

# Italy's ex-premier Berlusconi convicted of tax fraud

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Media tycoon and former Prime Minister Silvio Berlusconi was convicted October 26 of tax fraud in a Milan court and sentenced to four years' jail time and five years' ban from public office.

The evidence presented in the case indicated that in 2002-03 Berlusconi used a number of offshore companies to inflate the price his media empire paid for television rights for Hollywood films. The amount of the tax fraud is estimated at some 270 million euro (\$350 million).

The court's decision comes after nearly a decade of investigations and six years of hearings, and it includes a penalty of 10 million euro (\$13 million), a fraction of the money Berlusconi stole.

The immediate reaction of the global media was to sensationalize the ruling, playing on the widespread popular contempt for Berlusconi, a symbol of corruption and associated with the reactionary, anti-social policies implemented by his four governments over a span of 18 years.

The almost celebratory coverage of the verdict serves definite political aims. First, it seeks to appease the general anger Berlusconi evokes on the basis of his political as well as personal conduct. Second, it provides a fig leaf of legitimacy for the judicial process.

In reality, it is highly unlikely that Berlusconi will ever spend a day in jail. The sentence was immediately reduced to one year in accordance with a 2006 amnesty law. The former Italian premier often boasts about the many lawsuits and trials in which he has been involved, whose outcomes have always been determined by his ability to afford the best legal teams, manipulate the law (often crafting *ad personam* bills such as several amnesty laws) or bribe judges.

The new sentence is subject to two additional appeals, which will take years to hear in the Italian

courts. Moreover, Berlusconi's ban from public office won't go into effect unless there is a final sentence; plus, the Italian judicial system has a long history of major political figures being saved from prison by the statute of limitations, including former prime minister Giulio Andreotti, whose conviction for links with the Mafia was overturned on the basis of such a statute in 2003.

Despite the damning evidence, Berlusconi's response to the recent verdict was predictably arrogant, calling it "incredible and intolerable, a political condemnation," typical of a "barbaric and uncivilized country." He also corrected an earlier announcement that he would not seek the premiership in the next election, claiming that he feels "obliged to stay in the field to reform the justice system." For years, Berlusconi has pursued constitutional changes that would increase the power of the executive.

An obvious question arises: how has such a gangster, hated by wide layers of the population, been able to get away with it for so long? It is entirely inadequate to explain his success by reference to his wealth (some \$6 billion) and his ability to influence the entire establishment. Fundamental questions are raised about the role of the so-called left in Italy, which has passed itself off as Berlusconi's opposition.

Throughout his career, characterized by various extra-legal efforts to defend his media empire and minimize punishment, Berlusconi has never encountered serious resistance from the "left."

To many Italian workers, he represents a despicable class enemy who has committed crimes, exploited tens of thousands of his own employees and presided over the emergence of deplorable socio-economic conditions through privatizing and dismantling social welfare, public education and health care.

Yet that working class sentiment has never found expression in politics. The Italian “left” has postured as Berlusconi’s opposition while, in fact, it has supported austerity in general and implemented similar policies itself once in power.

Italy’s current prime minister, Mario Monti, a faithful servant of the European bankers who undemocratically placed him in power, enjoys the support of both Berlusconi’s Popolo della Libertà (People of Freedom, or PdL), as well as the Democratic Party (PD), Berlusconi’s ostensible “opponents” with deep ties to the “radical left.”

Monti’s austerity measures amount to an unprecedented series of attacks against what remains of the postwar social gains. His initial package at the end of 2011 cut pensions and implemented a series of regressive taxes, which disproportionately effect workers. His labor market reform and “restructuring” early this year end decades of labor regulations, from safety to job security, organizing employment flexibility according to the ruthless needs of capital.

These measures have enjoyed the solid support of the PD, one of whose ancestors was the Italian Communist Party.

Matteo Renzi, mayor of Florence and one of three entrants in the PD’s upcoming primary election to determine its candidate for prime minister—along with party national secretary Pierluigi Bersani and Nichi Vendola, national secretary of Sinistra Ecologia Libertà (Left, Ecology, Freedom, SEL)—stated that “Mario Monti has given authority, prestige and decorum back to Italy.” In an eventual center-left cabinet, Renzi asserted, “he [Monti] must be summoned to play a high profile role either in Italian or European institutions.”

Vendola’s participation in the PD’s primaries comes as no surprise: in August he and Bersani forged an alliance that seeks to dominate the center-left, but which will not hesitate to extend its boundaries far into the right. Pierferdinando Casini, secretary of the Christian Democrats, Italy’s traditional conservative party, is viewed by Vendola as a potential ally: “The center-left should not be afraid to carry along whoever wishes to enrich its horizon.”

But the possibilities of this “left” are limitless. Vendola continued, “I issue a veto to no one,” laying the foundation for a grand coalition that can include even neo-fascist elements, so long as “the agenda

focuses on social and civil rights.”

The Rifondazione Comunista (Communist Refoundation), or its remnants, continues to follow the same sort of deceitful posturing that has characterized its entire history. National Secretary Paolo Ferrero, knowing full well Vendola’s agenda, continues to pursue the latter’s support for the creation of yet another fraud: an “alternative left.” This from a politician (Ferrero) who was a member of the Prodi government in 2006-2008, which pursued the same policies Monti is now implementing (see “The collapse of Rifondazione Comunista in Italy”).

None of this unprincipled wheeling and dealing would be possible without the complicity of the trade union confederations, the CGIL [Italian General Confederation of Labour], CISL [Italian Confederation of Trade Unions] and UIL [Italian Labour Union].

From the open collaboration of the pro-free market CISL to FIOM-CGIL’s secret meetings with Fiat CEO Sergio Marchionne, the recent years have seen more and more industrial agreements leading to the destruction of thousands of jobs and vital benefits. Stunt strikes and meaningless protests have both been instrumental in inflicting major defeats on workers and increasingly fall on deaf ears.

The pseudo-left’s support for European and global capital and its class collaborationist policies have allowed Berlusconi not only to remain above the law, but even to present himself as a populist critic of Monti’s austerity measures!

Neither the openly criminal Berlusconi nor the budget-cutting Monti encounters significant opposition from the Italian “left.” Such opposition can and must be built independently by workers on the basis of a genuine socialist internationalist program and perspective.



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