The 1980s and 1990s:
A Changing Society

1985–92  Public debt increases to record levels
1987     Lombard League separatist party first appears in elections, Large scale
         trials against Sicilian Mafia
1989     Fall of the Berlin Wall, beginning of dissolution of Soviet communist
         empire with repercussions for post war Italian political party system
1990     Operation Gladio: anti-Communist organization formed by NATO in
         the 1950s exposed
         PCI changes name to PDS (Democratic Party of the Left) Rifondazione
         comunista neo-Communist party formed
         Tangentopoli political scandal involving postwar political parties and
         Mani pulite (clean hands) investigation
1991     Italy sends forces to aid the United Nations liberation of Kuwait
         Intensification of mafia violence
1992     Treaty of Maastrict established European Community as an economic
         and political entity with abolition of intra-European border controls
         and a timetable for monetary union under a single currency—the Euro
1993     Terrorist bombings in in Milan, Rome and Florence
         Lombard league electoral gains
         Neo-Fascist party MSI becomes Alleanza Nazionale (National Alliance)
         Premier Bettino Craxi resigns as leader of Socialist Party and flees Italy
         to avoid corruption charges
1994     Italian birth rate ranked among the lowest in the world
         Media tycoon Silvio Berlusconi founds and leads Forza Italia and Liberty
         Pole Coalition to victory with Northern League and National Alliance
1996     Olive Tree alliance wins election with Romano Prodi as premier with
         PDS and Rifondazione Communista parties

In the 1980s, cabinets were formed with a non-Christian Democrat presidency
for the first time since the advent of the postwar Republic. After the republi-
can Giovanni Spadolini’s government in 1981–82, the Socialist Bettino
Craxi held the position of premier intermittently in the late 1980s. There was a
rise of new political forces such as the environmentalist Green Party and the separatist Northern League, led by Umberto Bossi, which proposed a secessionist program for northern Italy taking advantage of anti-immigrant and anti-taxation sentiment.

After WWII Italian politics had been dominated by the competition between the pro-Western Christian Democrat party and the historically pro-Soviet Italian Communist Party. After the fall of the Berlin Wall in 1989 and the implosion of the Soviet empire that followed, Italy's postwar political parties became embroiled in a political corruption scandal known as _tangentopoli_ (city of kickbacks). These bribery scandals targeted the leaders of the last coalition governments led by the Socialist Party and Bettino Craxi in particular, who fled prosecution and died in exile in Tunisia in 2000. The end of the Cold War bipolarity that had divided Italian politics between the pro-Soviet communist party and the pro-Western Christian Democrats resulted in what some commentators have referred to as the end of the first postwar Italian Republic. The Italian Communist Party changed its name to the PDS (Partito Democratico della Sinistra—Democratic Party of the Left), causing a split with its most fervent members who formed the _Rifondazione comunista_ (communist refoundation) party. The Christian Democrats also split into rival factions—the Left-leaning UDC, United Christian Democrats and the conservative CCD, Democratic Christian Center Party.

The conservative forces of parties like the CCD were eventually marshaled not by Catholic parties but by media magnate Silvio Berlusconi whose party _Forza Italia_ (Go Italy) took its color (blue) and name from the slogan that reminded voters of the Italian national soccer team that won the 1982 World Cup. Berlusconi’s center–right coalition, the _Polo delle Libertà_ (Liberty Pole later the _Casa delle Libertà_—Freedom house), became one branch of a new bipolarism in Italian politics with the opposing Center-Left Olive Tree Coalition led by the post-Communist PDS leader, university professor, and government functionary Romano Prodi. The first _Forza Italia_–led government fell in 1994 due to a falling out with the North League members of its coalition. In 1996, a PDS-led government fell due to the withdrawal of support from _Rifondazione Comunista_ delegates.

Berlusconi’s entrance into the Italian media market had come after Italian courts ended the state monopoly on television broadcasts. Berlusconi’s Finninvest media corporation founded several private Italian television stations: _Canale 5_ in 1980, _Italia Uno_ in 1982, _Rete Quattro_ in 1984. In 1991, Berlusconi also acquired the Mondadori publishing network, which includes book, magazine, and newspaper interests. The combination of these printing and television holdings would give Berlusconi an unprecedented stake in the Italian media, particularly when combined with the political influence he could exert over RAI state television as premier through appointments in the state agency. The duality between RAI state television and Berlusconi’s private television networks was put into law by the Mammì statute (1990). The concentration of media control under Berlusconi caused concern among opposition politicians who lobbied unsuccessfully for a law to establish conflict of interest laws to limit the ability of a single source to control both private and public television.