

7 The media between market and politics

Chris Hanretty

The Italian media has traditionally suffered from a lack of autonomy from politics. This lack of autonomy has historical roots. Owners of print and (later) broadcast media have found it difficult to profit, and have thus pursued political goals instead. This has had consequences for the types of journalists recruited. The public broadcaster RAI has thus found it difficult to resist pressure from politicians, pressure which antedates Berlusconi's entry into politics, but which has been accentuated because of it. The issue of the independence of RAI and the duopoly in the television market thus remain substantial and unresolved issues for the Italian media.

Introduction

The Italian press and broadcast media do not enjoy a good reputation abroad. Sometimes this reputation is unmerited. When international commentators discuss how the Italian media *entertains* people, they typically focus on crasser elements of Italian television programming – 'bosoms falling out of skimpy dresses' (Jones 2003: 117) – instead of less accessible 'high culture' programming. (An example of the latter might be Roberto Benigni's recitation of Dante in prime-time without commercial interruptions). Broadcast executives have often insisted that Italian television, at its best, is the equal of any other European television.

More often, however, international comment focuses on how the Italian media *informs* people. Here, international and domestic opinion is typically strongly negative. One commentator said: 'In particular, it is argued that the press is not properly independent due to a number of factors: dependence on owners who use it to pursue their own political agendas; tendency to conflate opinion and information; vulnerability to business interests, especially in financial reporting; [and] the demise of the tradition of investigative journalism' (Lumley 2000: 402). These criticisms apply with even greater force to the broadcast media, where the public service broadcaster RAI¹ has, since its inception, been subject to political interference of varying intensity and where the main commercial broadcasting group, Mediaset, is owned by the leader of Italy's largest party and current Prime Minister, Silvio Berlusconi.

The situation these criticisms describe is undesirable both aesthetically and normatively: aesthetically, because politicization of the broadcast media has produced what one BBC correspondent described as 'sloppy and substandard'

broadcasting with ‘news footage [...] as shaky and out of focus as a holiday video [...] [and] reports [which] are thin on facts but dense on comment’ (Frei 1996: 62); normatively, because political interference (from politicians or media owners) may result in a lack of alternate sources of information, a basic requirement of democracy. This risk is not just theoretical: the non-profit organization Freedom House downgraded its rating for press freedom in Italy from ‘Free’ to ‘Partly Free’ due to Berlusconi’s interference in RAI in 2003, and restored it upon Berlusconi’s 2006 exit from government.

It is this lack of autonomy from politics – at a time when other European countries such as Spain are moving forward – which makes Italy the sick man of Europe as far as the media is concerned. This sickness is, however, chronic, and as such precedes Berlusconi’s entry into politics. In this chapter I demonstrate how the media’s lack of autonomy has historical roots which considerably antedate Berlusconi.

Owners

The market for newspapers during the first sixty years of the Kingdom of Italy was not promising: at the kingdom’s founding in 1861, only a quarter of the Italian population could read (Castronovo *et al.* 1979: 10–1); and universal (>90 per cent) literacy would not come before 1959 (Banks and International 2007). At 1/35th the daily wage of an average industrial worker, the cost of buying a newspaper was also prohibitive for many ordinary Italians at the start of the twentieth century (Zamagni 1989: 118).

Limited potential readership meant that sales were paltry by international comparison. The *Corriere della Sera* became Italy’s biggest selling newspaper when, in the first decade of the new century, it started selling more than 200,000 copies daily (Castronovo *et al.* 1979: 143). In the UK, the *Daily Mail* – then the best-selling newspaper in the world – sold five times as many copies. These differences between Italy and other European countries persisted even as literacy and real incomes converged (see Table 7.1).

Limited sales meant limited profitability. Consequently, continued losses had to be compensated for by other means. During the early development of the Italian

Table 7.1 Press circulation per 1,000 population

<i>Country</i>	<i>1950</i>	<i>1975</i>	<i>1990</i>	<i>2004</i>
Sweden	433	572	526	481
United Kingdom	609	431	388	290
Italy	108	113	106	137

Source: Banks and International Databases (2007), UNSECO Institute for Statistics (<http://stats.uis.unesco.org>)

Note: The Herfindahl-Hirschman index (HHI) is a commonly used indicator of concentration. Figures of over 1000 indicate a concentrated market; figures over 1800 indicate a highly concentrated market.

press, most revenue for most newspapers came from governmental or partisan sources; even extraordinary daily sales could never cover costs (Mazzanti 1991: 49). In the first twenty years of the twentieth century, occasional subsidies were replaced with more obvious forms of intervention. This was the period in which the first Socialist and Catholic party newspapers emerged, funded by direct subventions from the parties, income passed on from elected party officials, and traditional subsidies from sympathetic industrialists. Large industrial groups also began making their first acquisitions in the newspaper market in this period. (Emblematic of this move is FIAT's acquisition, through its president Giovanni Agnelli, of *La Stampa*). These new actors – the political parties and large industrial groups – were content to subsidize newspapers that would otherwise be loss-making because it allowed them to exercise a voice in Italian politics.

Unprofitability was consistent: even in the mid-1970s, a time of great interest in politics, only 17 of 74 newspaper chains were able to turn a profit (Murialdi and Tranfaglia 1994: 5). (The government responded by introducing a system of *ad hoc* subsidies). Ownership, however, gradually changed. Christopher Wagstaff (2001: 297; emphasis added) felt able even as late as the start of the current century to state that

Newspapers can be owned by companies that exist for, and earn their revenue by, publishing. Alternatively, they can be owned by companies which exist for, and earn most of their revenue from, other activities, and for whom the newspaper is merely a tool for promoting those other activities [...] *Italy at the moment has almost none of the first kind of newspapers.*

In truth, this judgment was belated. In the 1970s, dedicated media groups had begun to enter what was by then a weakened marketplace. Rizzoli, a Milan-based publisher, acquired a majority stake in the *Corriere della Sera* in 1974; it was followed by the purchase, a year later, of *Repubblica*, Italy's second newspaper, by Carlo De Benedetti. These two groups are now the largest print media groups in Italy (see Table 7.2). Though these groups derived their entire revenue from publishing, they were still involved in politics: Rizzoli was only allowed to purchase the *Corriere* after a previous suitor, Eugenio Cefis, had been blocked by the Christian Democrats.

The arrival of Rizzoli and De Benedetti was welcomed. Staff believed that since both were *editori puri* (pure proprietors) they would not seek to influence the line of the newspaper or to shape its coverage. This had obviously been the case with the party newspapers, and to a lesser extent with the larger newspapers. In part, these expectations were met with the confirmation of the existing director, Piero Ottone, as editor-in-chief, a decision which upset the DC. Subsequently, however, the group was recapitalized through Vatican-connected banks, and a new director – Franco di Bella, subsequently revealed to be a member of the influential Masonic lodge P2 – was installed (Castronovo *et al.* 1979: 10–4).

The influence of these editors, and the use they made of newspapers to speak to other elites, created journalism written for those in the know. American journalist

Table 7.2 Print media groups in Italy

<i>Group</i>	<i>Principal publications</i>	<i>2008 market share</i>
Gruppo Editoriale l'Espresso	Repubblica, l'Espresso	26.9
RCS Mediagroup	Corriere della Sera, Gazzetta dello Sport	26.8
Il Sole 24 Ore	Il Sole 24 Ore	11.5
Caltagirone Editore	Il Messaggero, Il Mattino, Leggo, Il Gazzettino	10.4
Poligrafici Editori	Resto del Carlino, La Nazione, Il Giornò	8.5
Degree of concentration	(Herfindahl Hirschman Index)	1,820

William Porter was heavily critical of the self-referentiality of Italian journalism, particularly in its political aspects: Italian journalism is difficult to read, he argued, not because it is overwhelmingly intellectual, but because it is 'stylized and in-group': in political reporting the numerous labels attached to the various party factions meant that those who were not regular readers, and thus did not know these labels, had great difficulty in understanding even basic political reportage (Porter 1983: 15). It is therefore unsurprising that sales continued to lag even after great advances in literacy and purchasing power: Angelo Del Boca, in *Giornali in Crisi* (1963), estimated that 62 per cent of Italian had the means and education to read a newspaper but never bothered to do so (Porter 1983: 4).

Journalists

Since owners bought newspapers in order to push a political line, journalists were hired to help create that political line. This was particularly the case with the editors of the different newspapers. This tendency for editors to be primarily political characters was strengthened with advent of fascism (which, ironically, signaled the ascent to power of a former journalist). Fascism had multiple negative effects on journalism, the most immediate of which was the systematic purge of all journalists who were not members of the Fascist party, and, as a natural concomitant, the promotion of all those who declared themselves to be committed partisans. Thus, 'the fascist parenthesis finished by freezing and depriving of all sense those timorous moves towards European – in particular, Anglo-Saxon – models of journalism' (Mazzanti 1991: 84). 'Political and ideological militancy became, at the beginning of the Twenties and Thirties, a winning card as far as entering the profession was concerned' (Becchelloni, in his preface to Mazzanti 1991: 14).

Turning journalists into fascists was easier because at the time there were relatively few journalists, at least in comparison to the total population. There

are still relatively few journalists: despite the over-inflated membership numbers of the Order of Journalists (see below), the number of journalists per capita is quite low. According to UNESCO figures for 2002–2003, the number of full-time journalists employed in Italy per 1,000,000 population was 153 in comparison to 203 in the United Kingdom and 627 in Sweden. It should be noted, however, that the number of daily newspaper titles in each of these countries is roughly the same, at about 100 (slightly less in Sweden and Italy, slightly more in the UK). Journalists are therefore fewer in number and less concentrated.

Conversion of the journalistic corps into cheerleaders for fascism was perhaps also made easier by the fact that many Italian journalists of the time were upwardly mobile, drawn from the middle to upper classes. ‘Advocates, procurators, and notaries made up the backbone of Risorgimento-period political journalism in Piedmont. Next to the advocates and the teachers there were numerous doctors [...] who, having signed on as volunteers, subsequently entered the journalistic profession definitively’ (Castronovo *et al.* 1979: 62). Several years later Porter (1983: 52) reported that entrants into the journalistic profession were ‘generally [...] not only well educated, but well connected’.

The limited number and high social profile of journalists, together with the protection of their political patrons, meant that reputation-building measures – investment in education, and commitment to certain professional rules and values – were derided as unnecessary. One noted journalist asked,

How does one grant a degree in journalism? It’s like granting a degree to novelists, to painters. The journalist is one who creates. How on earth can you release a diploma in creativity?

(quoted in Farinelli *et al.* 1997: 328)

The first courses in journalism did not begin until the 1980s (Murialdi and Tranfaglia 1994: 31): the first university degree in journalism was created only later. Consequently, Italian journalists typically have less formal education than journalists in Spain or the United Kingdom, and less education specific to journalism (Mancini 1999: 104; Canel and Piqué 1998; Henningham and Delano 1998).

Equally, the first self-regulatory codes only appeared towards the 1990s, with professional codes of ethics first appearing at two newspapers with diametrically opposed points of view (*Il Sole 24 Ore*, owned by *Confindustria*, and *Il Manifesto*, the communist daily), before a nationwide agreement on ethical codes agreed by the journalists’ union in 1993 (Zaccaria 1998: 523). This development was late by comparison with other continental European countries.

Why was there underinvestment in such reputation-building measures? I suggest that there are two reasons: first, given the social profile of journalists, there was no reputation deficit to remedy. There was, and is, no Italian equivalent of the ‘hack’ journalist. Second, such measures are often undertaken as part of what sociologists would call a ‘professionalization project’: the attempt to strike a bargain with the state whereby professions agree to regulate themselves

in exchange for a state-granted monopoly on the exercise of their profession, allowing the profession to pursue social closure and extract monopoly rents. Yet the fascist state had already permitted premature social closure by creating the *Ordine dei Giornalisti* (Order of Journalists). This Order was created in 1925 by the fascist regime to control entry into the profession. Quickly supplanted by the fascist trade unions which grew up around it, it existed in limbo for much of the post-war period until Law 69 of 3 February 1963 stated, formally, that ‘no one may assume the title or exercise the profession of journalist if not registered on the list of professionals’. The constitutionality of this provision has been repeatedly tested.

The registration requirement is a mild inconvenience: the Order’s full list, comprising over 80,000 names and available online includes many who are journalists in name only (including numerous politicians).² A more serious barrier was represented by the *esame di idoneità* (aptitude test), which had a failure rate of around 15 per cent (Porter 1983: 59).

The institutional apparatus of journalism – the Order of Journalists and the associated trade union the FNSI – was thus over-developed, whilst agreement on the key values of journalism was under-developed. Particular in this respect is the debate over objectivity. Italian journalism has never had much truck with the notion of objectivity, stressing the inexorably interpretative element of journalism over the relaying of brute facts. The most well-known critic of objectivity in journalism is Umberto Eco, who wrote that

when one chooses to publish instead of throw out an item of news, one carries out an act of interpretation which derives from the importance that [one] as a journalist judges the item to have [...] the journalist does not have a duty to be objective [...] [He must] convince the reader not that he is telling the truth, but rather [...] that he is telling ‘his’ truth

(quoted in Mazzanti 1991: 194)

Opposition to this line never formed a majority. While Eco’s philosophical pedigree is not in question, the release from the demands of objectivity must have been welcome to those journalists who were, through conviction or necessity, pushing a partisan line. One should therefore be skeptical about the reasons which led to the discrediting of the notion of objectivity: as former editor of the *Corriere della Sera* Piero Ottone (1996) put it, ‘never say objectivity doesn’t exist. It’s the alibi of those who want to tell you bullshit’.

RAI

Given the limited autonomy of the printed media from politics, the prospects for political autonomy of the broadcast media – typically subject to greater regulation in most European countries – were not good. After fascism post-war broadcasting in Italy was not remade by the Allies as it was in Germany; indeed most books on the history of RAI – the public broadcaster established in October 1944 –

demonstrate the substantial organizational continuity between the fascist EIAR and the new company (Chiarenza 2002).

Until the 1960s, RAI was largely controlled by the Christian Democratic party. It broadcast news full of parades, ministerial declarations and the positions of parties within the majority. Opposition parties were essentially ignored. There was, indeed, no pretence that the broadcaster was independent: one Minister admitted as much in a Parliamentary debate towards the end of the 1950s:

Naturally, the board of RAI decides [shouts from the left]. Well, if you don't like that, then the DC decides. You don't like that either? Do you mind that Italians have given the DC a majority? It is the Italian people that decide to elect men inspired by the principles of the Christian Democracy [applause from the centre]. This is the fact of the matter, even if you don't like it

(quoted in Veltroni 1990: 99)

The DC's grip on the broadcaster began to weaken in the 1960s as the smaller parties of the governing coalition – the Republican, Liberal, and Social Democratic parties – began to demand some influence in the broadcaster. Some steps forward were taken: Enzo Biagi, one of Italy's most respected journalists, was recruited to head the *telegiornale* (television news), and for a time obtained some measure of independence from the governing parties; but 'amongst the guarantees which Biagi had not obtained (and perhaps had not even thought to ask) was the possibility of choosing capable journalists, unconstrained by the party apparatus, and not necessarily drawn from the press offices and the youth secretariats of the political parties'. The experiment ended quickly, as Biagi 'soon realized the impossibility of setting a new course with such human resources... and, at the first occasion, resigned' (Chiarenza 2002: 103).

The model which developed was one whereby RAI obtained the consent of the political parties, and thus continued access to funds from the license fee (which formed a part of RAI's income, supplemented by advertising) by granting each party an area within the broadcaster where it could impose its own vision. The system worked after a fashion, and the 1960s were a boom period for RAI. Ultimately it was the intervention of the Constitutional Court which made reform necessary. The Court had been asked to decide whether RAI's monopoly on broadcasting was constitutional: in a nuanced judgment, it held that this monopoly was legal as long as certain conditions were met – including a measure of independence from the executive (Volcansek 2000: 121).

The executive was thus forced to deliver earlier promises to reform RAI. It did so in collaboration with the PCI, which gave support to ever-weaker DC-led governments as part of its Historical Compromise. In terms of structure, the reform granted parliament greater powers over the broadcaster (including the power to appoint the board) which had previously been enjoyed by the executive. The leitmotif of the reform could not be a commitment to objectivity or impartiality as proclaimed by other European public service broadcasters: the promise was neither philosophically reputable nor credible. Rather, the key concept was

pluralism, which had the advantage of being ‘relatively fresh’, even though ‘few knew what it meant: it would therefore be discussed for quite some time’ (Ufficio Stampa della Rai 1976: 248).

The idea of a plurality of voices was initially appealing but ultimately led to the abandonment of any commitment to objectivity and the division of the broadcaster into competing spheres controlled by the parties: the phenomenon of *lottizzazione*, or

division of the most powerful or prestigious roles in an organization or institution by agreement of the parties (or party factions, or more generically, by powerful interest groups) which indirectly or directly exercise control through individuals whom they designate on the basis of essentially political characteristics, and thus not necessarily on the basis of any specific technical ability

(Murialdi 1997)

This division was rigid and exacting: the channels had their associated political areas – the first channel for the DC, the second channel to the secular parties in the governing coalition, and (from 1987) the third channel to the PCI. Within each channel, political affiliations were carefully controlled so that a socialist director (i.e. belonging to the PSI) was always paired with, say, a left-leaning Christian Democrat (Padovani 2005: 110).

Lottizzazione has had critics and defenders. The latter have typically argued that extending political influence over the broadcaster to a wider range of parties caused much greater openness (Padovani 2005). I would argue that the decision to divide RAI up in this way was very much *faute de mieux* given Italian journalism’s difficulty in credibly claiming to be objective. Irrespective of its defects or virtues, the system was partly dismantled when the established party system collapsed in 1992. By then, however, RAI was facing new threats from commercial competitors – in particular, the Mediaset group owned by the current Italian Prime Minister.

Private broadcasters

In the same sequence of judgments which led to reform of RAI, the Constitutional Court also discussed the idea of commercial television. Such television would be permissible, the Court argued, only on a local basis; national commercial broadcasting, lacking the safeguard of parliamentary control, could result in intolerable dominance of the political thought of the country by a commercial interest. Yet the court ‘could not envision how any local broadcaster could parley a single local market into one of national scale’ (Volcansek 2000: 122).

This was precisely what Silvio Berlusconi did. He competed initially with a number of publishing groups: Rizzoli, Mondadori and Rusconi. These groups, though, persisted in producing the same self-referential, overly intellectual fare which had retarded sales of newspapers: ‘attached to their origins in the world of books [they] tried to create programs of cultural value but didn’t fully

understand either the language of television or the nature of its business' (Stille 2006: 57). Additionally, these groups seemed to have greater difficulty in finding capital to finance their television ventures than the 'parvenu builder of suburban condominiums', and Berlusconi 'drove his competitors (and himself) deeper and deeper into debt until they sold out to him': Rusconi sold Italia 1 to Berlusconi in 1983, and Mondadori followed a year later with Rete4 (Stille 2006: 63).

Berlusconi's new media venture had little political content and less news, dedicated as it was to importing American soap operas and films at low cost, and selling at a high price the ad spaces contained therein. Yet the new media venture had to be interpreted in a political key. Of all the parties present in Italian society at that time, the new venture most closely resembled Bettino Craxi's PSI, which had shed its socialist vocation in an attempt to become a catch-all party. *Craxismo* was built around modernity and a celebration of the new and individual; Berlusconi, who looked to America for his television content, and who had beaten off the bookbinders, seemed to embody that modernity. A political alliance thus formed between the two men from Milan.

Berlusconi needed the political alliance: his national network was not legal and various assets were indeed seized by prosecutors in Turin, Rome and Pescara (Volcansek 2000: 125). Craxi, Prime Minister during this period, hastily issued a government decree declaring Berlusconi's stations to be legal; this decree was subsequently turned into law after Craxi forced it on his coalition allies.

The decree not only cemented Mediaset's control over half of the spectrum, but also led other parties to scramble for increased influence over RAI. The PSI now viewed the ascent of commercial broadcasting as a better path to influence than funding or supporting the Italian public television. The Christian Democrats, in exchange for ratifying the status quo in commercial television, demanded greater influence over the public broadcast but needed to build a broader coalition in support of RAI should the PSI withhold its support entirely. In such a context, RAI director-general Biagio Agnes 'realized that he could no longer count on the parliamentary support of the socialist party to finance the company through progressive increases in the license fee [...] [and] advertising. Who then could be counted on? Only the communists remained' (Balassone and Guglielmi 1995, p. 19)

The PCI – as represented by a youthful Walter Veltroni – was thus offered the possibility of nominating the chief editor and director of the third channel, RaiTre. This signalled the incorporation of all the major parties into the system of *lottizzazione*, and the establishment of a parallelism between RAI and Mediaset, now recognized not as neutral observers but as parties within politics itself.

Problems of duopoly

The established party system collapsed in 1993, leaving only the former Communist Party – renamed as the Left Democrats – to compete in the 1994 elections. The last legislature dominated by the old parties passed a number of reforms, including a 1993 reform of RAI which:

- reduced the size of the board from sixteen to five
- gave the power to nominate board members to the Presidents of the two chambers of the Parliament (who until that point had traditionally been appointed from opposing coalitions)
- reduced the board's term in office to two years.

The reform was only ever intended to be temporary, but governed RAI for the next eleven years.

Fearful of the probable victory of the left, Silvio Berlusconi founded his own party, Forza Italia, and became prime minister in 1994. His government lasted six months and had little impact on public policy, but made the issue of Berlusconi's conflict of interests extremely salient: how could one man be Prime Minister whilst retaining ownership of half of the television market and indirect control over the remaining half?

The centre-left was forced to deal with these issues when it came to power in 1996. Whilst the generic issue of conflicts of interest was more difficult to solve than might readily be appreciated, issues relating to the media seemed more tractable. Indeed, the incoming government had a perfect alibi for imposing measures that would hurt its principal opponent: two years earlier, the Italian constitutional court had ruled that legal provisions which allowed one person to own three networks were unconstitutional. The Court, perhaps seeking to protect itself, did not give its ruling immediate effect, but rather left untouched a minor transitory provision, in effect, giving Parliament a deadline to rewrite media law.

That deadline was rapidly approaching when the centre-left was elected. Had the government done nothing, Berlusconi's television channels would have ceased to be legal, and would have fallen into a constitutional black-hole. Surprisingly, the government decided to throw Berlusconi a lifeline, and passed a decree (No. 545 of 23 October 1996) extending the deadline. In exchange, it asked parliament to pass a thorough reform by July 1997. At this point, the issue might still have been resolved, for the law that eventually passed seemed to place exacting limits. It prevented operators from gaining more than 30 per cent of the television market, or from gaining more than 20 per cent of the advertising market in print and broadcast combined – limits which Berlusconi's group exceeded. This semblance may have been illusory: one noted legal scholar (Zaccaria 1998: 32) judges that the only reason the bill was passed was because it had been sufficiently watered down. Indeed, deputies from Berlusconi's party, Forza Italia, abstained on the bill rather than voting against it.

The law entrusted a new sectoral watchdog to determine whether the television companies had breached these limits. The watchdog took one year to be set up, another year to publish rules stating how it would conduct the investigation, and a further year to conduct the investigation, at the end of which – in June of 2000 – it released a sophisticated judgment which had negligible effect. The watchdog found that both RAI and Mediaset controlled more than 30 per cent of the market (Table 7.3). However, the watchdog took advantage of an escape clause in the law, according to which market shares in excess of 30 per cent were permissible if they

did not damage competition and if such shares were the result of ‘natural growth’ of the company.

It remains unclear why the centre-left was so generous in its dealings with Berlusconi. Certainly, harsher measures would have endangered ambitious projects for constitutional reform which needed Berlusconi’s consent, and quicker action was made impossible by communist opposition to liberalizing measures in the law – in particular, privatization of the network operator Stet. More generally though, tough action against Mediaset would have required simultaneous reform of public television, according to the false parallelism between the two TV channels. ‘Mediaset needs RAI to justify having three channels, resisting centre-left attempts to reduce this number to two. RAI, the argument goes, could justify its shift [...] to popular programming by pointing to Mediaset’ (Hibberd 2004: 152). Similarly, since the Mediaset channels were partisans in support of the centre-right, the RAI channel must perforce be agents of the left (remember: there is no possibility of considering either group objective and for that reason independent). This parallel benefitted both broadcasters, but left unsolved the problems of oligopoly. Since the efforts to reform RAI, including the removal of one channel (legislative proposal S1138), failed in 2000, no firmer plan of action (which was also politically credible) could be taken either by Parliament or by the regulator.

Berlusconi

Following Berlusconi’s return to power in 2001, his government proposed new legislation concerning both anti-trust limits in the media and the governance of RAI. The law (Legge Gasparri) was passed in December 2004 after having initially been vetoed by President of the Republic Carlo Azeglio Ciampi. The law’s premise is that the relevant market is not the television market or the newspaper market *per se*, but rather the media market as a whole (the so-called *sistema integrato delle comunicazioni*, or SIC). The law decreased the maximum permissible share of the market to 20 per cent, but since this limit is calculated on the basis of a much

Table 7.3 Market share of television companies, 1997

<i>Group</i>	<i>Min. share</i>	<i>Max. share</i>
RAI	44.0	48.1
Mediaset	29.6	32.3
Cecchi Gori/Telemontecarlo	0.6	0.7
Tele+	5.6	6.2
Local networks	4.7	5.1
Others	15.5	7.6
Degree of concentration (HHI)	3106.8	3481.5

Source: <http://www.2.agcom.it/provv>

larger market, it has the effect of legitimating much larger holdings. Reform of the governance of RAI was less imaginative: the board increased from five to nine members, who would now be elected by the Parliament (seven members) and government (two members, of which one is the President) acting in concert. The bill also proposed privatization of the public television, but this seems now unlikely to happen.

Berlusconi's behaviour towards the media, and RAI in particular, has been just as controversial as his government's media legislation. On a state visit to Bulgaria in 2002, Berlusconi declared that 'the use that Biagi, Santoro and Luttazzi have made of public television – paid for with public money – is criminal. The new RAI administration must see that this does not happen again'. Following this incident – widely reported in the international press – Santoro's contract was not renewed and Biagi's show was discontinued.

There is no evidence, apart from this declaration, to suggest that Berlusconi asked the public service broadcaster board members directly to dismiss Biagi or Santoro. It is possible that the statement itself was sufficient either to convince members of the board (appointed by members of Berlusconi's coalition) or the Director-General Agostino Saccà (candidate for re-appointment at the end of his mandate in 2004) that not renewing the contracts would win political favour. At the very least the fact that RAI dismissed these individuals after a statement of this nature shows the company was shockingly blasé about public perception of its independence from government.

Direct contact between Berlusconi and RAI employees has often been alleged. Former President of the RAI, Lucia Annunziata, claimed during a press conference with journalists from the international press that she 'knew for a fact' that Berlusconi called television executives behind her back. It was not until December 2007, however, that direct evidence was found, when the *Espresso* magazine published a transcript of a phone call between Berlusconi and Saccà (by this time director of fiction) in which the Prime Minister asked for two women to be given auditions for upcoming dramas. (The women were close to centre-left senators Berlusconi was allegedly trying to corrupt.) Following the publication of the transcripts Saccà was not dismissed, only transferred to a less important post; even this measure was met with opposition from the centre-right members of the board.

Whilst this evidence demonstrates that Berlusconi can ask for favours at the broadcaster, and get them, one can overstate Berlusconi's influence on public television. I have elsewhere (Hanretty 2007) demonstrated that there was no big shift in RAI's coverage, measured in terms of the screen-time given to parties of the left and right respectively, before and after Berlusconi's coalition got the chance to nominate a new board; continued political fighting over the broadcaster is thus likely to be part of a longer, positional game aimed at cementing influence in the media.

Conclusion

In sum, Italian media owners have always pursued politics, not profit. Berlusconi is no different in this respect. Journalists have always been recruited with their political affiliation in mind: those who work for Mediaset and RAI are no different. RAI has always been subject to political influence of some kind or another, and this too continues under Berlusconi. There has therefore been substantial continuity. However, other states have gone beyond continuity and reformed their media systems. The fact that Italy has not, and thus that its media continues to enjoy limited autonomy vis-à-vis politics, speaks to the sickness of the media system and also to the malady which afflicts Italy in general, namely a limited capacity for serious structural reforms.

Notes

- 1 RAI means 'Radio Televisione Italiana' – originally created as Radio Audizione Italiana, RAI still uses its old acronym.
- 2 See: <http://www.annuariogiornalistiitaliani.it/home.asp>

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