



Italy PR Country Landscape 2004

Global Alliance for Public Relations and Communication Management

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Country Profile

Population: 57.98 million (July 2003).

Capital: Rome

Area: Shaped like a long, high-heeled boot, Italy is a peninsula in southern central Europe that extends out into the Mediterranean Sea. Its mainland along with Sicily, Sardinia and about 70 smaller Italian islands span 301,225 sq. km.

Background

Though uniform in language and religion, the Italian Republic is very diverse culturally, economically and politically. From its territorial dominance as the Roman Empire, to the current highly industrialized state, Italy has a rich tradition.

The great majority of the population speaks Italian (including several dialects). There are small German-, French- and Slavic-speaking minorities. Nearly all Italians, 85 percent of native born citizens, are Roman Catholic. All religious faiths are provided equal freedom under the law by the constitution.

About 75 percent of Italy is mountainous or hilly, and roughly 20 percent of the country is forested. Most of Italy enjoys a Mediterranean climate, however Sicily is subtropical and the Alps in the north see long and severe winters. The country has great scenic beauty with the majestic Alps, the rolling hills of Umbria and Tuscany, and the romantically rugged landscape of the Apennines. The Bay of Naples, dominated by Mount Vesuvius, is one of the world's most famous sights.

Italy has the fifth highest population density in Europe-about 200 persons per square kilometer (490 per sq. mi.). Immigration has increased in recent years, while the Italian population is declining overall due to low birth rates. Minority groups are small, the largest being the German-speaking people of the Bolzano Province and the Slovenes around Trieste.

History

The complex history of Italy has been influenced by cultural and political divisions resulting from the peninsula's distinct geography and by circumstances that made Italy the scene of many of the most important struggles for power in Europe.

While Italy's status as a single political entity is relatively recent (1861), battles for territory and leadership have plagued the country for centuries. The Etruscans were the first people to rule the peninsula, arriving somewhere between the 12th and 8th century BC. They were eventually included within the mighty Roman Empire.

Rome, situated in central western Italy, was for 800 years the hub of the Roman Empire. The first Roman Republic was founded in 509 BC, establishing democracy, the language of Latin and the beginnings of one of the largest empires the world has ever seen. The Republic's defeat of Carthage and Hellenic Macedonia during the three Punic Wars cleared the way for expansion.

At the height of their power in the first and second centuries AD, the Romans controlled the entire Italian peninsula and vast areas of Europe. Their empire stretched to Britain in the north, Spain to the west, into Egypt in North Africa and eastward as far as the Persian Gulf. The empire grew so large that it was eventually divided into eastern and western sectors. Italy became Christianized after the conversion of the Roman Emperor Constantine in 313, and the empire's capital was moved from Rome to Constantinople (present-day Istanbul).

The sacking of Rome by Visigoths in 410 AD began a series of invasions, which over the next several centuries resulted in the fragmentation of Italy into a number of states ruled by different powers. Successive waves of Lombards, Saracens, Germans and Normans invaded the peninsula, culminating with the Franks gaining control of much of northern Italy at the end of the eighth century and crowning Charlemagne as emperor in 800.

The later middle ages saw the emergence of a number of powerful city-states in central and northern Italy, most notably Florence, Venice, Pisa, Genoa and Milan. In the 14th century, these states (especially Florence) promoted a great cultural revival which saw a blossoming of artistic, musical, literary and scientific development. Painters, architects, philosophers and sculptors produced unsurpassed works of genius. This revival, which gradually spread through most of Europe, is now known as the Renaissance.

France, Spain and Austria vied for the domination of different parts of Italy between the 15th and the 18th centuries. Most of Italy fell to Napoleon's armies in 1796-97, but soon was fragmented again with his downfall in 1815. A series of uprisings during the 1820s and 1830s gave rise to the movement known as the Risorgimento (resurrection), leading to the total unification of Italy and the installment of Victor Emmanuel II, the King of Sardinia, as King of Italy in 1861.

Although officially allied to Germany, Italy at first remained neutral in the First World War and then later joined the Allied side. In 1919, former socialist Benito Mussolini founded the Fascist Party as a safeguard against Communism. He seized power of Italy in 1922 setting up a dictatorship. Embarking on a policy of foreign conquest, Italy invaded Ethiopia in 1935. Fascist Italy joined the side of Nazi Germany in the Second World War (WWII), but after being invaded by Allied troops in 1943 declared war on its former German ally. Mussolini was dismissed from the Italian government and was captured and executed by partisans in 1945.

After the war, Italy was stripped of its foreign territories. A referendum in 1946 resulted in the abolition of the monarchy and the establishment of a democratic republic. Since then, the Italian government has been wracked by instability as changing allegiances and coalitions have created a succession of short-lived governments.

Italy's parliament has a reputation for scandal and resignation, and at times it has left Italy virtually ungoverned and chaotic. Massimo D'Alema, who formed a center-left coalition that included Communists for the first time in half a century, was elected in 1998. However, in April of 2000 he resigned and his replacement, Giuliano Amato, lasted only a little over a year. The current prime minister is one of Italy's richest and most powerful men, media magnate Silvio Berlusconi.

Culture

Italians are warm, welcoming people who enjoy sharing the pleasures of life with others. Italy is a culturally diverse country that offering delights ranging from fine wines and exceptional cuisine to

high art and great historical sites. In Italy, conversation is an art form. Conversational topics that are appreciated include family, Italian culture, art, films, food, wine and sports, especially football. Football, known as soccer in the United States, is a passion in Italy, which claims a professional soccer team in every major city. The most popular and skilled players are often national heroes.

Art is a big part of Italian culture, and can be seen both inside and outside of Italy's many museums. Buildings lining Italian streets are considered art, and are often characterized by huge arches and columns. Decorative windows, steps and fountains are proof of a wide variety of styles and tastes.

As in many countries, dancing is an important part of Italian culture. One dance, the Tarantella, originated in the Middle Ages, and is said to be the most recognized song of all the Italian folklore music. It literally means "tarantula," and dancers rotate clockwise in a large circle.

Italian fashion is world-renown. Dressing is a matter of status, and reveals elegance. The average Italian considers it a matter of personal pride to be seen looking well-dressed and tailored every day. This sense of style also spills over into the fields of Italian home furnishings and architecture (<http://www.globalvolunteers.org/1main/italy/italyculture.htm>).

Development of Public Relations

Public relations began in Italy in the summer of 1943 when allied troops landed in Sicily. Italy being the first country to be invaded in Europe was seen by the United States as an interesting country to identify and experiment building amicable relationships with pre-existing local communities (Falconi and Kodilja).

It was in the 1960s that U.S. companies started investing in Italy (D'Antona). The first public relations agencies were established in the 1970s.

In 1976 the SCR Associati was born, it would become Italy's largest and most influential firm (Falconi and Kodilja).

Unfortunately, corruption and scandal in the private and public sectors as well in political leadership would hinder public relations activities for more than ten years. It would take corporations that many years to regain internal and external public relations as a management function (Falconi and Kodilja).

"Many companies begin to indulge in cultural sponsorships, image campaigns, logo restyling and other so-called 'worst practices' in media and editorial relations" (Falconi and Kodilja). In the 1980s this would result in a smokescreen that covered their increasingly illegal practices with the State.

In the 1990s corruption continued with the Mani Pulite (clean hands) scandal, which involved many PR professionals mediating illegal operations between business, political and media communities (Falconi and Kodilja).

Corenti, a Rome-based association of educators and professionals, stated that only organizations that communicate factual behavior are credible, therefore the identity of an organization is the result of its success distinguishing itself from others (Falconi and Kodilja). Thus, positioning enters the marketplace.

In 1993 public relations was restored in Italy by Paolo Peluffo, the president's public relations assistant. A campaign to privatize state-owned companies was established and Peluffo proposed as a blueprint the UK privatization model, in which PR consultants lead all communication efforts (Falconi and Kodilja).

Presently

- Progressively becoming less confused with propaganda, persuasion and manipulation.
- 70,000 practitioners in public, private and non-profit sectors.
- 50 percent of those practitioners work in the public sector.
- Major roles in PR: (Falconi and Kodilja)
 - Technical/operative professional role is dominant presently.
 - Managerial role in larger organizations.
 - Strategic/reflective and educational roles are rare.
- In 2002, the overall annual investment in PR activities in Italy was in excess of \$10 billion euro.
- Clients tend to outsource corporate communication, media relations and marketing activities (D'Antona).
- Clients prefer to keep in-house internal communication, business-to-business and community relations activities (D'Antona).
- 40,000 students enrolled in undergraduate courses in PR/communication sciences (Falconi and Kodilja).
- Several post-university (master's) courses dealing with PR, corporate communication, etc. (D'Antona).

Associations

Two Main Organizations:

1. Ferpi: Italian Public Relations Association
 - <http://www.ferpi.it>
 - Established in 1970.
 - About 1,200 members.
 - One of the founders of CERP (Confederation Europeenne des Relations Publiques) and the Global Alliance on Public Relations.
2. Assorel: Association of Public Relations Agencies to Complete Service
 - <http://www.assorel.it>
 - Established in 1982.
 - Represents 32 agencies in Italy.
 - Non-profit
 - Objective: To constitute professional guidelines and references for organizations and the public.

Other Associations:

- Comunicazione Pubblica (Internal Public Sector Communicators)
<http://www.compubblica.it>
- Assif (Fund-raisers)
<http://www.assif.it>
- Ascai (Association of Internal Communicators)
<http://www.ascai.it>

- Aicun (University Communicators)
<http://www.aicun.it>
- Club delle Relazioni Esterne (Roman Public Affairs Specialists)
<http://www.clubrelest.it>
- Club del Marketing e della Comunicazione (Torino Corporate Communicators)
<http://www.clubdelmarketingedellacomunicazione.it>

Firms:

A listing of public relations firms in Italy:

http://www.businessitalia.com/Companies/Advertising/Public_Relations

Current Issues (Falconi and Kodilja)

- Ethics:
 - The development of an ad hoc code for public sector professionals. The Global Alliance protocol demands that each national association review their codes of ethics to in order to make them consistent with the global protocol.
- Regulation:
 - Protecting the profession from the negative reputation by:
 - Continuing education for those in professional associations.
 - Providing an updated code of ethics.
 - Having more internal enforcement through legal recognition of the associations.
- Social Responsibility:
 - Avoiding the public perception that it's simply a "smokescreen exercise."
 - Positioning professionals in educational roles in their organizations.
- Media Relations:
 - Growing interdependence of public relations and the media.
- Measurement:
 - Accountability and qualitative-quantitative measurement methods are being requested by organizations investing in public relations activities.

Public Relations Trends

- Relationship management is becoming a profession characterized by trust, credibility and symmetric and transparent relationships (Falconi and Kodilja).
- Convergence of advertising, business, institutional and interpersonal communication activities (Falconi and Kodilja).
- Growth of organizational knowledge and know-how with the need to improve service and products by applying European norms of quality (Falconi and Kodilja).
- Growth in leisure, broadband Internet for home and office and the food and beverage sectors (D'Antona).

Role of the Media

Written press

There are 177 daily newspapers in Italy with the majority of them being owned or managed by only a few publishing trusts (Molle and Pruzzo).

Publishing Trusts

- Editoriale L'Espresso
- RCS (financial trust)
- Fiat Group
- Monti-Riffeser family
- Caltagirone Group
- Paolo Berlusconi

Minor publishing groups

- ex-Communist Party (DS)
- Dalai Editore
- Industrialists' Association (Confindustria)

Recently, traditional publishing houses are receiving their financial capital from

non-publishing businesses, such as Berlusconi, Agnelli and other famous private entrepreneurs instead of from printing activities. The reasons for this are both financial and political. No tabloid dailies exist in Italy because the weekly press is successful, popular and seemingly genuine. Approximately six million daily copies are sold.

Broadcasting

RAI and Mediaset are the two major broadcasting groups in Italy. RAI is publicly owned and controlled by a board appointed by the Speakers of the Chamber of Deputies and of the Senate. It has many in-house productions while also importing foreign programming. RAI is obliged to reserve 30 percent of programming to the production or attainment of Italian or European works and 20 percent of its license fee revenue to European fiction production (Molle and Pruzzo). RAI's stations include RAI Uno, RAI Due, RAI Tre, rolling news channel RAI News 24 and some cable and satellite services (BBC News).

Mediaset is a private broadcaster owned by Prime Minister Berlusconi. It operates Italia 1, Rete 4 and Canale 5. These commercial stations are more geared toward entertainment and advertising, though a regular daily news service was launched in January of 1991 (Molle and Pruzzo).

Pay TV is a fairly new kind of media in Italy and only offered by two organizations. TELE+ offers several channels with feature movies, fiction, sports and documentaries. STREAM offers similar programming with a focus on football. The future of Pay TV is unclear because the Authority for Communications is suspicious of TELE+ and STREAM merging to form a monopoly. (Molle and Pruzzo)

Radio

RAI also controls RADIO 1, RADIO 2 and RADIO 3, which capture more than 50 percent of the national audience daily. The other approximate 50 percent of the national audience is captured by 14 commercial networks. The commercial networks and local stations are financed solely by advertising. They air mostly music and commercials with little news. (Molle and Pruzzo)

Government and Media

Prime Minister Silvio Berlusconi is the richest man in Italy, having a net worth of \$5.9 billion in owning Mediaset, Arnoldo Mondadori Editore (the biggest Italian magazine publisher) and other things to form his expanding media empire. Recently, a law was proposed that would allow Berlusconi to further expand his empire, thus also expanding his influence to have an effect on public opinion. This proposal would allow owners of television networks to also own newspapers. In addition, companies would also be able to regulate more of the advertising market than now. Although Berlusconi already has hand in appointing the board of directors for RAI, the publicly owned broadcaster, this proposal would give him more influence. Opposing politicians claim that the proposed law was tailored to fit Berlusconi's interests in expanding his media empire (Sylvers).

Regulating Bodies

The Guarantor for Publishing and Broadcasting was a monocratic authority but could not effectively regulate the system (1981 Publishing, 1990 Broadcasting). The Parliamentary Board for RAI is a political authority that controls RAI's activity. The Guarantor for Publishing and Broadcasting was abolished in 1997, and the Authority for Communications was introduced. It consists of a president, a seven-member council and two committees and controls the press, electronic media and telecommunications. (Molle and Pruzzo)

Media Organizations

- Federazione Nazionale Stampa Italiana (FNSI)
- Unione Sindacale Giornalisti RAI (USIGRAI)
- National Journalists' Council
- Order of Journalists
- Italian Publishers' Association (FIEG)
- Federation of Television Broadcasters (FRT)
- Italian Newspaper Publishers Association (ASIG)

National Newspapers

L'Avvenire - <http://www.avvenire.it/>

La Gazzetta del Mezzogiorno - <http://www.gdmland.it/gdmonline/gdmonline.asp>

Corriere della sera - <http://www.corriere.it/edicola/index.shtml>

Il Giorno - <http://ilgiorno.quotidiano.net/>

Liberazione - <http://www.liberazione.it/>

Il Manifesto - <http://www.ilmanifesto.it/>

Il Messaggero - <http://www.ilmessaggero.it/>

L'Osservatore Romano - http://www.vatican.va/news_services/or/or_quo/index.html

La Repubblica - <http://www.repubblica.it/>

Il Resto del Carlino - <http://ilrestodelcarlino.quotidiano.net/>

Il Secolo XIX - <http://www.ilsecoloxix.it/>

Il Sole 24 Ore - <http://www.ilsole24ore.com/>

La Stampa - <http://www.lastampa.it/redazione/default.asp>

Il Tempo - <http://www.iltempo.it/>

L'Unita' - http://www.unita.it/index.asp?sezione_cod=HP

Press Agencies

ASCA - <http://www.asca.it/>

ANSA - <http://www.ansa.it/>

Adnkronos - <http://www.adnkronos.com/index.php>

AISE - <http://www.aise.it/>

AGI - <http://www.agi.it/>

Economy

The Italian economy has changed from one based on agriculture into an industrial economy. Italy has about the same total and per capita output as France and the United Kingdom. This basically capitalistic economy is still divided into a developed industrial north, dominated by private companies, and a less developed agricultural south, with large public enterprises and more than 20% unemployment. Most raw materials needed by industry and over 75% of energy requirements must be imported. Over the past decade, Italy has met the requirements of the Economic and Monetary Unions through a tight fiscal policy. It has benefited from lower interest and inflation rates. The current government has put into effect economic reforms in an attempt to increase competition and long-term growth (CIA World Fact Book 2003).

Business

Unemployment varies by region in Italy with high unemployment in the south and low unemployment in the north, but the country as a whole is at its lowest unemployment level in over a decade. Unemployment in the south can be directly attributed to corruption, organized crime and an inadequate infrastructure. Many Italians find work through an underground economy, but protections against low wages and standard social benefits do not exist in this economy. Generally, men experience a lower level of unemployment than do women and children. Italian unions hold great power over employees of Italian business with over 40 percent of the work force represented by unions. The four major confederations of unions are the General Italian Confederation of Labor (CGIL), the Italian Confederation of Workers' Unions (CISL), the Italian Union of Labor (UIL) and the General Union of Labor (UGL). These four confederations maintain 35 percent of the work force. Most confederations, which are fully autonomous, professional bodies, often coordinate their positions before taking action with them. Some successes of the Italian unions include a four-year wage moderation agreement signed in 1993, a reform of the pension system in 1995 and an employment pact, which introduced steps for labor market flexibility in economically depressed areas in 1996.

Instituto Nazionale per il Commerciale Estero - The Italian Institute for Foreign Trade

<http://www.italtrade.com/>

The Italian Institute for Foreign Trade is the Italian public agency entrusted with the promotion of trade, business opportunities and industrial co-operation between Italian and foreign companies. It supports the internationalization of Italian firms and their consolidation in foreign markets.

Italian Business News

Virtuaitalia.com

<http://www.virtuaitalia.com/news/business/>

This is an online news source for enthusiasts of Italian Culture.

Banking Institutions

Banca D'Italia – Central Bank of Italy

<http://www.bancaditalia.it/>

“In its century-old history the Bank of Italy has made a fundamental contribution to the stability and progress of the Italian economy.” - Antonio Fazio

ABI - Associazione Bancaria Italiana - Association of Italian Banks

<http://www.abi.it/>

The Italian Bankers' Association represents, protects and promotes the financial interests of the banking system.

Ministero delle Finanze – Ministry of Finance

<http://www.finanze.it/index.htm>

Ministero del Tesoro – Ministry of Treasury

Banks

Banca Sella

<http://www.connect.sella.it>

Run by Maurizio Sella, president of the ABI, Italy's association of bankers, the Banca Sella was one of the first Italian banks to understand the importance of E-commerce, and to make it possible for its clients to accept credit cards online.

Banco di Napoli

<http://www.bancodinapoli.it>

Banco di Napoli addresses itself to professionals, furnishing home mortgages, investment opportunities, legal counsel, and other services.

Cariplo

<http://www.cariplo.it>

Cariplo was the only large Italian bank to offer online services to its customers as far back as 1995.

Mediocredito Centrale - Mediosim

<http://www.mps.it>

Mediocredito Centrale recently became part of the Banco di Roma and offers banking services with Mediosim.

We@bank

<http://www.webank.it>

We@bank was created by the Banca Popolare di Milano for customers to manage their checking accounts, pay bill, buy stocks and do other things online. Quotations and financial news are furnished by two of the bank's companies, Banca Akros, an investment bank, and Bipiemme Gestoni SGR, which offers mutual funds and specializes in estate planning and investment.

Banca di Roma - <http://www.bancaroma.it/>

Banca Monte dei Paschi di Siena S.p.A. - <http://www.mps.it/>

Banca Intesa - <http://www.bancaintesa.it>

UniCredito Italiano - <http://www.unicredito.it/>

BNL - Banca Nazionale del Lavoro - <http://www.bnl.it>

San Paolo IMI - <http://www.sanpaoloimi.com/>

Portalino - <http://www.portalino.it/>

Banca CARIGE - <http://www.carige.it/>

Credito Bergamasco - <http://www.creberg.it/>

Banca della Svizzera italiana - <http://www.bsi.ch/>

Banca Mediolanum - <http://www.bancamediolanum.it>

Steinhauslin - <http://www.steinonline.it/>

Mediobanca Ricerche e Studi S.p.A. - <http://www.mbres.it/ita/index.htm>

Banca Toscana - <http://www.bancatoscana.it>

Banco di Sicilia - <http://www.bancodisicilia.it>

Banca 121 - <http://www.banca121.it>

Italian Think Tanks

Ente "Luigi Einaudi"

<http://www.enteluigieinaudi.it/>

The Ente "Luigi Einaudi" is a foundation created in 1965 by the Bank of Italy and the Italian Banking Association (ABI) to honour Luigi Einaudi. Its purpose is to foster the advanced research and training of students in the fields of both theoretical and applied economics.

Prometeia

<http://www.prometeia.it/>

Prometeia is one of the leading economic research and consulting organizations in Italy.

IRES – Istituto di Ricerche Economiche e Sociali (Institute of Economic and Social Research)

<http://www.ires.it/>

The IRES is an institute of search born in 1979 active in the study and interpretation of the phenomena of economic and social truth.

Ufficio Studi Confindustria

<http://www.confindustria.it/DBImg2002.nsf/HTMLPages/StudiR>

Founded in 1910, Confindustria is the main representative organization of the enterprises to manufacturers and services in Italy.

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Contact information

The Global Alliance is always interested in cooperating with local institutions and associations to provide profiles of the social, economic and media context of member countries, along with details on the local public relations industry, its main activities and tips on successful local practice.

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