«Comunicazioni sociali», 2017, n. 2, 250-262

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CRISIS, INNOVATION AND THE CULTURAL INDUSTRY IN ITALY

Abstract
The essay aims to highlight the complex theme of media relations and crisis within the history of the Italian media system. The perspective used here makes possible a new periodization of the national media system, one that goes beyond the monomedial perspectives that are largely prevalent today. Starting from economic data and social analysis, the essay argues that the country has been in a substantial crisis for many years, before then revealing how the crisis, in these long years, has at times functioned as a depressive element in the media system, and others fostering innovations in the system, favouring the rise of new content and forms of consumption (for example, with the explosion of private broadcasting, or the advent of social media and the emergence of connective media, as mentioned in earlier contributions).

Keywords
Media; digital media; crisis; innovation; Italian media.

1. PREMISE

The analysis of the relationship between the crisis (in a socioeconomic interpretation of the term) and the media involves two orders of significant theoretical problems. The first one refers to the complex nature of the media. Media are a synthesis of four dimensions – technological, political, economic and cultural[1] – and each dimension is integrated with various aspects of the functioning of society: the cultural dimension overlaps with more general cultural trends, from the most trivial circulation of objects and products (in the sense evoked by Yves Jeanneret)[2] to artistic production. The political dimension reflects the formal policies and legislation in place at different historical times, as well as reflecting and conditioning models of interpretation and participation[3]. The technologies on which the media are based are closely connected with technological innovation in general, so creating overlaps between the two fields.

Finally, in the economic field, their character as businesses (recently the term "cre-

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[1] F. Colombo, ed., *La digitalizzazione dei media*, Rome: Carocci, 2007.

[2] Y. Jeanneret, *Penser la trivialité: Volume 1, La vie triviale des êtres culturels*, Paris: Hermes Science Publications, 2008.

[3] D. McQuail, *Journalism and Society*, London: Sage, 2013; M. Sorice, *I media e la democrazia*, Rome: Carocci, 2014.

ative enterprises" is favoured)[4] involves the media in overall economic trends, both globally and nationally, and exposes them to the alternation to cycles of boom and slump, as well as cyclical or anti-cyclical factors. Apparently, only this last dimension is closely related to the crisis but – as we will try to show – the other three have also played a significant role.

The second order of problems arises from the historical evidence that media do not always play in the same way in economic crises. Indeed they can have both a cyclical role (when the media, or some of them, come into crisis during a recession) and an anti-cyclical role (when, on the contrary, media, or some of them, know a phase of expansion during a cycle of crisis).

Our work deals with this complexity. We will consider the system of Italian media, in the period following the economic boom and, in particular, starting from the harsh 1973 crisis. We will try to find if there is any constant pattern in media system addressing crisis and we will focus on system innovation, and on the function that innovation have played in times of crisis.

Our approach is part of a broader contemporary trend towards a refinement of the traditional phases of periodization of the history of media[5], at a time when traditional mono-media periodisations, resulting from partial historiographies, are questioned[6]. Looking at the nexus between economic crises and media innovation helps to place the individual media stories in the background of an overall media system and even more generally on the background of society as a whole.

2. ECONOMIC CRISES IN ITALY: A PERIODISATION

As noted by scholars working in different fields, the notion of economic expansion and well-being (closely related to that of crisis, and nevertheless essential to understanding the present forms of measurement) is based essentially on the measurement of the growth of the Gross Domestic Product (GDP)[7]. In reality, as Kuznets recalls, "all that is intended here is to suggest the more obvious aspects of views that appear to be associated with modern economic growth, and to stress that the current economic period, like the earlier, implies certain sets of views and is incompatible with others"[8]. Hence we should interpret the GDP parameter as partial and within certain limits misleading[9]. However, it lends itself to considering the cyclicity we are discussing here, starting with an analysis of the Italian situation since the 1970s, after the boom years. By the term crisis

[4] P. Bouquillon, B. Miège, P. Moeglin, *L'industrialisation des biens symboliques. Les industries créatives en regard des industries culturelles*, Grenoble: Presses universitaires de Grenoble, 2013.

[5] C. Bernardi, E. Mosconi, eds., *Storia della comunicazione e dello spettacolo in Italia. I media alla sfida della modernità (1900-1945)*, vol. I., Milan: Vita e Pensiero, 2016; F. Colombo, R. Eugeni, eds., *Storia della comunicazione e dello spettacolo in Italia. I media alla sfida della democrazia*, vol.II, Milan: Vita e Pensiero, 2015; A. Grasso, ed., *Storia della comunicazione e dello spettacolo in Italia. I media alla sfida della convergenza (dal 1979 a oggi)*, vol. III, Milan: Vita e Pensiero, 2017; P. Ortoleva, *Mediastoria*, Milan: Il Saggiatore, 2002; Id., *Il secolo dei media*, Milan: Il Saggiatore, 2008.

[6] G. Gozzini, *La mutazione individualista*, Rome-Bari: Laterza, 2011.

[7] For a synthesis of the subject between growth and modernisation of society, see C. Trigilia, "Modernizzazione", in *Enciclopedia delle scienze sociali*, vol. V, Rome: Istituto della Enciclopedia Italiana, 1996.

[8] S. Kuznets, *Modern Economic Growth: Rate, Structure, and Spread*, New Haven: Yale University Press, 1966: 13.

[9] B.F. Hoselitz (ed.), *Theories of Economic Growth*, New York: The Free Press, 1960.

we mean a recessionary and depressive economic cycle[10]; and from this point of view we could (with what may seem like a pessimistic colouring, but that we simply believe is realistic) say that the post-boom phase in Italy was essentially a long succession of crises, divided into three periods:

a) Post-boom phase (1971-89), with a growth rate of 2.8 to 2.9% per year, far lower than the hectic growth rates of the 1950s and 60s. This long phase can be subdivided in two sub-phases: a1) from 1971 to 1981: a period characterised by high inflation; a2) form 1982 to 1989: a period characterised by a marked increase in public debt (with a growth rate of 2.8%);

b) phase of the Second Republic (1990-2008), with an average per capita GDP growth rate of 1.1% per year;

c) phase of the Great Crisis (2009-15), with GDP falling by 0.8% per year on average.

If we try to correlate the history of the media (and more generally of creative industries) with the scheme outlined above, we see that the three phases of the long crisis that began in the 1970s have crossed a changing media system and a system marked by contradictory clues, which we think need to be assessed on two levels:

a) the media system, namely the state of the media as a whole (in competition with other forms of entertainment): their economic strength, the different weights of sources and methods of funding, their overall role in society, including public demand;

b) various subsystems, namely the dynamics and internal balance between different media, with competition, alliances and overlaps between them, as well as influences on the cultural level (contents, trends triggered or represented, congruence with dominant ideologies) or the financial level (cross-ownership, for example).

On the basis of these elements of analysis, the role of innovation becomes crucial, because it clarifies the responses or adaptations that, on the different levels stated, enable the media to position themselves within the crisis.

We can now apply this scheme to the three phases identified.

3. THE POST-BOOM PHASE

The boom was followed by a phase that was at first moderately and then dramatically critical, not only economically, but in all dimensions of society. The downturn in consumption and the oil crisis in 1973 were the principal causes of the recession.The baby boom of the previous phases (which filledschools and universities with masses of students, for whichthe educational institutions were completely unprepared)[11] and the contradictions of rapid industrialisation (strong unionisation, the acceptance by large numbers of young people and many intellectuals of reformist or revolutionary trendswidely developed since the late 1960s) were the main motors of the social conflict, at times harsh, which characterised these years. It led, among other things, to the "strategy of tension" and the challenge of terrorism to the institutions and the state.

In this economic, political and social crisis, the media went through a particularly complex time. On the one hand, the wave of protests affected the media, on at least three

[10] A. Baffigi et alii, "Espansioni e recessioni: identificazione e interpretazione dei cicli economici in Italia utilizzando i dati storici di contabilità nazionale", paper read to the Istat conference, *La società italiana e le grandi crisi economiche 1929-2016*, Università di Roma La Sapienza, 25-26 November, 2016.

[11] On cultural consumption in this generation and the following ones, see P. Aroldi, F. Colombo, eds., *Le età della Tv. Indagine su quattro generazioni di spettatori italiani*, Milan: Vita e Pensiero, 2003.

levels. Firstly, the mainstream information sources (newspapers, public service radio and television) were identified as part of the political and social crisis. Their independence was questioned, and they were subjected to criticism. Secondly, media professionals were affected by the new climate, often becoming its protagonists with innovative, participatory projects. Lastly, while the radio and TV system was supported by a public monopoly the permanent crisis in print media led to bold, but also ruinous experiments. An example was *L'Occhio* (1979-1981): the first and last Italian experiment in popular press and tabloid that dragged its publisher, Rizzoli, into a deep crisis.

On the other hand, however, media were led to react to the crisis through some major processes of innovation[12]. It was not only technological innovations, but rather legislative and productive innovations, which were accompanied by some radical changes in media and cultural consumption.

From the one side, the media became one of the fields in which the impressive legislative transformation of these years was exercised, with the aim of updating the country's rules of social interaction on the basis of new political and social developments. In this respect, the great reform of the Rai in 1975 occupied a significant place exaclty in the same way as the reform of educational, family and labour law[13]. In addition to some institutional changes, the reform included the construction of a third channel and the possibility for socially relevant groups – i.e. trade unions, political movements, cultural organizations, religious, ethnic and linguistic groups – to directly express themselves within dedicated spaces in television programming.

From the other side, the seventies entail the initial experiments with two collective consumer attitudes of the utmost importance in the decades ahead. The first consisted of bottom-up production models, detectable in the decade. Think above all of the phenomenon of the alternative press, in book publishing as well as newspapers and periodicals, with the emergence of an impressive number of publishers and printers who, despite their continuing economic insecurity, found a justification of their antisystem nature in the smallness of their business model and the ability (whereit existed) to create alternative media circuits giving an answer to a new consumption demand unsatisfied by the major media producers[14]. And think also of the emergence of free radio broadcasting, where new experiences and professionalism emerged, then becoming a full part of the media system in the next decade[15]. All these were cases, it should be said, which experimented for the first time with *disintermediation*, which would become so important in the digital revolution. The other outstanding factor, defining these years, was the emphasis on consumer rights, with a particular insistence on the right to free access, with a certain vein of anti-capitalist Luddism combined with banal economic opportunism, aggravated by the country's crisis and the steady rise in prices under the pressure of inflation. These two aspects of consumption and production in the 1970s make what

[12] F. Colombo, *Il paese leggero. Gli italiani e i media fra contestazione e riflusso*, Rome-Bari: Laterza, 2012; Colombo, Eugeni, eds., *Storia della comunicazione e dello spettacolo in Italia. I media alla sfida della democrazia*.

[13] P. Ginsborg, *Storia d'Italia dal dopoguerra a oggi. Società e politica 1943-1988*, Turin: Einaudi, 1989.

[14] F. Colombo, "Wrong Turns towards Revolution? Grassroots Media and Political Participation in Italy (1967-2012)", *CM-Communication Management Quarterly*, 9, 30 (2014): 55-78.

[15] E. Menduni, *La radio nell'era della TV. Fine di un complesso di inferiorità*, Bologna: Il Mulino, 1994; Id., *Il mondo della radio. Dal transistor a Internet*, Bologna: Il Mulino, 2001; P. Ortoleva, G. Cordoni, N. Verna, *Radio FM 1976-2006: trent'anni di libertà d'antenna*, Rome: Minerva, 2006.

happened in the following decade rather less surprising, even admitting the differences between the two post-boom decades.

In the second decade of this period, the main consequences of the crisis fell back in the resizing of book publishing and movie production industries, with the decreasing popularity of italian films (after the extraordinary years of the “italian-style comedy”) and the difficulties of traditional distribution circuits (symbolically marked by the fire in the Statuto cinema in Turin in 1983, as Eugeni and Avezzù recall)[16]. But, conversely, newspaper publishing and TV, in different ways, took advantage of the explosion in advertising revenue. The growth in the decade’s two dominant media was truly impressive. In the case of publishing, Table 1 shows the trend of newspaper sales, revealing the industry’s vitality.

Table 1 - *Newspaper sales trends (1981-90)*

Year	*Average daily sales*	*Change %*
1981	5’368’815	+0.5
1982	5’409’975	+0.8
1983	5’580’394	+3.1
1984	5’860’691	+5.0
1985	6’068’407	+3.5
1986	6’365’661	+4.9
1987	6’618’481	+4.0
1988	6’721’098	+1.5
1989	6’765’715	+0.7
1990	6’808’501	+0.6

Source: Fieg-Ads.

The main reason for this successful growth, is probably that, after the so colled season of the “hundred flowers” describing the flourishing scene of independent and alternative newspapers of the previous period, the industry was now being traversed by a striking process of concentration of ownership and redefinition of goals and targets. A ‘new’ newspaper like *La Repubblica* (first published in 1976) achieved unexpected results. Local newspapers recorded unforeseen successes after the crisis of the 1970s. They changed their content and language, so bringing new readerships closer to the newspapers. Newspapers and magazines defended themselves from the nascent supremacy of television through a new communicative strategy targeting consumers more than citizens[17].

A similar concentration occurred in television, with Fininvest consolidating, adding Italia 1 and Rete 4 to its flagship Canale 5, so that it now had a solid pole as an alternative to the former Rai monopolist. Here the central node was the emergence of a

[16] G. Avezzù, R. Eugeni, “Il cinema italiano è un medium mutante”, in *Storia della comunicazione e dello spettacolo in Italia. I media alla sfida della convergenza (dal 1979 a oggi)*, vol. III, edited by A. Grasso, Milan: Vita e Pensiero, 2017, 145-156.

[17] C. Sorrentino, “Le trasformazioni della carta stampata”, in *ibid.*, 121-132.

new financing strategy through advertising, increasingly aggressive (thanks partly to the impetus of Publitalia 80, the Fininvest group's advertising sales company), and capable of driving the economic functioning of the whole national media system. Table 2 clearly shows the way this process developed the decade.

Table 2 - *Italian advertising market in the Eighties*

Year	*Billions of lire*	*Millions of euros*
1981	390	201.5
1982	638	329.5
1983	1,048	441
1984	1,452	749
1985	1,846	953
1986	2,167	1,119
1987	2,622	1,354
1988	3,043	1,571
1989	3,258	1,682
1990	3,704	1,912

Source: Media Key[18].

The following table, however, shows another typical Italian feature, which dates from the eighties: the large slice taken by television out of the national advertising cake (definitively overtaking print by the middle of the decade).

Table 3 - *Percentage breakdown of advertising media (1980-90)*

Year	*TV*	*Print*	*Radio*	*Cinema*	*Outdoor*
1981	25.7	59.0	6.7	1.9	6.7
1982	30.1	56.5	5.6	1.3	6.5
1983	36.2	52.0	5.2	0.7	5.9
1984	42.8	46.0	4.9	0.5	5.8
1985	47.3	43.1	3.9	0.2	5.5
1986	48.7	42.3	3.6	0.3	5.0
1987	46.9	44.1	3.6	0.3	5.1
1988	47.5	43.8	3.5	0.4	4.8
1989	46.7	44.6	3.7	0.3	4.7
1990	47.9	43.7	3.6	0.3	4.5

Source: Media Key[19].

[18] F. Brigida, P. Baudi, L. Franca, *Media e pubblicità in Italia*, Milan: FrancoAngeli, 2004.
[19] *Ibid*.

As can be seen, the element of continuity with the previous decade is what we might call "free" consumerism. The increase in the resource of advertising (in general, and above all on television) seems to have satisfied this demand. Television, like a great moloch, devoured the contents of cinema, an inexhaustible legacy of titles finally available after restrictions in the monopoly stage, and also distributed new content, such as TV series, which invariably became an important asset in supply and consumption on the small screen (and which eventually migrated as the central content to the new TV stations in the digital era); all this without requiring any visible expenditure on the part of consumer-viewers. Of course, financing through advertising is in no way comparable to a free offer, but there is no doubt that the idea of gratuity becomes dominant both in commercial television propaganda (one of the slogan sounded something like "We don't even charge you the TV licence") and in the perceptions of many viewers. This led, inter alia, to the paradoxical effect of the referendum in 1995[20], when citizens themselves, as consumers, rejected the proposal to cancel advertising from films broadcast on television, which would have called in question the "free" consumptionof the films themselves.

What appears to have declined, compared to the previous decade, was the participatory model, that is, the desire for productive protagonism by citizens. But it is true that the move from citizen to consumer already noted in the case of the press (and which can be extended with greater reason to TV viewing) can be interpreted as only a partial change, of course. In fact, the new availability[21] of content placed new alternatives before the average consumer of media (media now completely freed as companies acting on the market, and with audiences as their products): they included selecting from a large menu of proposals those most appreciated, and doing so without undergoing any constraints on capital (economic, social, temporal or cultural) of any kind. Participation thus followed the claim of independence in media consumption in a sphere of agency that would remain dominant over the next twenty years.

4. THE PHASE OF THE SECOND REPUBLIC

We have seen that the economic data for this phase reveal a significant reduction in GDP growth (in particular a collapse from almost +2% in 1990 to -0.84% in 1993). But the economic situation was characterised precisely in the same years by the currency crisis, which the Amato government responded to with a "tears and blood" manoeuvre. However the most salient fact of these years was the end of the so called First Republic – and the system of post war mass parties in Italy – following the "Mani Pulite" investigation into political and economical corruption and the Segni referendum that changed the Italian electoral system.

From 1994 onwards, what is called the Second Republic would be defined by a system of equilibrium between majority and proportional representation, characterised by a polarisation between right-wing and left-wing coalitions.

We could say, again, that the crisis involved many different social dimensions, and in particular the political one. In the field of the media system, the political battle between left wing and right wing coalitions was replicated in the conflict between

[20] In 1995 Italian voters were called to vote for a twelve part referendum. Five of the questions were related to television addressing the issues of public ownership of RAI, concessions for television channels, advertising breaks during films, and television publicity.

[21] J. Ellis, *Seeing Things: Television in the Age of Uncertainty*, London: I.B. Tauris & Co, 1999.

Gruppo Espresso and Gruppo Mediaset-Mondadori, with particularly acrimonious legal disputes, which showed the strength of the processes of monopoly concentration (for example, with close ties between control of television, press and radio, or integration between book publishing and periodicals as in the case of RCS-*Corriere della Sera*).

In general, the press sector was plagued by imbalances, dominated by certain major publishers, but also marked by the growth of unemployment and redundancy among journalists and printers. After riding high in the 80s, newspapers began to lose readers, despite the aggressive policy of supplements, gadgets, inserts, and so forth, and in fact triggering forms of internal competition between the weeklies[22].

What about innovations? The traditional media seem to have experimented with new forms of business models: publishers tried to reduce the fall of the incomes, pushing ahead the logic of the advertising-funded media (in 1997 the first online newspapers appeared. It was obviously a controversial innovation, always treated as an opportunity by the national dailies, and in the long run interpreted as a threat, primarily by journalists themselves).

Furthermore, book publishing opposed the concentrations with new specialist publishers; the cinema looked for productive alliances with television, and boosted ticket sales by devising nationally popular *Cinepanettoni* (low-budget movies released particularly for the Christmas season), without, however, killing off the various strands of auteur cinema. But, above all, television itself changed by distinguishing premium content from free-to-air channels with the emergence of two pay channels: Tele+ (1990-2003) and Stream TV (1997-2003). These began to show that free-to-air TV content might not be the only business model for television in Italy as elsewhere.

On the other hand, a particular role was played by digitisation (in this phase not in a convergent form, but strongly embedded in mono-media platforms, like Televideo – a teletext service – or the GSM telephone, that became an international success in the 1990s)[23].

Other examples of digital mono-media platforms were of course the computer and the first connections to the network via Fidonet, whose success in the 1990s was paradoxically borne out by *Italian Crackdown*, an investigation by the Guardia di Finanza (the Italian law enforcement agency responsible for dealing with financial crime) into alleged illegal activities (including the exchange of copyright material) by the BBS, and then the first Italian platforms, rarely a lasting success, such as Virgilio and Jumpy[24].

Re-examination of the media landscape in this second twenty-year period of the long crisis reveals that, following apparent continuity with the previous years, the various media sought to take advantage of the new scenarios – borne on the wave of digitisation – and devised more or less successful strategies to open a new phase.

In general, we could say digital media returned to the theme of participation and free-to-air, which become decisive factors for that radical disintermediation which only the subsequent phase would complete, together with the fully convergent breakthrough. For the time being, the appearance on the media market of the big Telecommunications Companies and the emergence of an alternative technology culture expressed by bot-

[22] Censis, *La situazione sociale del paese 1996. Speciale 30 rapporto*, 10/11, 1996.

[23] F. Colombo, B. Scifo, "Social Shaping of the New Mobile Devices. Representations and Uses among Italian Youth", in *Everyday Innovators. Researching the Role of Users in Shaping ICTs*, edited by L. Haddon et alii, Heidelberg: Springer, 2008, 58-68.

[24] F. Pasquali, N. Vittadini, "Storia di internet in Italia", in *Storia della comunicazione e dello spettacolo in Italia. I media alla sfida della convergenza (dal 1979 a oggi)*, 211-220.

tom-up communication (like BBS) marked the first steps in the digital transformation of the country which, however, did not always affect the media's capacity as industries to play an anti-cyclical role for the national economy.

By the end of the nineties the offer of free internet connection services boost the spread of the Web and personal computers. The Italian ICT sector was worth about 60 million euros, of which 40 were related to telecommunications, which grew at rates above the European average and poured huge investments into advertising in the national media system[25]. The country then started dealing systematically with the issues of infrastructure (Fastweb's fibre optics arrived in 2000) and governance affecting the industry as well as the new markets for e-commerce, online advertising and digitised services. Internet could be seen as a true factor of not just economic but also social regeneration. Evidence of this lies in the phenomenon of BBS, mentioned above, and the close attention paid to computer science applied to the public administration and interaction among citizens, as evidenced by the great season of civic networks and urban telecommunications networks[26].

The bursting of the dotcom bubble in 2000-01 seemed to curb development, as shown by the sudden contraction of the online advertising market[27]. By late 2000 ICTS and telecommunications companies like Tiscali, e.biscom, Blu and Finmatica, among others, had reached giddy quotations and capitalisations. They then collapsed in an equally short time, eithergoing out of business or being significantly downsized.

In the second decade of the period, the innovative thrust seemed to return to television, first with the encounter between telecommunications and TV, with the formation of the Telecom Italia Media group. Together with La7 and MTV, in 2002 it created the third pole of Italian TV. In those same years, the process would lead to the analogue switch-off in the middle of the decade. However, these changes were not immediately innovative, and many saw the legislators' decision to opt for digital terrestrial television and offer incentives for the purchase of decoders, in a typically top-down mode of diffusion, as a brake on the development of both the television market and the ITCs. Another failure was the hope – highly ideological and deeply rooted in a persistently didactic interpretation of the Italian cultural industry[28] – that digital terrestrial television would become a means of access to the information society, through the implementation of public services (telemedicine, T-learning, T-government etc.)[29].

In addition to the actual expansion of the number of TV channels in the digital terrestrial television multiplexes, the television market was disrupted by a series of product innovations and arrival in Italian TV market of the tycoon Rupert Murdoch. In those years new content arrived in Italy which gave a fresh lease of life to national television. Big Brother first aired in 2000, giving new impetus to the long season of reality shows, attracting younger audiences to television and projecting it into the field of multiplatform consumption. Rupert Murdoch, already present in Stream, took over Telepiù in

[25] D. Ioppolo, "Pubblicità", in Fondazione Rosselli, *L'industria della comunicazione in Italia. Sesto Rapporto IEM*, Milan: Guerini & Associati, 2002, 225-242.

[26] See for example the dossier edited by Paola Manacorda and Francesco Siliato published in *Problemi informazione*, XXIII, 1, March, 1998.

[27] Iab Italia, *Osservatorio degli investimenti pubblicitari su internet Iab/Acp Online*, Rilevazione 2002, 2003.

[28] Colombo, *La cultura sottile*.

[29] P. Aroldi, F. Pasquali, N. Vittadini, "Televisione digitale in Italia: il punto sull'interattività", *Quaderni di sociologia*, 37 (2005): 43-60. M. Fanchi, N. Vittadini, eds., "Incipit digitale. L'avvio della televisione digitale terrestre in Italia tra discorsi, prodotti e consumi", *Comunicazioni sociali*, 1 (2008).

2003 and unified the digital satellite offering under the Sky Italia brand (a year later it would have 3,000,000 subscribers). Sky not only presented a new subscriber business model in the television market but also became synonymous with a thematic, rich and quality television offering.

Meanwhile, the explosion of the Italian blogosphere marked a turning point, at least on the symbolic level, in the Italian Web[30]. After the euphoria of the new economy and the rude awakening of the dotcom crisis, the discourses turned on innovation focused on social agency and the relational dimensions of communication[31]. This was a phase of great enthusiasm that certainly paved the way for models of social innovation: think of the creative commons licences adapted to Italy in 2003, open source, and the wiki culture[32].

The Web 2.0[33] laid the basis for new opportunities as well as introducing new contradictions regarding the value (and the destruction of value) generated by participatory processes. First, the diffusion of user-generated content raised the issues of the quality[34] of amateur content and of the relation between amateur work and professional work. In those years began to emerge the question (urgent at the present time) of the value and remuneration of audience activity[35]. Audience partecipation can take the form of pure entertainment, it may have participatory orientations in a more or less political sense[36], it may be inscribed in a "gift economy" based on reciprocity, it may generate intangible value for the participants (e.g. in terms of reputation and self-branding), but it may also become veritable alienated and unpaid labour[37].

Secondly, if we examine the relation between the Web 2.0 and the media system, we notice how sharing practices by users at least initially destroyed value[38] by radically undermining the regulatory, economic and cultural organisation of whole media cycles and imposing new strategies, new protagonists and new creative contents. Think of the music industry and how first peer-to-peer networks and then platforms completely altered it. Two shifts stand out: the arrival in 2004 of iTunes music store in Italy, then followed by the spread of smartphones and success of streaming on platforms such as Spotify and You Tube.

5. THE CURRENT PHASE

Streaming services bring us to the last stage of our periodisation. As we know, the crisis during this period is deep, long, and generated by the explosion of the big subprime

[30] G. Granieri, *Blog Generation*, Rome-Bari: Laterza, 2005; E. Locatelli, *The Blog up. Storia sociale del blog in Italia*, Milan: FrancoAngeli, 2014.

[31] G. Boccia Artieri, *Stati di connessione. Pubblici, cittadini e consumatori nella (Social) Network Society*, Milan: FrancoAngeli, 2012.

[32] L. Lessig, *Cultura libera*, Milan: Apogeo, 2005.

[33] T. O'Reilly, "What Is Web 2.0. Design Patterns and Business Models for the Next Generation of Software", 2005, http://www.oreilly.com/pub/a/web2/archive/what-is-web-20.html.

[34] A. Keen, *The Cult of the Amateur*, New York: Doubleday, 2007.

[35] S. Ford, J. Green, H. Jenkins, *Spreadable Media. I media tra condivisione, circolazione, partecipazione*, New York: New York University Press, 2013.

[36] H. Jenkins, N. Carpentier, "Theorizing Participatory Intensities: A Conversation about Participation and Politics", *Convergence*, 19, 3 (2013): 265-286.

[37] Among others, see C. Fuchs, *Social Media: A Critical Introduction*, London: Sage, 2014.

[38] F. Pasquali, B. Scifo, N. Vittadini, eds., *Crossmedia Cultures. Giovani e pratiche di consumo digitale*, Milan: Vita e Pensiero, 2010.

bubble in a new context af global economic interdependence. What's the peculiarity of media system in Italy within these conditions?

As for the more traditional media industries, there are two clear trends. The first is the profound crisis, well described by the table 4, in printed paper, only timidly offset by the growth of online journals[39]. This crisis have led to a drastic redefinition of the journalistic profession and the partial redefinition of the industrial organisation and ownership of the sector (an example is Urbano Cairo who in 2013 has acquired La7 Telecom and RCS MediaGroup in 2016).

Table 4 - *Changes in newspaper consumption: 2007-16 (val.%)*

	2007	*2009*	*2011*	*2012*	*2013*	*2015*	*2016*	*Diff. % 2015-16*	*Diff. % 2007-16*
Paper newspapers	67.0	54.8	47.8	45.5	43.5	41.9	40.5	-1.4	-26.5
Free press	34.7	35.7	37.5	25.7	21.1	9.7	8.6	-1.1	-26.1
Newspapers online	21.1	17.7	18.2	20.3	20.8		25.3	1.9	4.2
Newspapers in general	79.1	64.2	66.6	62.9	57.9	52.9	52.6	-0.3	-26.5

Source: Censis 2016[40].

The second trend concerns television, which has been overtaken in recent years by two processes that are worth highlighting.

The first process concerns the stagnant situation of big TV players. While free to air television is having lower advertising revenue, Pay TV players have to deal with the saturation of the subscription market, which stopped growing. The results is a stronger competition and a reduction in profit margins.

At the same time, however, the television system has seen in recent years a process of major innovation. On the content side, television is back to the centre of the audiovisual universe. The great success of American drama series resonated with Italian series production, with generalist and family fiction joined by both niche and global operations such as *Romanzo Criminale* (2008-10), *Gomorrah* (14), *1992 and 1993* (2015-2017) and *The Young Pope* (2016)[41]. On the consumption side, television in recent years has known a deeper integration with social media, the development of social TV[42], and the incorporation into convergent television of people and themes born on the Web (think how many YouTubers and influencers populate TV shows as well as bookshops)[43]. On the economic side new business and revenue models were explored also involving advertising industries: for example in 2010, adopting the EU directives, TV product placement (already possible in cinema since 2004 with the Urbani Law) was regulated, becoming an essential resource for whole sectors of

[39] For an analysis of the Italians' consumption of information see L. Mazzoli, *Il patchwork mediale. Comunicazione e informazione fra media tradizionali e media digitali*, Milan: FrancoAngeli, 2017.

[40] Censis-Ucsi, *13° Rapporto Censis-Ucsi sulla comunicazione*, Rome, 28 September 2016.

[41] M. Scaglioni, L. Barra, *Tutta un'altra fiction. La serialità pay in Italia e nel mondo. Il modello SKY*, Rome: Carocci, 2013.

[42] A. Marinelli, G. Celata, eds., *Connecting television: la televisione al tempo di internet*, Rome: Guerini, 2012; F. Colombo, ed., *Social TV: Produzione, esperienza e valore nell'era digitale*, Milan: Egea, 2015.

[43] R. Andò, A. Marinelli, *YouTube Content Creators. Volti, formati ed esperienze produttive nel nuovo sistema mediale*, Milan: Egea, 2016.

television production (for example factual and lifestyle formats). Finally, coming to technological innovation, we can observe a significant push for innovation with the public service that has launched the very successful streaming app "RaiPlay" already set up for the implementation on smart TVs sets.

As for digital media, this phase is characterised by convergent processes and two elements are absolutely central: the spread of smartphones and the emergence of large digital platforms with their ability to develop extremely diverse and flexible business models and incorporate innovation and value from outside (where outside is both the world of content production and that of prosumer users)[44].

This innovation is not just in technology, products or regulation, nor is it just new opportunities offered to the media system in its convergence with digital platforms. It is also – we say this with all due caution – part of a broader phenomenon, which involves new styles of consumption developed in response to the changing lifestyles imposed by the crisis. While it is true that the crisis has led to a shrinking expenditure on cinema, books and cultural consumption in general, it is also true that the new circumstances have in some cases led to at least potentially positive consonances with the media system and the platform economy.

The early expulsion of many adults from the labour market has generated, for example, new domestic patterns of time use that inevitably resonate with a media offer that is also destructuring its own time patterns. At the same time, the high levels of youth unemployment are (further) delaying the age when young people leave home. Hence different generations live together in the home and naturally express different preferences for social interaction, media and cultural consumption. It is perhaps not too bold to say that a partial response to these needs lies in mobile platforms that displace media consumption in the spaces of the home and social media that make it possible for all the members of the household to integrate their own extra-domestic network of relations in the home.

The transition from connection to connectivity – in van Dijck's terms[45] – and the coexistence of supranational platforms, the national media system, and a huge galaxy of local creative micro-businesses have created a new ecosystem that generates unprecedented resonances with the "moral economies" of the different households[46]. Think of the new agency of audiences, but also how each of us is subjected to the power of social media and social networks[47]. We are now in a new communicative ecosystem reshaping the boundaries of the media and increasingly challenging institutions to play a role of guidance and governance of innovation processes. (Think of the difficulties of policies in dealing with the supranational nature of digital platforms, for example, when it comes to taxation or regulation)[48].

[44] T. Gillespie, "The Politics of 'Platforms'", *New Media & Society*, 12, 3 (2010): 347-364.

[45] J. van Dijck, *The Culture of Connectivity: A Critical History of Social Media*, Oxford: Oxford University Press, 2013.

[46] R. Silverstone, E. Hirsch, D. Morley, "Information and Communication Technologies and the Moral Economy of the Household", in *Consuming Technologies: Media and Information in Domestic Space* edited by R. Silverstone and E. Hirsch, London: Routledge, 15-31.

[47] F. Colombo, *Il potere socievole. Storia e critica dei social media*, Milan: Mondadori, 2013.

[48] Emblematic of the difficulty of responding to these challenges is the series of events concerning the RAI and the indeterminacy that has characterised the debate on the role of the public service broadcasting on the expiry of its concession (see M. Scaglioni, *Il servizio pubblico televisivo. Morte o rinascita della Rai*, Milan: Vita e Pensiero, 2016).

6. CONCLUSIONS

We can now try to synthesize the path that we have traced in the article. The crisis has accompanied (albeit with different levels of depth and in different forms) all the post-boom italian history, and must therefore be considered a background characteristic of the evolution of national media system.

By dividing into three phases (following the socio-economic trend) this long period, we have found some interesting features of each phase that we want to synthesize in our closing remarks, paying specific attention to cyclical or anti-cyclical function played by innovation processes.

The seventies and eighties, despite their internal differences, show a strong presence of innovation especially in content offer and in business and organizational models. The process of course is contradictory: the proliferation of grassroots and alternative media of the seventies is followed by the concentration processes of the 1980s. However in both cases we can recognise many efforts to adapt and redefine productive models and contents along with the first development of consumer patterns that will become crucial in the following decades.

In the second phase, the centrality of television and the emergence of the first forms of digitalisation show the reorganization of media production and distribution processes and at the same time the introduction in the country of significant technological trasformation on the digital side. However innovation processes do not lead to a sedimentation of an integrated project addressing the national media system. It can be said that, at this stage, some of the subsystems of the media have worked and have innovate but in a general context lacking of reliable and effective investment policies on the future by national media system and the institutions.

Finally, the third and last phase is caractherised by a substantial technological innovation process in which once again Italy plays more adapting international trends (such as the explosion of social media) than producing specifics national opportunities. However, as TV series demonstrate (unfortunatly it's not equally true for other TV format)[49], there might be one exception: content production where, again, the Italian genius loci can be find in cultural and media products, that are both recognizable on national level and exportable in a global market perspective.

[49] On this topic see L. Barra, "The Italian Job. La fiction italiana verso una circolazione globale", *Link*, 21 (2017) and M. Scaglioni, "Distratta Italia. Perché il paese resta un 'gigante dormiente'", *Link*, 21 (2017), both avaiable online http://www.linkideeperlatv.it/rivista/distretti-produttivi-emergenti/.