

RELEASE IN FULL

CONFIDENTIAL

December 15, 2009

For: Hillary
From: Sid
Re: The Berlusconi assault

1. The physical attack on Italian Prime Minister Silvio Berlusconi is a major political event in Italy and Europe. His assailant is a mentally disturbed man without a political agenda who has been in and out of psychiatric care since he was 18 years old. Nonetheless, the assault has significant repercussions. It has generated sympathy for Berlusconi as a victim—he has been obviously injured, lost two teeth and a pint of blood, and doctors will keep him in the hospital for perhaps a week for observation. The attack comes as Berlusconi was beginning to lose political footing, having lost his legal immunity. One court inquiry is turning up evidence of his links to the Mafia while another is examining his role in the bribery case of British lawyer David Mills. Berlusconi's government and party have used the attack as a way to turn the sudden sympathy for him to his advantage, claiming that his opponents have sown a climate of "hate." Through demagogic appeals they are attempting to discredit and rebuff the legal proceedings against him and undermine the investigative press. (Berlusconi is suing La Repubblica, the large independent newspaper in Rome that has been most aggressive in digging into his affairs of all kinds.)
2. It would seem proper and decent for the President to call Berlusconi to express his concern about his health and wish him a speedy recovery, if he hasn't done so already. There are many reasons for Obama to do this, not least to condemn violence against a democratically elected head of state. It would be awkward for the U.S. President not to call a Western head of state of a NATO country who has been physically harmed. Berlusconi, for his part, would certainly make such a call public. It would therefore also be awkward if a call were used only as an element in his sympathy campaign against the court proceedings.
3. If so, there is a larger message that should be communicated, perhaps by the President in his conversation, but most importantly through a statement from the State Department, also conveyed by the U.S. ambassador in Italy. The USG condemns any and all violence

as an assault on democracy. By the same measure, this incident involving an apparently deranged individual should not be exploited to raise social tensions. Instead, it should inspire reflection on the necessity of every citizen to adhere to the rule of law as well as to respect freedom of speech and the press.

4. Two articles on the legal inquiries into Berlusconi below:

<http://www.independent.co.uk/news/world/europe/berlusconi-cut-deal-with-mafia-court-told-1834647.html>

Berlusconi 'cut deal with Mafia', court told

Former hitman claims Italian PM gave 'benefits' to the Mob for political support

By Michael Day in Milan

Saturday, 5 December 2009

The Italian Prime Minister, Silvio Berlusconi, made a deal with the Sicilian Mafia in the early 1990s that put the country "in the hands" of the Mob, a court in Turin was told yesterday.

Gaspare Spatuzza, a jailed Mafia hitman turned witness, told a packed and heavily guarded bunker courtroom that his Cosa Nostra Godfather boss had cut a deal with Mr Berlusconi in 1993 that provided unspecified "benefits" to the Mafia in exchange for political support. The media tycoon entered politics a few months later and won his first term as Prime Minister in 1994.

Spatuzza said his boss, Giuseppe Graviano, who was jailed over Mafia bomb attacks in Rome, Milan and Florence, had told him that the Mob had "got everything" with the help of Mr Berlusconi, adding that Graviano called Mr Berlusconi "the man from Channel 5", in reference to his TV network.

The damaging claims came at the appeal hearing of Marcello Dell'Utri, a key Berlusconi associate and senator, who is challenging his nine-year jail sentence for links with the Mafia.

Spatuzza, in prison for several murders, testified: "Graviano told me the name of Berlusconi and said that thanks to him and the man from our home town [an apparent reference to Dell' Utri] we have the country in our hands."

Mr Berlusconi has denounced the claims of Spatuzza as "vile", and "unfounded and defamatory", denying ever having links with the Mafia. The Prime Minister's spokesman said the testimony yesterday was the Mafia's "completely logical" revenge against the Prime Minister for his "determined" fight against organised crime.

Dell'Utri told the court that neither he nor Mr Berlusconi had Mafia connections. "It's in the interest of the Mafia to force the collapse of the Berlusconi government because this government has done the most in the fight against organised crime," he said. Mr Berlusconi, who recently lost his legal immunity to prosecution, was said to have been furious this week, after the parliamentary Speaker, Gianfranco Fini, the man who is supposed to be his closest ally, had said that the Spatuzza evidence was "an atomic bomb".

Mr Fini was recorded by an unobserved microphone while talking privately at an official dinner. Rumours of the conservative Prime Minister's links with the Mob have persisted since investigators learnt that a Cosa Nostra hitman, Vittorio Mangano, worked as Mr Berlusconi's "stable-master" at the media mogul's villa in Arcore outside Milan in the 1970s. Much speculation has also centred on the origins of Mr Berlusconi's vast wealth.

Last week, the Prime Minister's broadcast group, Mediaset, and his holding company, Fininvest, announced it intended to sue the left-wing newspaper La Repubblica over an article that said Mediaset was "20 per cent owned by the Mafia".

La Stampa newspaper noted that the "dread combination of Mafia allegations and separation from his wife are now his principal torments". Mr Berlusconi's estranged wife, Veronica Lario, is said to be seeking a £3m-a-month divorce settlement, and a messy courtroom battle looms. Mr Berlusconi also faces a retrial on the charge that he bribed the British lawyer David Mills to lie in court.

TIME
Friday, Dec. 04, 2009

After a Court Ruling, Berlusconi's Legal Woes Resume

By Jeff Israely

The world has spent the past six months wondering how — and with whom — Silvio Berlusconi spends his Saturday nights. But the combative, scandal-plagued Prime Minister of Italy would prefer to talk about his mornings instead. "Do you know how I've been forced to spend my Saturday mornings since I entered politics?" Berlusconi once declared to business leaders in Rome. "With my lawyers."

Italy's self-proclaimed Defendant in Chief makes a point of lamenting all those weekends spoiled by stacks of court dossiers as further proof that he is the victim of politically motivated magistrates, whom he called during the same speech "the spreading cancer of our democracy."
(See Berlusconi's worst gaffes.)

To combat such perceived persecution, Berlusconi has tested the bounds of decorous democratic conduct, including his allies' pushing a bill through Parliament last year that gave him and other top Italian officeholders immunity from prosecution. But since the Constitutional Court overturned that law in October, several criminal investigations into Berlusconi's business dealings have been reopened, with other new charges rumored to be looming.

The potentially most damaging trial is set to resume Friday, Dec. 4, in Milan, with the 73-year-old billionaire being accused of paying British attorney David Mills \$600,000 in 1997 to withhold incriminating evidence about his broadcasting empire Mediaset. Mills is appealing a conviction in the same case; both men have denied any wrongdoing.

So, alas, Berlusconi is back to spending his downtime with a well-paid cadre of more than a dozen *avvocati*, who have been successful so far in keeping their biggest client clear of criminal convictions. Not that the lawyers have ever really gone away. Since the media baron first ran for office 15 years ago, his legal advisers have doubled as political consiglieri, key members of Parliament and even important Cabinet Ministers. Indeed, while some critics have spoken of Berlusconi's reign as a kind of sultanate of showgirls or government by gaffe, others have described it as a republic of attorneys. (See what Berlusconi's Obama "jokes" say about Italy.)

His longtime lawyer Cesare Previti served as Italian Defense Minister during Berlusconi's first term in 1994 before being convicted of corruption himself (and losing twice on appeal). During Berlusconi's second term (2001-06), Gaetano Pecorella, a former leftist, served as president of Parliament's Justice Commission, where he was instrumental in shepherding through new laws that helped shield Berlusconi from investigating magistrates.

Giovanni Sartori, a Columbia University professor of constitutional law, says the role Berlusconi's personal lawyers have played in his legislative agenda is yet another gargantuan conflict of interest to add to those related to his ownership of Italy's main private television stations. But by now, Sartori says, Berlusconi's lawyers have perfected the art of exploiting Italy's painfully slow justice system: many cases conclude without a final verdict because the statute of limitations has been reached. "It is more a mania than a necessity," Sartori says of Berlusconi's near obsession in battling magistrates. "He feels persecuted, and fighting the judges is what makes him happy."

Berlusconi's current point man is Nicolo Ghedini, a somber-faced, lanky 49-year-old criminal-defense attorney from the northern city of Padua, who has served in both the Italian Senate and the lower house of Parliament. Ghedini has continued to mount a grinding defense in the criminal cases, arguing in the Mills case that Berlusconi cannot be present in the Milan courtroom for the next several months because of time conflicts with his duties as Prime Minister. Ghedini has also spearheaded an increasingly aggressive legal strategy that has included several libel suits against opposition newspapers. He declared in September that if necessary, Berlusconi would testify in a suit against a journalist who referred to rumors that the Prime Minister is impotent. Last week, Berlusconi vowed to launch additional suits against newspapers that printed unsubstantiated reports that a close adviser of his was involved in a 1993 bombing campaign by the Sicilian Mafia. (Read "[An Offended Berlusconi Goes on the Offensive.](#)")

Despite these many legal headaches, Berlusconi is embroiled in one other particularly thorny case that even he can't blame on overzealous magistrates. Veronica Lario, Berlusconi's wife of more than 20 years, filed for divorce earlier this year, which sparked an avalanche of accusations that he frequented a prostitute from Bari and an underage model from Naples. The Milan daily *Corriere della Sera* reported last week that Lario has demanded 3.5 million euros (\$5.2 million) in monthly payments, and Berlusconi countered with an offer of 300,000 euros (\$450,000). No matter how this and the other cases shake out, there is little hope that Berlusconi can avoid a mountain of lawyers' fees and some grim Saturdays that he'd rather devote to other business and pleasures.

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- <http://www.time.com/time/world/article/0,8599,1945439,00.html>