

# Legends Consulting Country Fact Sheet



## ITALY

CURRENCY: EURO

### Introduction

The United States enjoys warm and friendly relations with Italy. Italy is a leading partner in counterterrorism efforts. The two are NATO allies and cooperate in the United Nations, in various regional organizations, and bilaterally for peace, prosperity, and security.

Under longstanding bilateral agreements flowing from NATO membership, Italy hosts important U.S. military forces at Vicenza and Livorno (army); Aviano (air force); and Sigonella, Gaeta, and Naples--home port for the U.S. Navy Sixth Fleet. The United States has about 11,500 military personnel stationed in Italy. Italy hosts the NATO Defense College in Rome.

The United States has had diplomatic representation in the nation of Italy and its predecessor nation, the Kingdom of Sardinia, since 1840, with a break in relations from 1941 to 1944, while Italy and the United States were at war.

Italians are a great people and, once they get to know you, they will do everything in their power to help you in case of need and share some homemade wine at a dinner party.



### Business

For those from a more formal culture where meetings are structured and ordered, meetings in Italy can often be seen as almost anarchic. Meetings are usually informal gatherings and the smaller the meeting the less formal it is likely to be.

Agendas, if present, are extremely flexible with all members of the meeting taking an active role and with frequent interruptions, side conversations and people breaking off to answer mobile phone calls. Part way through the meeting, some of the delegates might leave whilst new participants arrive and join in with equal gusto.

Meetings can often seem to be for the formal ratification of a decision that has been made elsewhere and this is, indeed, often the case. Decisions will frequently be made in smaller pre-meeting lobbying sessions which take place prior to the larger meeting and in which much of the debate and dissension takes place. Therefore, in order to have influence in the final decision it is often necessary to ensure participation in the pre-meeting meetings.

Dress code: Italians have style and this is evident in the way they dress for work. Styles of dress will vary from industry to industry with the more conservative professions of finance and the law favoring suits and ties and industry being somewhat less formal. Regardless of function, however, managers will invariably be very well-groomed wearing good quality, well-cut clothes.

The importance of appearance in Italy should not be taken lightly - if you want to be respected look the part! Looking good is as important for men as for women and women visiting Italy might be surprised to hear compliments made to them on their appearance. (Such comments are not considered politically incorrect in Italy.)

As it can get very hot in the summer, do not arrive with heavy northern European clothing in June - lightweight fabrics will make your visit much more comfortable.<sup>1</sup>

Traveling and doing business in Italy is pleasant and most natives speak very good English. However, as in any foreign country, natives truly appreciate it when one attempts to speak a little Italian.

## *Travel*

Travel to major Italian cities from the United States is quite easy with two stops from various American airports or one-stop from major East coast cities. Connecting flights to major Italian cities from many European hubs provides many more options with London, England having perhaps the most connecting flights.

There are numerous travel options while traveling within Italy. The train and roadway systems connect even the most remote villages adequately. Traveling by train is the most recommended way. Connecting flights to and from major Italian cities are affordable and fast. Italy has great connecting services between the main land and its islands.

Although visiting most any area of Italy is quite safe, it is prudent to remain "Streetwise," while traveling by foot, train, bus, or air.

## *Demographics*

Italians are proud of their history, their culture, and their contributions to the cultural foundations of the world. Italy is known around the world as the birth place of the Roman Empire and for its history and major contribution in philosophy, math, architecture and more.

Italian people are highly educated and they like to engage in lively discussions about history, the arts, business, politics and sport, especially soccer.

## *Views toward foreigners*

Americans are welcomed openly with gracious hospitality. A person who lost their way wandering the streets of Rome, Milan or Florence can ask for directions and very well find that many people speak English.

## *Economic Overview and selected data*

*(The information below is taken directly from the CIA World Factbook: [www.cia.gov/library/publications/the-world-factbook/](http://www.cia.gov/library/publications/the-world-factbook/))*

Italy has a diversified industrial economy, which is divided into a developed industrial north, dominated by private companies, and a less-developed, welfare-dependent, agricultural south, with high unemployment. The Italian economy is driven in large part by the manufacture of high-quality consumer goods produced by small and medium-sized enterprises, many of them family owned. Italy also has a sizable underground economy, which by some estimates it accounts for as much as 15% of GDP. These activities are most common within the agriculture, construction, and service sectors. Italy has moved slowly on implementing needed structural reforms, such as reducing graft, overhauling costly entitlement programs, and increasing employment opportunities for young workers, particularly women. A rise in exports and investment driven by the global economic recovery helped the economy grow by about 1% in 2010 following a 5% contraction in 2009. The Italian government has struggled to limit government spending, but Italy's exceedingly high public debt remains above 115% of GDP, and its fiscal deficit - just 1.5% of GDP in 2007 - exceeded 5% in 2009 and 4% in 2010, as the costs of servicing the country's debt rose.

## Selected Statistical Data – Italy

**GDP (purchasing power parity)** - \$1.774 trillion (2010 est.) – Country comparison to the world: 11

**GDP (per capita)** - \$30,500 (2010 est.) – Country comparison to the world: 43

**GDP – composition by sector** – Agriculture: 1.9%, Industry: 25.3%, Services: 72.8%

**Labor Force** – 24.99 million (2010 est.)

**Unemployment Rate** – 8.4% (2010 est.) – Country comparison to the world: 99

**Inflation Rate (consumer prices)** – 1.6% (2010 est.) – Comparison to the world: 51

**Industries** - tourism, machinery, iron and steel, chemicals, food processing, textiles, motor vehicles, clothing, footwear, ceramics

**Exports:** \$448.4 billion (2010 est.) – Comparison to the world: 9

Exports – Commodities: engineering products, textiles and clothing, production machinery, motor vehicles, transport equipment, chemicals; food, beverages and tobacco; minerals, and nonferrous metals

Exports – Partners: Germany 13.2%, France 11.7%, Spain 5.9%, US 5.8%, UK 5.4%, Switzerland 4.6% (2010)

**Imports:** \$473.1 billion (2010 est.) – comparison to the world: 8

Imports – Commodities: engineering products, chemicals, transport equipment, energy products, minerals and nonferrous metals, textiles and clothing; food, beverages, and tobacco

Imports – Partners: Germany 16.2%, France 8.5%, China 7.9%, Netherlands 5.4%, Spain 4.5% (2010)

**Chief of State** - President Giorgio NAPOLITANO (since 15 May 2006)

**Head of Government** - Interim Prime Minister Mario MONTI (since 13 November 2011)

**Area – comparative:** slightly smaller than Arizona

**Coastline** - 7,600 km

**Natural Resources** - coal, mercury, zinc, potash, marble, barite, asbestos, pumice, fluorspar, feldspar, pyrite (sulfur), natural gas and crude oil reserves, fish, arable land

**Population** - 61,016,804 (July 2011 est.) - country comparison to the world: 23

**Median Age** - 43.5 years

**Urbanization** - urban population: 68% of total population (2010)

**Major Cities** – ROME (capital) 3.357 million; Milan 2.962 million; Naples 2.27 million; Turin 1.662 million; Palermo 872,000 (2009)

**Ethnic Groups** - Italian (includes small clusters of German-, French-, and Slovene-Italians in the north and Albanian-Italians and Greek-Italians in the south)

**Religions** - Roman Catholic 90% (approximately; about one-third practicing), other 10% (includes mature Protestant and Jewish communities and a growing Muslim immigrant community)

**Literacy** - definition: age 15 and over can read and write; total population: 98.4%

**Government Type** – republic

---

---

This Country Fact Sheet is designed to provide a very general overview and a broad perspective on the country as a whole. This paper is purposed as a starting point for those interested in doing business in or with the county described. More in-depth information for specific commercial and business utilization is available to our clients and/or on request.

For more complete information or for specific questions please contact us at: [inquiry@legendsconsulting.net](mailto:inquiry@legendsconsulting.net).

Last Revised: February 7, 2012

Copyright @ 2012 Legends Consulting, LLC All rights reserved  
Copyright applies to all information not quoted from the CIA World Factbook  
Map graphic provided by CIA World Factbook

2012 Member:  
World Trade Center (WTC)  
Colorado Translators Association (CTA)

Legends Consulting LLC: International Business Consulting, sourcing and marketing, negotiations, European intercultural commercial training and preparation, translations, and interpretation. Collaboratively advising, streamlining, optimizing and structuring to benefit our client's international commercial interests in a tough world economy. Assisting companies in refining client goals, strategies and commercial market targets for the growth and prosperity of their businesses in a global market.

---

Referenced notes from text above:

<sup>1</sup> <http://www.worldbusinessculture.com/Business-in-Italy.html>