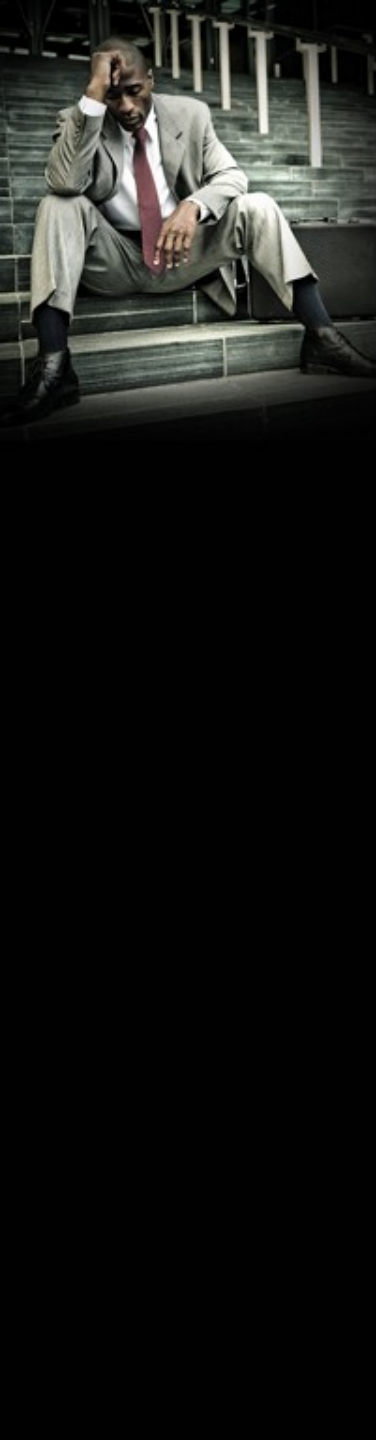


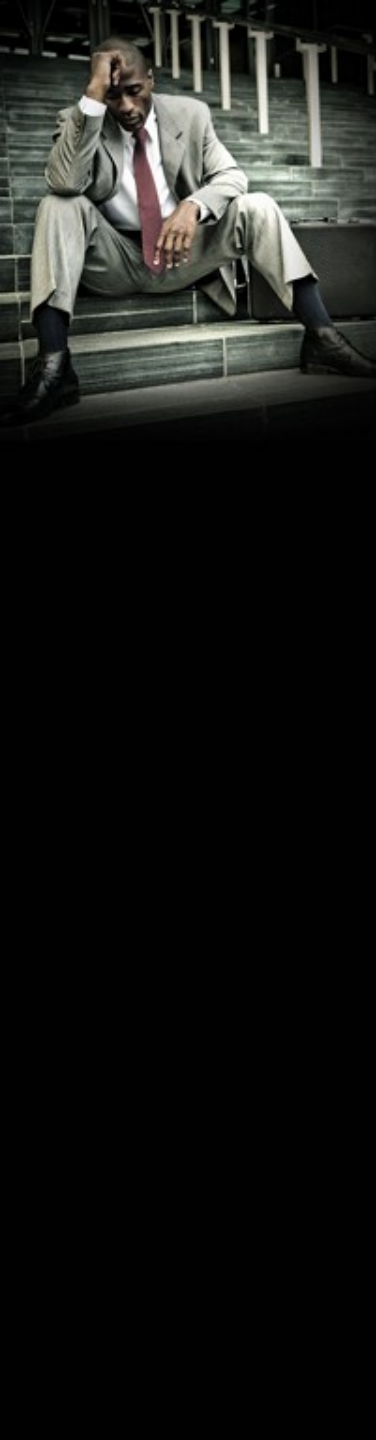
Lecture 3: Italy and European integration: the 1990s





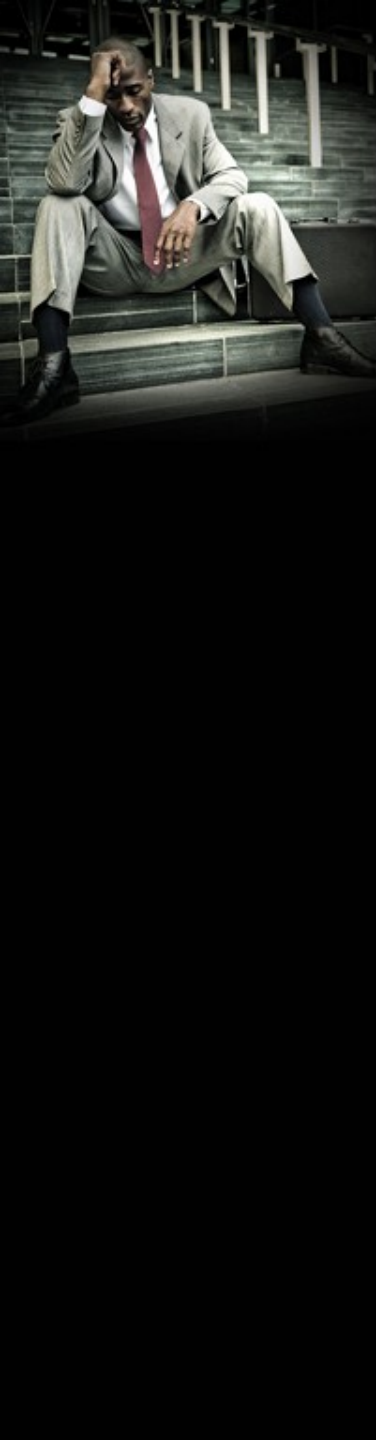
The Economic Crisis of the Early 1990s

- Currency crisis of 1992
- Recession and rising unemployment
- Inflation and interest rates
- Public debt crisis



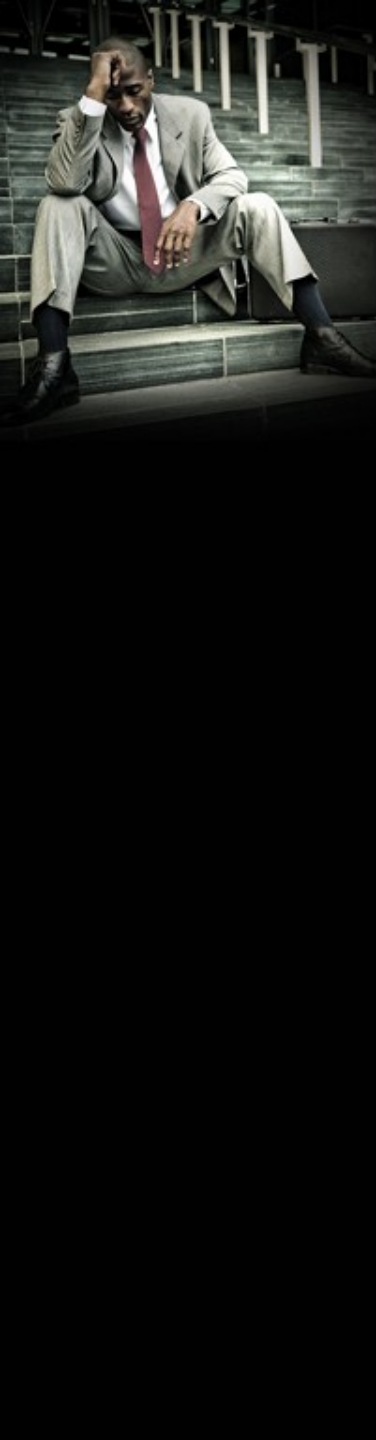
The Political Crisis of the Early 1990s

- Tangentopoli and Mani Pulite investigations
- Collapse of the traditional party system
- Rise of new political forces
- Institutional reforms



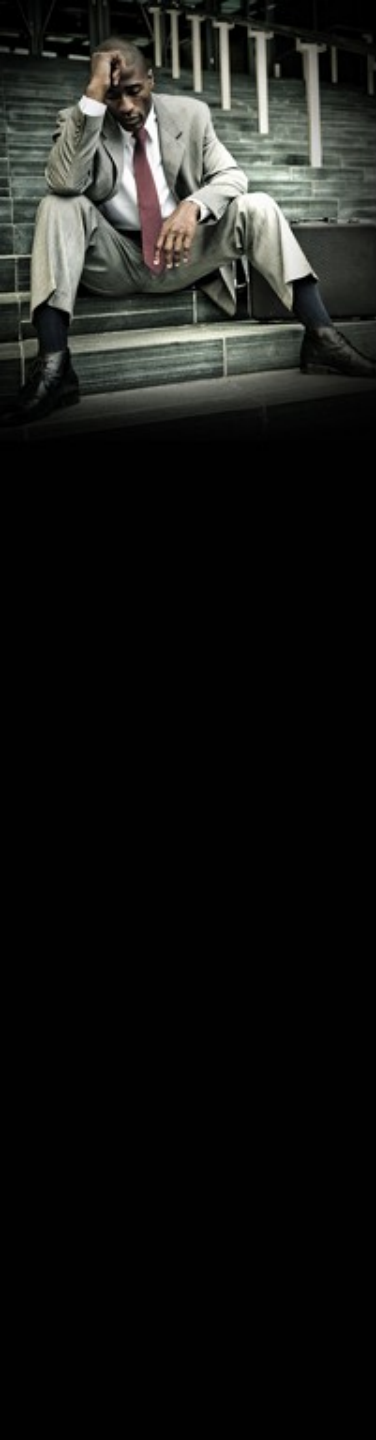
The Maastricht Treaty (1992)

- Key provisions
- Convergence criteria for joining the euro
- Italy's position and challenges



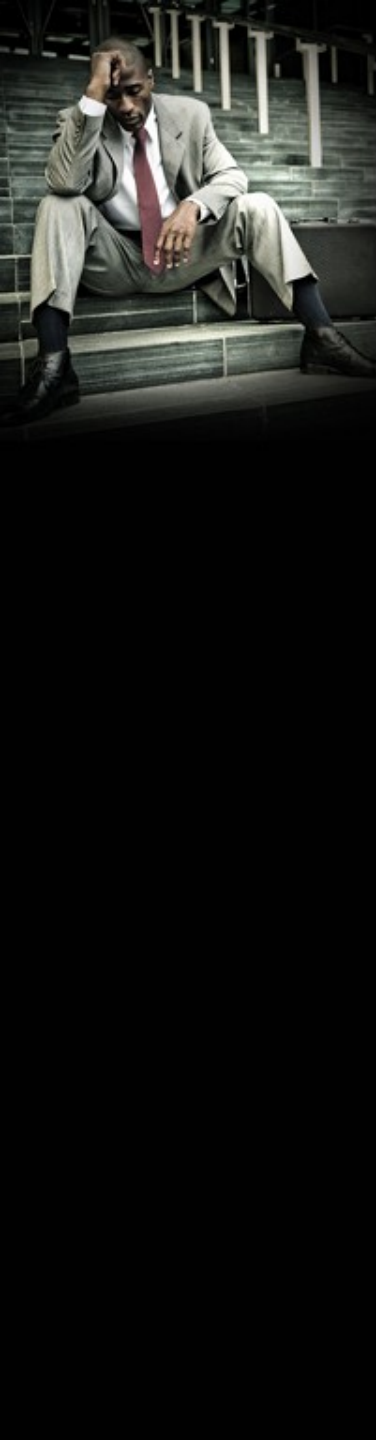
Maastricht Convergence Criteria

- Inflation rate
- Government budget deficit
- Government debt-to-GDP ratio
- Long-term interest rates
- Exchange rate stability



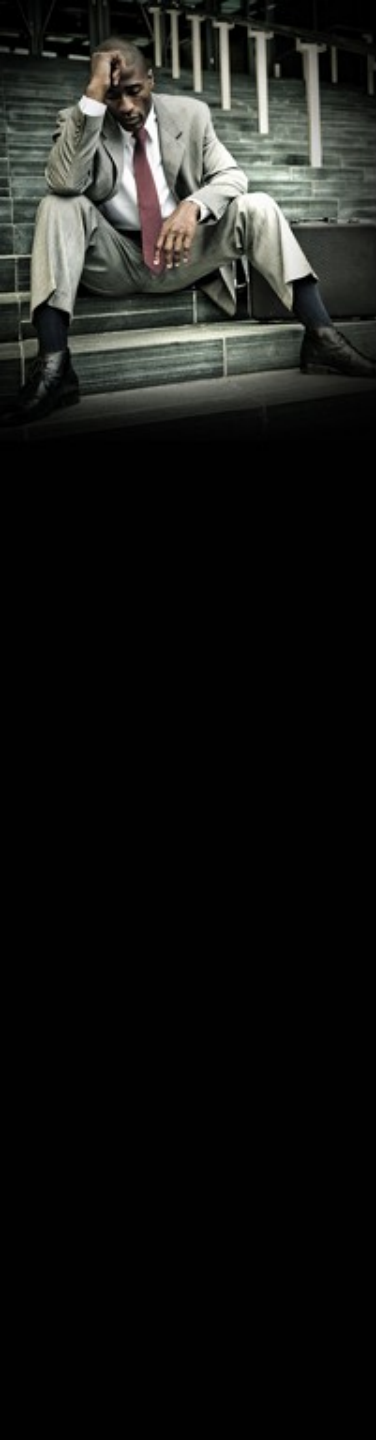
Italy's Challenges in Meeting Maastricht Criteria

- High inflation
- Large budget deficits
- Massive public debt
- High interest rates



Economic Reforms to Meet Maastricht Criteria

- Fiscal consolidation efforts
- Privatization program
- Labor market reforms
- Pension system reform



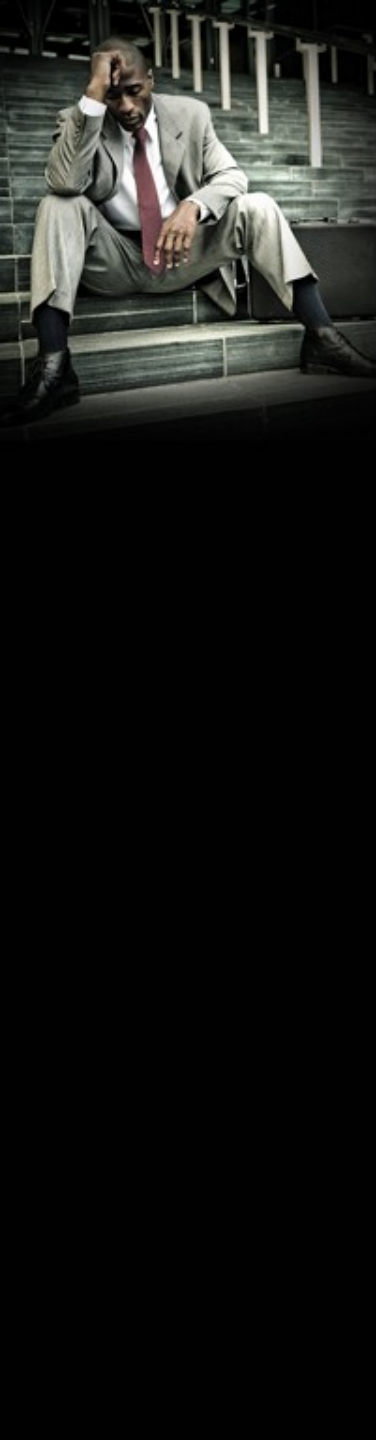
Political Reforms and European Integration

- Electoral system changes
- Decentralization and federalism
- Administrative reforms
- Anti-corruption measures



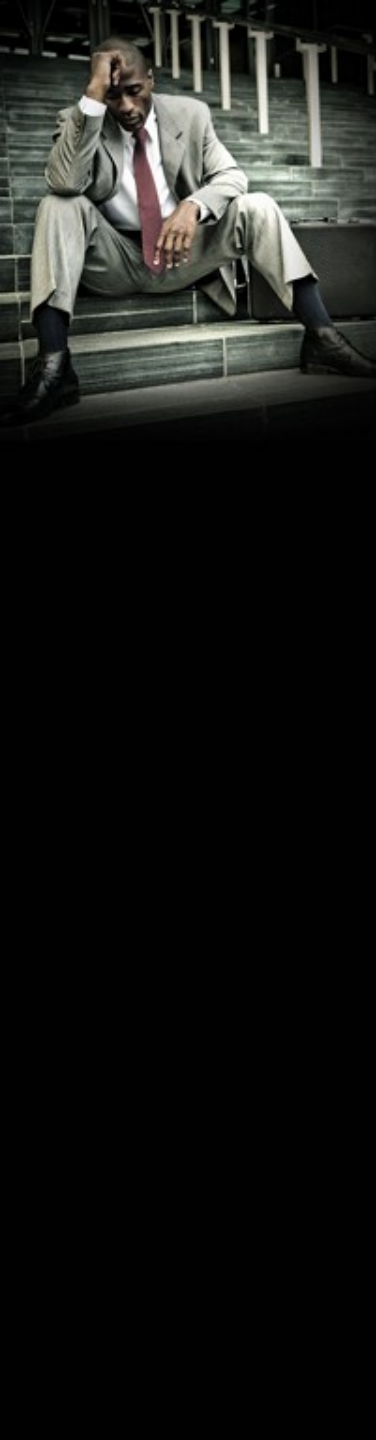
The Rise of Technocratic Governments

- Giuliano Amato government (1992-1993)
- Carlo Azeglio Ciampi government (1993-1994)
- Role in implementing reforms and preparing for the euro



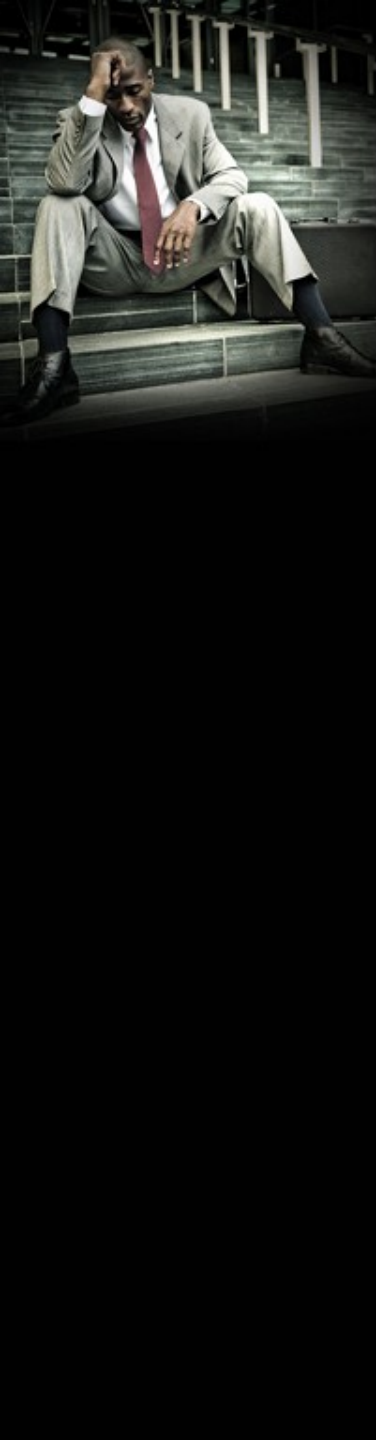
The Emergence of Euroscepticism

- Northern League: From regionalism to Euroscepticism
- Criticisms of the Maastricht Treaty
- Concerns about loss of sovereignty
- Economic arguments against the euro



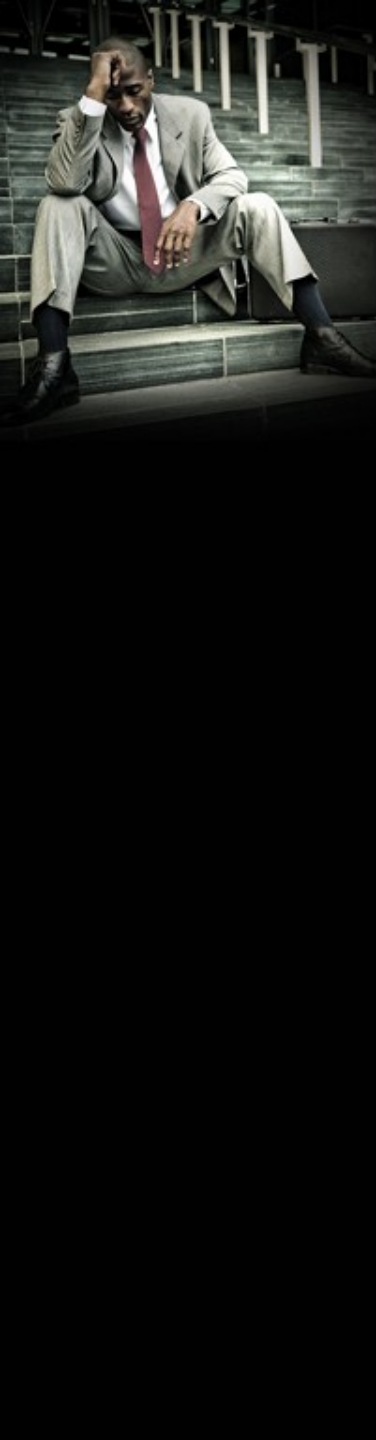
Public Opinion on European Integration

- Initial enthusiasm for the EU and euro
- Growing concerns about economic impact
- Regional differences in support for European integration



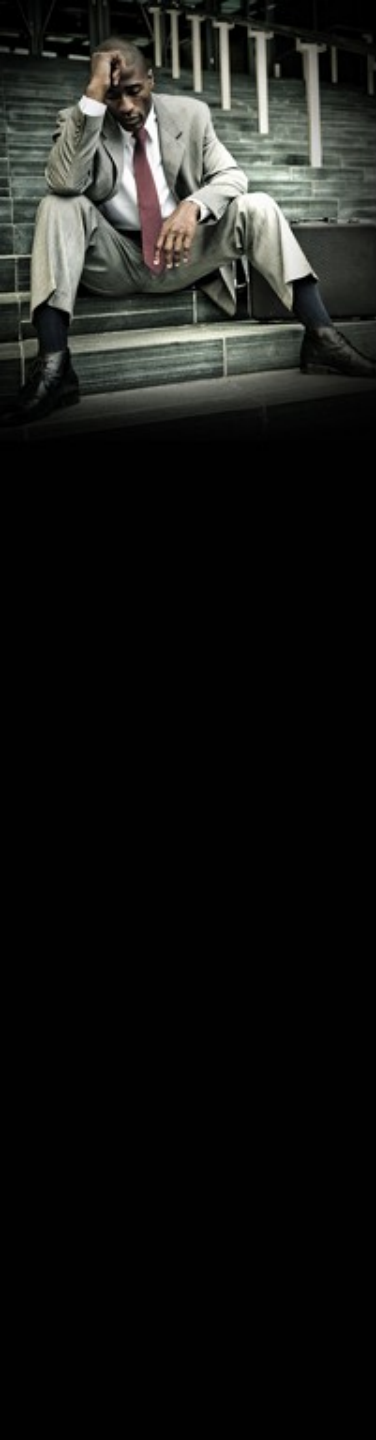
Italy's Path to the Euro

- Prodi government and the "Euro tax" (1996-1998)
- Final push to meet convergence criteria
- Admission to the Eurozone (1998)



Debates on Italy's Eurozone Membership

- Potential benefits: Monetary stability, lower interest rates
- Potential risks: Loss of competitive devaluation, structural reforms
- Political and economic divisions



Summary

- 1990s as a decade of crisis and transformation for Italy
- European integration as both a challenge and an opportunity
- Emergence of tensions between EU requirements and domestic politics
- Seeds of future debates on Italy's relationship with the EU