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Will lightning strike twice if Berlusconi wins?

By Gideon Long

ROME, May 10 (Reuters) - If Silvio Berlusconi wins Sunday's Italian general election, how will his government differ from his last one, which collapsed after just seven eventful months in 1994?

How much has Italy changed since his first term in office?

The rich media tycoon is going to the polls with the same allies he had in 1994 - the devolutionist Northern League and the right-wing National Alliance.

And yet the legacy of his 1994 rule has been largely ignored by both right and left, who have focused on the personalities of the candidates in the campaign for Sunday's vote.

"We need to lift the veil on those seven months to show them as they were," leftist Industry Minister Enrico Letta said at a presentation of a book on the Berlusconi government.

"We need to give Italian voters the information they need to make a decision this time round."

In early 1994, Italy was still reeling from its biggest shake-up since World War Two - the Tangentopoli (Bribesville) corruption scandals which had brought hundreds of political and business careers to an abrupt and undignified end.

The Christian Democrats, who had called the shots in Italian politics for 45 years, were a spent force and Berlusconi's close friend, former Socialist

premier Bettino Craxi, had been hounded out of Rome in a hail of coins from angry protesters.

The March 28 general election was a chance to start afresh.

Berlusconi won it and promised to modernise Italy, create a million new jobs and cut taxes, but his problems started almost immediately when his Forza Italia party and Umberto Bossi's Northern League bickered over cabinet jobs.

The cabinet was sworn in amid foreign concern over the appointment of five National Alliance ministers - the first politicians from a party with links to fascism to take office in Europe since the end of World War Two.

Berlusconi weathered the storm and made gains in European elections in June before a combination of the autumn budget and continuing anti-graft probes triggered his downfall.

A general strike over the budget's proposed pension cuts brought three million demonstrators on to Italian streets and weeks later, Berlusconi was placed under investigation by Milan magistrates over bribery allegations.

Another protest brought a million people out in Rome in the country's biggest single post-war demonstration. A month later, Bossi stabbed Berlusconi in the back by joining the opposition in submitting a vote of no-confidence in the government.

Berlusconi lost it and resigned on December 22. His government had lasted 225 days.

Seven years on, even Berlusconi's closest allies acknowledge things did not go to plan during his term in office.

"It was a complicated and difficult period," says Forza Italia's economic spokesman Antonio Marzano.

Franco Pavoncello, professor of political science at Rome's John Cabot University, says Berlusconi should be given credit for at least trying to tackle Italy's costly pension system.

"The attempt failed, but at least he showed the country there was a need to address it," Pavoncello said.

"If we look at what the government did actually achieve in those months, the record is rather unimpressive, which is what the left has really failed to point out in this campaign.

"People have focused instead on Berlusconi's personality... rather than looking at the performance in 1994 of the very same coalition he is proposing today."

Italy's economic performance under the rule of its most famous self-made man was hardly outstanding.

Marzano says the government cut taxes and prompted an increase in investments.

But initial market euphoria over Berlusconi's election victory was shortlived and by the end of his term in office the Milan bourse had lost around 25 percent of its April value.

On December 20, 1994 - two days before Berlusconi quit - the lira hit historic lows against the German mark, the French and Swiss francs and the dollar.

"The international markets reacted very negatively to what they perceived as a weak and highly divisive coalition," Pavoncello said. "The lira really suffered."

Italians appear in two minds on the Berlusconi legacy.

On the one hand they recall 1994 as a year of political turbulence but on the other - if the most recent opinion polls published in late April are to be believed - they are ready to give the centre right a second chance.

Berlusconi's opponent in Sunday's vote, former Rome mayor Francesco Rutelli, is in no such conciliatory mood.

"In 1994," he said recently, "the crashing deluge of promises which Berlusconi failed to fulfil was enough to fill an encyclopedia."

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