort of basic income in their everyday lives (considering that the Reddito di Cittadinanza work activation suspension), when un- and underemployed. Also, as discussed in the last part of the contribution, their views showed to be extremely pragmatic and innovative, viewing welfare support as a right and a necessity for those facing economic precarity and fragility. Of course, the sample in this study comprised individuals with high cultural capital, such as university graduates, who represent a minority of income support recipients, but despite the small sample size, their narrations may offer valuable insights on the experiences as young precarious workers and stimulate a broader discussion on the role of welfare for younger generations in Italy today.

References

Anelli M., 2018, *University to work transition*, Policy Brief, Università Bocconi.
ANPAL, 2020, *Report Reddito di cittadinanza, nota n. 3/2020*, Collana Focus Anpal, n. 87, in: www.*anpal.gov.it*.
Id., 2022, *Report Reddito di cittadinanza, nota n. 9/2022*, Collana Focus Anpal, n. 136, in: www.*anpal.gov.it*.
Baldini M., Gori C., 2019, *Il Reddito di Cittadinanza*, Bologna, Il Mulino.
Bertolini S. (a cura di), 2018, *Giovani senza futuro?*, Roma, Carocci.
Busso S., Gori S., Martelli A., Meo A., 2021, *Misure economiche di contrasto alla povertà alla prova della pandemia. Tre chiavi di lettura*, in «Politiche Sociali», n. 3, pp. 531-552.
Busso S., Meo A., Morlicchio E., 2018, *Il buono, il brutto e il cattivo. Rappresentazioni e forme di "regolazione dei poveri" nelle misure di sostegno al reddito*, in «Sinappsi», VIII, n. 3, pp. 69-83.
Cacciapaglia M., 2023, *Con il reddito di cittadinanza. Un'etnografia critica*, Milano, Meltemi.
Cardano M., 2011, *La ricerca qualitativa*, Bologna, Il Mulino.
EURES, 2024, *Giovani 2024. il bilancio di una generazione*, disponibile al link: https://agenziagioventu.gov.it/wpcontent/uploads/2024/04/2024_01_RAPPORTO-GIOVANI_REPORT-COMPLETO_4_4_2024.pdf.
Farrugia D., 2019, *The formation of young workers: the cultivation of the self as a subject of value to the contemporary labour force*, in «Current Sociology», vol. 67, n. 1, pp. 47-63.
Goffman E., 1974, *Frame analysis: An essay on the organisation of experience*, Cambridge (MA), Harvard University Press.
ILO, 2020, *ILO Monitor: COVID-19 and the world of work. Sixth edition*, in «https://www.ilo.org/resource/brief/ilo-monitor-covid-19-and-world-work-6th-edition», 23 settembre 2020.
INPS, 2022, *Osservatorio Statistico. Prima Nota trimestrale, anno 2022*, in: www.*inps.it/dati*.
ISTAT, 2022, *Rapporto annuale 2022. La situazione del Paese*, in: www.*istat.it*.
Leonardi D., 2019, *Etichettare, valutare, scegliere. Spazi discrezionali in un disegno di intervento istituzionale*, in «Autonomie locali e servizi sociali», 2, 4/2019.
Maitino M., Mariani M., Patacchini, V., Ravagli, L., Sciclone, N., 2022, *Employment effects of Reddito di cittadinanza, before and during the Covid-19 pandemic*, in «*IRPET Working Papers*».
Meo A., Moiso V., 2018, *Precari e autonomi: un binomio (im)possibile*, in Bertolini S. (a cura di) *Giovani senza futuro? Insicurezza lavorativa e autonomia nell'Italia di oggi*, Roma, Carocci.
Migliavacca M., Rosina A., 2022, *Il posto dei giovani, tra presente e futuro*, in «Politiche Sociali/Social Policies», n. 1/2022, pp. 3-14.
Murgia A., Poggio B., 2012, *La trappola della passione: esperienze di precarietà dei giovani highly skilled in Italia, Spagna e Regno Unito*, in Cordella, S., Masi, S. (a cura di), *Condizione giovanile e nuovi rischi sociali. Quali politiche?*, Roma, Carocci.

OECD, 2021, *OECD Employment Outlook 2021: Navigating the COVID-19 Crisis and Recovery*, Paris, OECD Publishing.

Pastore F., Quintano C., Rocca A., 2021, *The duration of the school-to-work transition in Italy and in other European countries: a flexible baseline hazard interpretation*, in «International Journal of Manpower», vol. 43, n. 7, pp. 1579-1600.

Pitti I., Tuorto D., 2021, *I giovani. Identità e trasformazioni*, Roma, Carocci.

Quaranta R., Trentin F., Villosio C., 2020, *First estimates of the effects of COVID-19 on young workers in Italy*, Torino, INAPP Papers.

Semenza R., Samek Lodovici M., 2012, *Precarious work and high-skilled youth in Europe,* in *Semenza R., Samek Lodovici M.,* (Eds.), *Precarious work and high-skilled youth in Europe*, Milano, FrancoAngeli.

Standing G., 2017, *Basic income: And how we can make it happen*, London, Penguin UK.