

Influential billionaire backs Monti for second term

Italian business

Francesco Gaetano Caltagirone urges investment and a return to 'reality', write Guy Dinmore and Giulia Segreti

He is one of Italy's richest industrialists and perhaps its most influential behind-the-scenes businessman, but even Francesco Gaetano Caltagirone is having great trouble seeing a way ahead through the country's political turmoil and protracted recession.

"It is like being in the fog," he says peering from his penthouse office in Rome. "For the first time in 45 years in my business planning I am navigating without instruments. I don't have long-term visibility because I cannot see."

In a rare interview, the 69-year-old billionaire – a personification of the Roman nexus of business and politics – lays out his prescriptions for Italy's future.

Mario Monti, he says, should remain as prime minister, while Silvio Berlusconi belongs to the past, and both country and capital should spend lots of money on developing infrastructure.

As the head of a century-old family empire with roots in Sicily, Mr Caltagirone has taken a well trodden Italian path to wealth and influence. Founded on real estate and construction at home, he has expanded his cement business abroad and diversified by taking stakes in a utility, Europe's second-biggest insurer and a large bank.

In 1996 he acquired Il Messaggero, Rome's most-read newspaper, and other regional titles. Bankers say he may be Italy's most cash-rich individual, though estimates of his wealth vary enormously. The recession is hurting him, he admits.

Last month Mr Caltagirone, who normally shuns the public eye, threw a party that participants described as an expression of pure Roman power. The occasion was the restyling of Il Messaggero on its 134th

birthday. Guests included Mr Monti and most of his cabinet, senior politicians, bankers, entrepreneurs, heads of security forces, sports and film stars, plus an archbishop and other clerics.

"Clearly Il Messaggero is important," Mr Caltagirone laughs, but he says "Roman power" is not ostentatious, and that anyway the Church is more important.

Speaking before Mr Berlusconi formally declared his political comeback last Saturday, Mr Caltagirone dismisses the legacy of his fellow real estate and media mogul as leader of the centre-right for the past two decades.

"He understood what Italians wanted and promised it to them, and then he did not deliver," Mr Caltagirone says. "How many times should Italians believe in him?"

With the disarray in Mr Berlusconi's centre-right party, the industrialist sees Italy's large bloc of "moderate" voters as "disoriented



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and adrift", with some drawn to the centre-left Democrats.

Mr Caltagirone is among the growing ranks of executives calling for a second mandate for Mr Monti, describing him as "a figure of great prestige" who restored Italy's credibility and averted a financial meltdown. He shares the technocrat's drive for a more united Europe, but also echoes Mr Berlusconi's emerging campaign theme – criticising Germany for keeping its southern industrial rival at a competitive disadvantage through higher interest rates on sovereign debt.

"Monti as a person and leader is an exceptional figure and could continue, surely, to be the leader," Mr Caltagirone says. But he insists that Mr Monti should move "from an emergency programme to a normal one".

"The country needs to rediscover a normal reality. We need programmes in future that look towards economic development rather than just financial consolidation... We need to return to an expansive policy," he says.

To counter a collapse in Italy's demand across many sectors – including his own cement plants, some of which risk closure – Mr Caltagirone calls for investment in infrastructure and construction to generate jobs. He mentions expanding Rome's subway system, as well as its main Fiumicino airport – a decision that could become another casualty of the Monti government's early resignation.

Bringing the interview to an end, he describes his passion for studying the dissolution of empires and shows a map on his wall of ancient Rome's pan-European road network – a reminder of the reach of his own construction empire but also its need to keep going.

