

Corruption hampers economic growth in recession-hit Italy

ROME, Sept. 10 (Xinhua) -- Corruption has been hampering economic growth in recession-hit Italy, local reports said on Monday.

Eradicating widespread corruption could boost gross domestic product (GDP) by 2 to 4 percent, and stimulate foreign investors to do business in Italy, Corriere della Sera newspaper said, citing official figures. Italy's justice ministry has recently calculated that in those regions where political and corporate corruption is lower, the production of manufacturing sector increases up to 3 percent more than the average a year. Meanwhile, the average length of legal proceedings in Italy, which exceeds two or three times that of other European countries, also contributes to hampering economic growth. This week the technocratic government led by Prime Minister Mario Monti is expected to push in parliament for a tough anti-corruption law. The crisis-hit country is striving to stimulate its stagnant economy amid a deepening recession, the fourth since 2001. According to figures released by national statistics institute Istat on Monday, Italy's GDP in the second quarter of 2012 contracted 2.6 percent, more than the 2.5 percent previously estimated. Over the past weeks, dozens of labor protests have underscored the precarious economic situation of a country that counts nearly three millions of people without a job. Hundreds of workers from the world's third largest producer of aluminum, Alcoa, took to the streets in Rome on Monday over the company's plan to shut down a smelter in the island of Sardinia.