

Berlusconi ready to back Monti as comeback hopes fade

Former PM calls for unity against left

By Guy Dinmore and Giulia Segreti in Rome

Silvio Berlusconi, Italy's former three-time prime minister, has signalled he is ready to abandon his attempt at a political comeback in elections next year and would be ready to back Mario Monti to continue as head of government.

In interviews with friendly media outlets yesterday, the 76-year-old media baron who heads Italy's largest centre-right party suggested he was acting for the good of the nation to thwart a possible victory at the polls by a centre-left alliance.

But commentators and former allies saw Mr Berlusconi's latest "turnround" as a belated recognition of his own protracted demise, having failed to rally his divided and scandal-riven People of Liberty behind him or a successor from within the party.

"The era of the charismatic leader is surely over, not only in Italy," said Claudio Scajola, an ex-minister who fell out with his former mentor.

Mr Berlusconi resigned under internal and financial market pressures last November to make way for Mr Monti's interim government of technocrats. But as the former EU commissioner's term draws to a close, uncertainty over what kind of government will follow continues to undermine his efforts to bring down the costs of funding Italy's still increasing public debt without recourse to an EU bailout.

Mr Monti, who is guaranteed a seat in the next parliament as life senator, made clear last week that he would not campaign for re-election as prime minister. However, in an apparent attempt to calm jittery investors, he said he would be ready to serve a second stint if elections ended in deadlock, as current opinion polls indicate.

In his first interview after resigning, Mr Berlusconi told the Financial Times last February that he would step back from the front

line of politics. But during the summer he fuelled speculation that he would attempt a comeback, wavering between adopting an anti-European platform or a reformist liberal manifesto.

In his latest pronouncements, Mr Berlusconi, who is on trial for paying an underage Moroccan prostitute - charges he denies - suggested he was ready to give up his possible candidacy and back a pro-Monti coalition of centrist and centre-right parties.

"I want unity of the moderates and I am ready to give up my candidacy, if needed, to achieve a united front," Mr Berlusconi told the daily *Liberò*, saying he was ready to join forces with "everyone who isn't from the centre-left".

Mr Berlusconi suggested an alliance with UDC, a small centrist party, and a group formed by Luca Cordero di Montezemolo, chairman of Ferrari, as well as the Northern League, a former coalition ally.

While declining to name a leader, Mr Berlusconi said he did not exclude Mr Monti as head of the new group. "Ever since I've known him he has always been in the liberal camp, so it could easily be Mario Monti," he said.

Mr Berlusconi's new initiative is just the latest stage in political manoeuvring that could well continue up to and beyond election day, expected next March or April. Pier Ferdinando Casini, leader of the UDC who fell out with Mr Berlusconi more than five years ago, responded cautiously to this latest shift, noting his former ally's propensity for "turnrounds". Mr Casini, who sees himself as a possible kingmaker in a future coalition, is openly in favour of Mr Monti remaining prime minister but is seen as unlikely to decide on his possible coalition partners until after the elections.

Opinion polls show Mr Berlusconi's party languishing at record low support of some 15 per cent, and threatened to be overtaken by the anti-establishment Five Star Movement led by Beppe Grillo, a stand-up comedian who intends to demonstrate his virility

today in the style of late dictators such as Mao Zedong and Benito Mussolini by attempting to swim from the mainland to Sicily.

The centre-left Democrats head the polls with about 27 per cent of the electorate but are heading into a potentially bruising election primary in November, pitting party leader Pierluigi Bersani against Matteo Renzi, the youthful reformist mayor of Florence, and Nichi Vendola, a charismatic former communist.

Threats by Italy's largest leftwing trade union federation to stage a national strike against public spending cuts could also open up divisions within the Democrats who support the technocrats in parliament but insist the time has come to return to a government led by politicians.

