



Relationship between LGBTQIA+ inclusion and local economic development

LGBTQIA+ inclusion across Italian territories

The dynamics of minority inclusion and the relationship between inclusion and economic development have been studied internationally for many years. Starting with "The Economics of Discrimination" (Becker, G.; 1971), numerous researches have explored the **interaction between inclusion, tolerance and creativity**, on the one hand, and **socio-economic and business development** on the other (among all, Tinagli, I. & Florida, R. L.: "Europe in the creative age", 2004 and "Italy in the creative age", 2005; Badgett, M. L.: "The Economic Case for LGBT Equality", 2020).

The second edition of the "Relationship between LGBTQIA+ inclusion and local economic development", carried out by Tortuga (www.tortuga-econ.it) in collaboration with EDGE (www.edge-glb.it) and with the support of the **SACE Group** (www.sace.it), provides an **accurate, granular and in-depth analysis of LGBTQIA+ inclusion across Italian territories**.

Four years after the first edition, and eight years after the promulgation of the so-called "Cirinnà" law that introduced same-sex civil unions in Italy, the new edition of this Report aims at understanding how inclusive Italian territories are towards LGBTQIA+ individuals. The analytical framework relies on **a statistical analysis of quantitative data on civil unions, economic indicators for territorial units considered and the use of sentiment analysis to capture the tone of public discourse** on Twitter (now, platform "X"), as well as the incidence of "hate speech" against LGBTQIA+ people across the country.

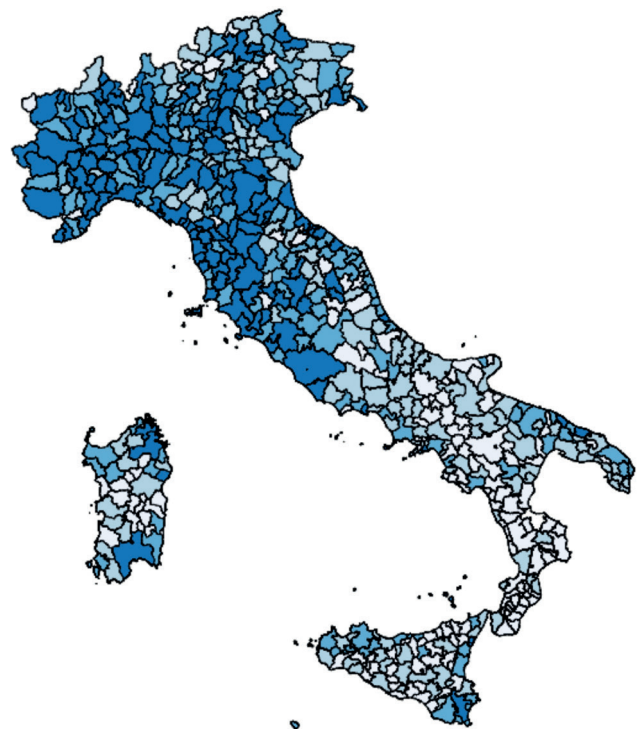
The report allows us to draw three main conclusions:

1. There is a positive correlation between LGBTQIA+ inclusion and socio-economic development;
2. Higher levels of inclusion mainly translate into **greater wealth and attractiveness** of the inclusive territories;
3. At the same time, however, there is an **inclusion divide**, which has persisted over the years, between Northern, Central and Southern Italy as well as between neighbouring areas, revealing the strong **heterogeneity of Italian territories**.

These findings highlight the importance of **active local development policies** that take this heterogeneity into account and promote actions that are geared towards greater inclusiveness.

Tortuga's analysis employs "Local Labour Systems" by the Italian National Institute of Statistics, i.e. clusters of municipalities defined on the basis of citizens' actual living and working habits. It provides **public administrations and businesses with a detailed and actionable picture of LGBTQIA+ inclusion** across territories.

Civil unions in relation to resident population, in Italian Local Labour Systems; average 2017-21.



For other maps of LGBTQIA+ inclusion in Italy, see the online Report.

Relationship between LGBTQIA+ inclusion, economic development and attractiveness of territories in Italy

Selection of correlation coefficients between LGBTQIA+ inclusion and socio-economic variables, in Italian Local Labour Systems.

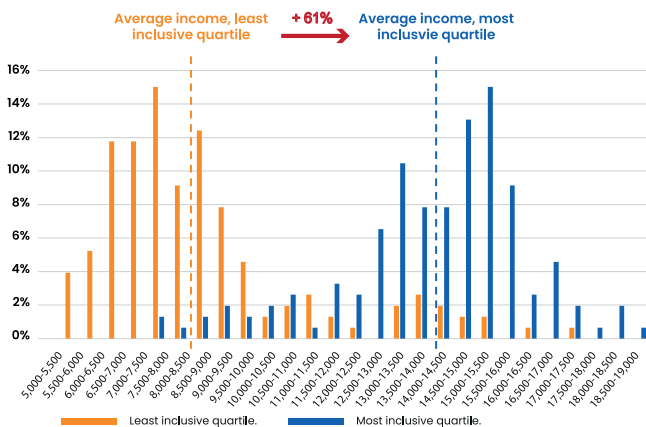
Socio-economic category	Variable	First edition of the Report		Current edition of the Report	
		2017	2017 – 2019	2017 – 2021	2017 – 2021
Wealth and inequality	Average Income Per Capita	0.56	0.54	0.54	
	Gini index	-0.19	-0.25	-0.24	
Demography and the family	Population rate in households	0.27	-0.45	-0.38	
Labour Market	Activity rate	0.36	0.38	0.37	
	Unemployment rate	-0.35	-0.39	-0.41	

For the complete list of variables, see the online Report.

As mentioned, there is a positive **correlation** between LGBTQIA+ inclusion and socio-economic development (see table).

The most inclusive Local Labour Systems are **61% wealthier** than the least inclusive ones (see chart). Moreover, **since 2017 the attractiveness premium for the most inclusive territories towards LGBTQIA+ people has more than doubled**. The attractiveness premium is calculated by employing the econometric technique of residual analysis (used to strengthen correlation analysis), resulting in a premium that isolates the inclusion component from the other socio-economic factors.

Income distribution (2021, €) in Italian Local Employment Systems.



Comparison between least inclusive and most inclusive quartiles.

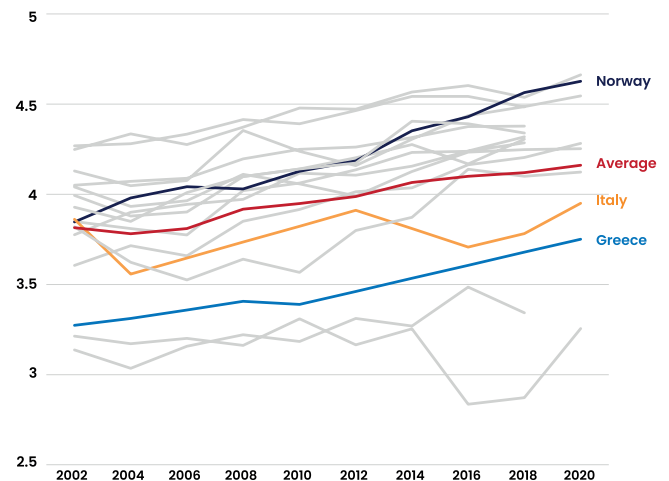
LGBTQIA+ inclusion and European development

The analysis was then extended to a pan-European and longitudinal level (i.e. analysing historical data), using the answers given by European citizens to the “European Social Survey” initiative: therefore, this data relates to the perception of LGBTQIA+ inclusion across European regions.

The **European analysis confirms the existence of a relationship between LGBTQIA+ inclusion and the socio-economic development of territories**, providing meaningful insights:

1. Despite a **general growth in LGBTQIA+ inclusion across Europe over the last two decades, Italy remains stagnant**. Since 2016, conceivably also thanks to the introduction of civil unions, Italy has reversed a negative trend in LGBTQIA+ inclusion that was making the country a quasi-outlier in the European context;
2. **Twenty years ago, Italy was in line with the European average, but now it is below average**. Other countries that were on average, such as Norway, have achieved much higher levels of inclusion by now;
3. **Poland, Hungary and Greece are less inclusive than Italy**, however, the latter is catching up and will likely keep its positive trend ongoing given the recent approval of equal marriage.

European LGBTQIA+ Inclusion Index.



For the complete set of graphs on European countries, see the online Report.

The European comparison provides an important **benchmark** for public administrations, policy makers and businesses to define and target their efforts in favour of the inclusion and protection of minorities.



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