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"ITALY AND THE MEDITERRANEAN"

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Conference:

THE MEDITERRANEAN CRISIS: EVOLUTION IN THE BALANCE OF POWER
AND PROBLEMS OF MANAGEMENT

Rome, 24-26 April 1975

I. Though bordering only on Atlantic waters, Portugal is bringing additional tensions and uncertainties to the Mediterranean basin. After a military-led coup d'état brought the longest lasting fascist regime in Europe to an end much less violently than one might have expected, the new regime is carrying on with some pain. The easy delivery had probably created more expectations for its infancy than it was reasonable to expect. The present difficulties should not, however, undermine the profound meaning of April 25, 1974, and be dismissed as solely a change from one dictatorship to another. Some irreversible facts, like the end of colonialism and the perception of democratic life, if only that, will remain a bright milestone in the history of that country, thus far so dark and ominous. Portugal is now a relevant actor in the international political scene.

Of the struggle for power between the armed forces and democratic parties, consequences will be felt first of all in Spain, France and Italy. If the anti-Franco movement was greatly encouraged by the early outcome of the Portuguese Revolution, the present drawback in Lisbon political life will encourage fears against any change towards democracy in Madrid connected with the decline of El Caudillo. The French communist party is known to be brotherly linked with the Portuguese comrade. Divisions may increase inside the already strained union de la gauche and be exploited by the majority. The Italian communists never liked Cunhal very much because of his traditionalism and strictly pro-Russian stand. Nonetheless their approaches towards joining government coalitions in Rome have been seriously handicapped by Portuguese events. The resemblance of the declarations made by both parties to reassure NATO allies has frightened several. They were dismissed as "pure tactics" by Secretary Kissinger, among others. In fact real or alleged continuity or foreign policy is a traditional feature to ease domestic revolutionary changes.

Whether the stated Portuguese fidelity to the Atlantic Alliance be real or feigned, it has been viewed with much caution by other members, notably the US. The Nuclear Planning group was frozen during 1974, while Portugal was a temporary member. With difficulties lying ahead concerning the use of the Azores base by the American air lift in case of a Middle East conflict, with pending negotiations between Washington and Madrid for the American base in Southern Spain and with some consequences of the partial withdrawal of Greece from NATO still to be compensated for, the western world is facing serious problems in southern Europe. All these considerations seem to justify the

opening statement about the "impact" of the Portuguese situation on the Mediterranean.

II. Increasingly the Basin is the place for actual or potential conflicts, and witnesses the advancement of countries towards more significant roles in the world. This does not make the Mediterranean a "region". There are few unifying factors among the coastal countries. This is true for the northern coast even more than for the southern ones. Portugal, Italy and Turkey are members of NATO; France and Greece have left though they remain in the Atlantic Alliance; Spain is an ally of the USA; Yugoslavia and Albania are communist countries differently placed in the "gray area", while the Black Sea washes on the Warsaw pact countries.

"Mediterranean policies" are thus difficult to conceive. Several European countries have, however, had ambitions of this kind which mostly are the inheritance from past colonial situations. Colonial heritage dominated French and English Mediterranean policies till the Suez crisis ('56) and Algerian independence. Since then the English commitment has been constantly reduced and the French influence also diminished. Bilateral links remain that run from North to South; they mostly are of economic or of cultural nature. The transformation of these links into a small sphere of influence was thought of repeatedly. An example is the project of linking Madrid to the EEC in view of establishing a French-dominated region in the western Mediterranean, with the participation of Italy, Spain and Maghreb, an idea, attributed to President Pompidou. It received a good deal of sympathy among people in the Spanish regime, and also found supporters among some Christian Democrat groups in Italy. At the time of meeting between Pompidou and Andreotti in Lucca (1972) rumors circulated of a possible trade-off between Italy's acceptance of the SECAM colour TV-System and participation in such a project. Reactions were prompt and harsh and official denials came soon both on the French and Italian side.

The German interest in the Mediterranean was prevented for long after World War II, but it appears to be increasing in the last few years. Arab capital looking for investment has been naturally attracted by the promising German market. The FRG being one of the few surplus countries has been compelled to assume an increasing responsibility in the capital market, in favor of less fortunate countries. Italy received a bilateral loan almost a year ago. Portugal is said to have been offered substantial aid by Bonn, after an unsuccessful attempt to

bring in the Community to help the Lisbon government.

III. Power policies in Italy have traditionally looked at the Mediterranean as "mare nostrum". One can roughly identify two schools of thought in Italian history: a European one, leaning towards the French and English democracies, usually more progressive, if not leftist; and a Mediterranean one, claiming a Southern "spazio vitale" and having as a European counterpart the support of Germany as a state which had no direct interest in the Mediterranean.

After the last world war which practically squelched Italian aspirations to power, Mediterranean policy had little fortune. It reappeared however as an alternative to the ties which Italy was making with the rest of Europe both by means of the Atlantic Alliance and European integration. Italian internal opposition to adherence to the Atlantic Pact was quite strong, but it was conducted mainly not as an alternative between north and south but between east and west. However, there were also wings of the Christian Democratic left which were reticent; these found an important support in the policy of Mattei, which in the attempt to affirm Italian autonomy on the oil issue, privileged bilateral policies oriented in a south-east direction rather than those multilateral ones oriented to the north-west.

After Mattei the "Mediterranean alternative" became even more fortuitous. Meanwhile the change in support of Israel by one and the other superpowers led to a shifting to the left of pro-Arab sympathies (though the pro-Israeli attitude of diverse political forces not necessarily on the right remained). One can note, however, that neither the pro-Arab nor the pro-Israeli stance necessarily implies aspirations of Mediterranean policy, but are to be attributed to sympathy for the East or for the West to receptiveness from Jewish pressure groups and to sympathy towards the Palestinian movement.

At the end of the sixties and the beginning of the seventies the Mediterranean area and the Middle East appeared non-controversial, not only in the government coalition (center-left) but also in relations between the majority and the major opposition party (PCI-the Italian Communist Party). Moreover, once this party adhered to European integration and accepted the Atlantic Alliance, there followed a period in which government and opposition had no major differences on matters of foreign policy.

The October War, at the end of 1973, the oil embargo (Italy was not considered either friendly or inimical by the Arabs), the Cyprus crisis and the subsequent exit of Greece from

NATO, and finally the already mentioned Portuguese events, constituted motives of new international tension "near" Italy, and therefore of new tension internally.

IV. The effective contributions of Italy to NATO are inferior to the theoretical ones. The conscription force, 160,000 men in all, is just over half (53%) of the total requested, the effective deep-sea vessels are not more than about ten, the airforce can count on about 280 crafts, many of which are largely obsolete, and about a hundred anti-aircraft missiles.

It ought to be mentioned, however, that in Italy there are five air or missile and three navy bases. Their importance would increase if tension in the Middle East flared up into a long conflict and/or if the rest of the NATO bases in the zone were called into question. This second case could come about with the growth of tension between Greece and Turkey, which remain the advanced points in the eastern Mediterranean alliance, or with eventual difficulties or conditions which could arise with regard to the use of the bases in the Azores and one day with the American base in Spain.

Greater Italian commitments (either as a consequence of conflicts in the Middle East and/or as a substitute for the insufficiencies of the other allies) would encounter various internal difficulties both of a political and of an economic nature. The alarm which the possibility (subsequently proved false) of a NATO request to substitute specific functions performed by Greece created in Italy is symptomatic. The economic situation of the country is such to discourage greater financial commitments and in reality the quota of the national budget given over to defense has constantly decreased in recent years. If it weren't for a diffuse and profound sense of danger, any request for a greater military commitment would probably meet with strong resistance not only from the communist opposition but also from within the present government coalition.

V. Several months ago Italian public opinion busied itself in the exegesis of one of President Ford's statements in which he predicted that a country allied to the USA would go bankrupt in 1975. Is it Italy? it was asked worriedly or - malicious hope - is it England?

Now Italy ascertains with satisfaction the early active settlement of its non-oil balance of payments, repays a part of the German bilateral loan before the term expires, and to

the surprise of the Brussels' circles, declines the offer of being beneficiary of a community loan to use in the "petrodollar" market. Though remaining for the foreseeable future in debt, Italy has returned to be "solvent" in the eyes of credit banking. It is true that this does not satisfy everyone. On the contrary, it occasions violent criticisms: the Bank of Italy, it is said, did its part, but the government no, having permitted a suffocating restriction on credit facilities, serious recessive effects and rising unemployment. The responses of the government which has loosened the credit restrictions are also known. Perhaps Italy is destined to live for a while in this state of semi-asphyxia in which death is kept at bay by repeated small doses of oxygen. However, this is not the place to discuss this particular.

It is probable that no one ever seriously thought that Italy would fall on such evil days, but perhaps Ford was referring to Italy. Why? The first recipients of the message were the Arab exporters of oil, to whom were underlined the grave consequences of the high price of oil for their "clients". The crisis of Italy could have dragged down the others (the "domino effect") with the obvious consequences of the demand for petroleum. The other recipients were Europeans: it was necessary to underline the saving character of the American interventions, up until then accused of "exporting their inflation to Europe" (the same accusation which today the Arabs are making). If one really believes in the danger of the "domino effect", the first thing to do is to concentrate one's energies on the first piece. That is exactly what has happened. Italy has in fact benefited from a vast international solidarity, manifested in a wide range of financial aid.

- VI. The internal Italian debate has been dominated in the last two years by the question of a communist participation in the government.

An analysis of the positions of communist foreign policy in recent years reveals a constant favoring of Arab and Palestinian positions, with the exception of terroristic acts, but not a tendency to confer on Italy a role more Mediterranean than European. Ties with the rest of the communist movement, hence with Russia and Europe, are dominant. The original action of the PCI confirmed in occasion of the recent Party Congress was rather bent on demonstrating western Europe's role both in the international scenario (European Community) and in the communist movement (Meetings of Western European Communist Parties).

Much depends on the international context. The PCI maintains that it does not aim at the abandonment of the western block, but at reducing the importance of the blocks. This seems reasonable.

However, it is necessary to ask what would happen if international events lead instead only momentarily to a reinforcement of the blocks. It is likely that in such a case the PCI would find itself in front of a choice between distancing itself from the area of government or partially detaching itself from the international communist movement. This latter possibility appears improbable, in that it is unimaginable that the USSR Communist Party in a similar situation would impose disciplinary action.

Another element of uncertainty is the Portuguese situation. The events of Lisbon have cast a dark shadow on the proposal for a "historic compromise" made by the PCI and have been largely exploited by those inimical to the proposal. If the pro-European and democratic line prevails in Portugal after the elections, this could be an important card in the hands of the Italian communists. If instead the alliance between communists and military were to win and give to the new Portuguese state an authoritarian character, the PCI would once again find itself faced with the alternative either to renounce the historic compromise or to detach itself from other communist parties (in particular the French). It would be important to see the Soviet attitude in this case. There remain, finally, the possibility of no communist government participation and, barring from the realm of the probable a rightist coalition, the continuation in power of the center-left coalition. The continuity of foreign policy is naturally reinforced, given some of the above-cited limits of the defense commitment.

VII. We have learned recently of documents made public by the USA Department of State in which at the time of the conception of the Atlantic Alliance a part of high ranking American civil servants, among whom G. Kennan, opposed Italy's participation therein because it opposed the participation of Mediterranean countries. (Greece and Turkey, as is well-known, joined subsequently, in the fifties). What do the functionaries of the American State Department say today in secret?

The phase of containment, the building up of integrated systems of alarm and of defense, the existence of a zone of greater confrontation in central Europe, the support without arrière-pensées of European integration by the Americans, and the relative indifference of the alliance to internal regimes - provided they are not communist: all this has contributed for years to the solidity of NATO. And all this is now called into question. Détente has reduced the perception of danger; the modifications in USA strategy have accentuated the importance of SLBM; Ostpolitik has resulted in the removal of major tensions from central Europe; while the concept of partnership is declining, bilateral ties with Washington have been strengthened; present or potential changes in regime to the south make a communist participation in government possible.

Will this bring a greater differentiation between the central and northern-central sector?

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n° inv. 10272
09 MAG. 1991

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