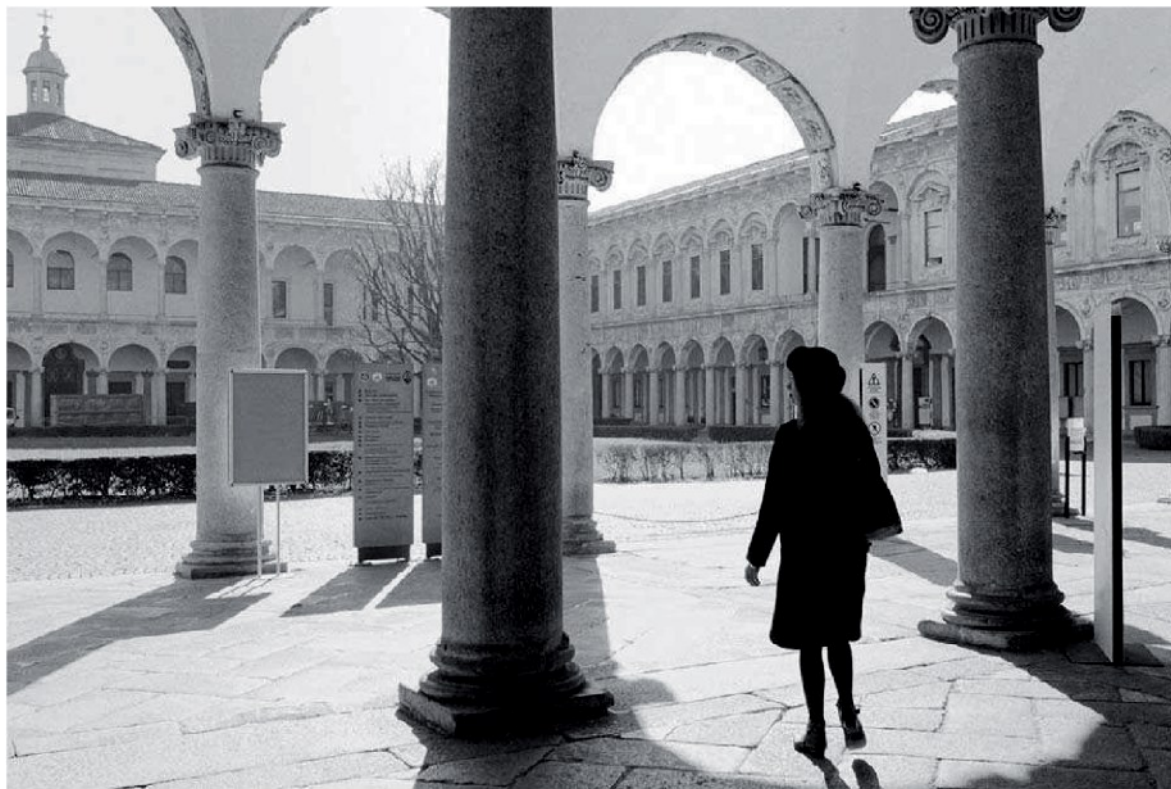


# Italy's Economic Engine Sputters as Cases Multiply in the Towns Around Milan



ANDREA MANTOVANI FOR THE NEW YORK TIMES

The University of Milan, one of the largest universities in Europe, is closed this week as Italian officials try to contain the spread of a coronavirus outbreak in the northern part of the country.

## Offices and popular sites are closing in a bustling region.

By JASON HOROWITZ

MILAN — The landmark Duomo Cathedral, its spires towering over Milan, is closed. So are La Scala, Italy's premier opera house, and the city's universities and schools. Bars are shuttered at the sacred aperitivo hour. The usually buzzing streets, trams, restaurants and shops are all eerily empty.

Private companies, including the insurance giant Generali, the bank UniCredit and the fashion brand Armani, have adopted to varying degrees a "smart working" policy — that is, working from home.

"This week everything seems to have completely stopped," Leonardo Miri, 48, an IBM employee said after being turned away from company headquarters because the receptionist told him no one was there. "If the north

of Italy stops, Italy stops."

Milan is not a closed city, but it is a drastically slowed one after Italy experienced a surge in coronavirus cases concentrated mostly, though not exclusively, around Milan, the country's economic engine, cultural capital and most dynamic city.

While Milan is far from panicked, there is a growing anxiety, if not about the virus's spread, then of its broader impact on the city's life and economy — and of the drag a hobbled Lombardy region could have on the rest of Italy's fragile economy.

The effects of the virus are widening. Ten smaller Lombard towns to Milan's south have been locked down. An 11th town, to the east, was added to the list on Monday. The number of cases in Italy continued to multiply, reaching 229, with at least six deaths, all of older people already in declining health.

Even before the eruption of cases, the virus was wreaking havoc across the wealthy and industrial north, where Milan sits. Now, a broader economic impact

is taking shape.

"It's obvious that these crises happening in these days will inevitably have an impact on the Italian economy," said [Marco Barbieri](#), secretary general of [Confcommercio](#) Milan, the city's top commercial organization.

Milan alone represents 10 percent of the Italian economy, he said, and the Lombardy region more than double that. The stock market in Milan plunged by more than five percent at closing on Monday over fears of what may be in store if the virus spreads.

Three weeks ago, Mr. Barbieri estimated, the virus was forecast to shave 0.3 percent off the Italy's gross domestic product.

That number is now expected to be much worse for Italy, the European Union's slowest growing economy, because the government has now further tightened

Il motore dell'economia italiana balbetta a causa del moltiplicarsi dei casi nelle città intorno a Milano



restrictions on economic activity and the movement of people.

For relief, the government said it would offer the locked-down towns measures similar to those enacted during earthquakes, like the suspension of tax payments.

The decision in late January to block flights from China, along with the havoc the virus sowed in China, has also disrupted supply chains for Italian businesses that depend on parts from China or on markets there. Mr. Barbieri estimated profits to be off by 20 percent for companies with import-export ties to China.

On Monday evening, the usually bustling and trendy Chinatown section of the city, where business had already declined over virus fears, was nearly deserted, as local ordinances required cafes and bars to close at 6 p.m.

"The situation we are experiencing is certainly worrying," Giorgio Armani, the fashion designer and a cornerstone of Milan's fashion industry, wrote in an email. He said that he felt a responsibility to close all of his company's offices and plants in Italy and adopt the region's precautionary measures.

"Last month already, for the same reason, I put on hold all non-essential trips to and from China," he wrote. "I hope that the situation will return to normal as soon as possible. When this happens, I will be the first to restart activities."

For now, a return to normalcy feels a long way off.

Though Italy's European neighbors have not closed their borders, the country now fears being ostracized. The African island of Mauritius has already refused to accept Alitalia passengers from northern Italy unless they go into quarantine.

The same dynamic is playing out in Italy itself, which is being virtually portioned off into smaller and smaller parcels, as clusters of cases emerge in various places.

The region of Basilicata, part of the Italian south long mocked as backward by the country's wealthy north, announced a quarantine on northerners.

If such steps spread, "the whole of Italy would stop," said the Lombardy governor, Attilio Fontana. "Everything happening in this

country would be blocked."

Italian officials have yet to figure out how the virus spread so quickly in northern Italy. They have concentrated on tracking the movements of an anonymous man treated in the locked-down town of Codogno, known as "patient one."

But the identity of "patient zero" remains a mystery, adding to the sinking feeling that the coronavirus is outmatching attempts to contain it.

Milan itself, which usually vibrates with energy and creativity, glamour and grit, felt dead on Monday.

"You can feel the difference," said Schynaider Garnerio, 30, a Brazilian model, as she stood outside the Armani Hotel on Monday morning.

She said she had come for the Armani fashion show, but that it had been put behind doors. "There's less people walking around on the street and a lot of people are leaving," she said.

Zeynep Kokrerek, 21, could not wait to leave.

A Turkish student at Bocconi, Milan's premier economics university, which had canceled classes for the next week, she said she had a ticket for Turkey Tuesday morning because she feared getting stuck in Milan if the government decided to lock it down.

She said none of the pharmacies, including one she had just left, had masks for sale. She also said that a lot of Chinese students attended Bocconi, that many had returned to class from the New Year's festivities in China and that they all studied together in the library.

"We don't feel safe," she said.

Her friend, Tara Kamer, 20, added: "All my Italian friends from the south have left. All my friends from France. Everyone is leaving."

Memos ricocheted around the internet ridiculing Milan's plight, including one showing da Vinci's Last Supper with no one at the table. The Lombardy governor warned that thieves are taking advantage of the emergency, entering peoples' apartments wearing suits and pretending to be public health officials.

Some Milanese said they were trying to take the scare in stride.

"The plague," joked Graziella Madda, 55, as she stood outside her dry cleaning shop next to San Carlo al Lazzaretto church, the

site of a 15th century complex once surrounded by a moat for sufferers of a pandemic. The church also served as a setting of Alessandro Manzoni's Italian masterpiece, "The Betrothed," in which doctors and officials disastrously played down the catastrophic 1630 plague.

Now, though, Ms. Madda said, some of the closures of bars and events made sense, but that she kept her shop open because Milan was the motor that keeps Italy running. "We have to go ahead," she said.

But tourists around Milan found a city that seemed to be less than purring.

At the Duomo, Nichola MacGuinness, who arrived with her family on Sunday from Frankfurt, read a notice at the entrance gate that the cathedral would be closed Monday and Tuesday, and possibly longer depending "on how the situation evolves."

"It's kind of scary," she said, expressing disappointment that the cathedral had closed, though she thought that it was perhaps a good idea.

"We do lots of walking and see things from the outside and make a list of what we want to see when we come back," she said, adding that "maybe it's going to be something that we have to live with."

Outside La Scala, two Neapolitan women sat on a sunny bench and complained about how empty the city felt.

"It was the wrong time to visit," said Maura Rivitera, with a shrug.

She said she had moved her ticket up because she was concerned that her southern region of Campania could "from one moment to the next" refuse to admit people coming from the north, or force them into quarantine if the situation in Milan worsened.

Ms. Rivitera, a teacher, said that she was soul searching about whether to put herself in a voluntary quarantine given that a classroom full of children awaited her back home. Still, she and a friend did not let that get in the way of their Milanese getaway.

"Last night we went dancing at a discothèque called Spirit," said Eleonara D'Elia, who is also a teacher in Naples.

"It was madness," Ms. Rivitera said.

"There weren't many people," Ms. D'Elia added. "So there was more room to dance."