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BALANCE OF POWER SHIFTS IN THE EASTERN MEDITERRANEAN

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1. Introduction Into the Area

The Eastern Mediterranean has throughout history provided all the ingredients for a fine balancing act. Often repeated but equally often neglected are the realities, which from their dynamics result in either balance or imbalance and subsequent conflict. History, religion and power politics have all played a role in defining the more recent equilibriums of the past and a combination of the same, in different proportions, is responsible for appearing shifts today and in the near future.

Defining the area alone is increasingly becoming a major undertaking with the globalization of the economy, political interdependence and greater range and capability of new weapon systems all bringing in more players into the area to make outlines even harder to define. The countries directly laying claim to the area include, counter-clockwise: Libya, Egypt, Israel, Lebanon, Syria, Cyprus, Turkey, Greece, Albania, Yugoslavia and Italy. Any combination of the above in fours already provides a most complex array of problems for the strategist, political scientist or economist, so limiting ourselves to the study of the above without detailed analysis of other close neighbours is fully justified on one hand, on the other, a study without reference to countries like Bulgaria or Iraq would be incomplete. Of the eleven countries mentioned, in military terms, seven are the most significant apart from Lebanon, Cyprus, Albania and Yugoslavia. These four, however, have the unfortunate role of providing a great part of the instability in the region and most of the fuel for any potential conflict. So, measuring the balance of power in the region also becomes an exercise in adopting a balanced approach.

2. Method of Study

The region under consideration has had a greater incidence of conflict than almost any other area of the world in recent times and the dismemberment of Yugoslavia is threatening to bring this dismal record to even worse levels. This has allowed military analysts to study the application and development of a nation's power into military potential, in some cases through major conflict. The American political scientist, Hans Morgenthau, suggested that there were eight key elements of national power; geography, natural resources, industrial capacity, military preparedness, population, national character, national morale and diplomacy (1). This assessment may not be as relevant in the near future as it was in the middle of the century but the compilation is certainly valid today. To attempt to look into each of the above elements for each country in detail is not possible for the present essay, but neither is gauging balance of power through military bean-counting or economic development alone a realistic indicator. Therefore, a compromise has been attempted through the construction of simple indices which combine various indicators of the above, although by no means comprehensively.

a. Indices

In measuring the balance of power, we have made use of two rather crude indices of power. The first, M for Military Index, attempts to gauge the actual military potential of a given country by evaluating its accumulated military assets. The resulting number is a sum of two equations, one measuring hardware with regard to capital intensity, the other size and quality of manpower. It is inevitable that an element of subjectivity is introduced in both in order to evaluate the contributing factors to military strength, such as training, education, maintenance of equipment and especially, historical performance. In this way, large, low-tech armed establishments are penalized to some extent, while smaller, professional forces with efficient mobilization plans are treated with more respect. The hardware element of the equation measures three inputs: Air Power (combat aircraft and armed helicopters), Naval Power (including

amphibious ships) and Land Forces (MBTs and artillery assets). The manpower element also measures three inputs: standing armed forces, organized reserves and militia-type reserves where available with special attention paid to quick mobilization armies like those of Switzerland and Israel. No account has been taken of nuclear weapons, tactical or strategic, as these are difficult to factor into the equations and their use by countries in the region would be controlled by political rather than military factors.

The second, D for Development Potential Index, is not a military power equation but a measure of a country's level of development which in the longer term could be translated into a source of power. It in no way implies that the country will be able to develop according to its relative standing today, the inputs being no more than a snapshot of the currently attained level, but for comparative purposes it may provide a better indication of its chances to do so by combining some of Morgenthau's elements of power. In this, it relies heavily on four main inputs; the United Nation's Human Development Index HDI (UN Development Programme 1990) which is derived from data on life expectancy, adequacy of per capita income, and literacy levels, the population in the 13-32 year group, which is at present or will become in the near future the most economically active, per capita income in PPP terms (Purchasing Power Parity) and an energy efficiency factor constructed from energy consumption per unit of GDP. The rationale for the use of these inputs being that they all contribute positively to either a more highly developed economy and infrastructure, being capable of absorbing new technology and implementing long-term planning programmes (defence or civil), or show that the potential already exists but may not have been realized due to various factors. Contrary to the M index above, the D index has no subjective weights or inputs with the possible exception of the result being rather more heavily biased towards the UN HDI and PPP income compared to the energy efficiency factor.

b. Limitations of the methodology

The principal limitation in constructing these indices was the availability of reliable data for as many countries as possible to provide a

comparative ranking for the countries of the region. Defence asset data are especially difficult to factor in, not only because of the inaccuracy of reported items but also because numbers alone are inadequate in providing the true level of capability. Only a comprehensive inventory of equipment in actual operational use and its state of repair for each country would allow a truly accurate picture to be formed. Another weak point, is the use of purely subjective weights for the manpower and hardware inputs and their high sensitivity. The resulting figures are in effect no more than a reflection of the author's understanding of the relative merits of each. The methodology, however, provides for improved weights to be introduced as these become available and the updating and upgrading of the indices should be considered as a necessity.

Given the above limitations, we may conclude that this method has some value only as an aid and a trip-wire to generate further analytical study into a specific country, which will result either in a rational explanation of the findings, or the need for more reliable inputs which would correct the discrepancy. The real usefulness of the indices, however, may become apparent when measuring trends by inputting data for 5 year periods and this is their intended use for the present study.

3. Country Analysis

To be able to reach any meaningful conclusions on a balance of power study it is necessary to define the time frame. If only a snapshot is required of the present situation then the task becomes immeasurably easier and a comparison of military capabilities and the efficiency of mobilizing resources (including political alliances) should suffice. If, however, the requirement extends into the near future, then the study of the past and present are both necessary in order to be able to make predictions about the future. Based on the methodology described above, we can thus try to estimate the level of military power in 1987 and 1992 for the seven major military powers in the region and base our further analysis on the relative findings (see Annex I).

a. Libya - Index ranking: M 29th, D 49th

Libya, along with other former USSR satellites, has had its shares of misfortunes in the past five years. On the military front, the gradual loss of the Soviet support eventually led to total stagnation of supplies from that country. The country's humiliation in the Sahara desert in the late eighties by French-supported Chad added to the previous insult of the American air strike on Tripoli in 1986, made the re-examination of its military capabilities imperative. Apart from the stagnation of Soviet support, however, Libya's indigenous resources were also stagnating in the mid-80s with GDP growth registering a 11% drop in 1986 and 12% drop in 1987. Furthermore, the alleged role of Libya as a haven for international terrorism made it even more difficult for Khaddafi's regime to obtain weapons from the open market. The only significant capability added to the country's military assets was the acquisition of a squadron of the long range Su-24 penetration bombers (15 a/c) and additional Mi-24 (8 a/c) and Mi-35 attack helicopters. The hardware side of Libya's military capability was never considered a problem as its assets easily surpassed the human resources necessary to operate them; the country in fact has always been considered as a stockpiling area for the Soviet Union; however, the operational life and maintenance requirements of Soviet equipment has never been one of their strong points and the level of operational capability of a large part of this equipment must now be in serious doubt. In the M index findings Libya scores a very modest increase of 6.45% from 3.4999 to 3.7255 which, however, is largely due to the increase of manpower from 76,000 to 85,000. In fact, if an accurate assessment of actual operational assets could be made the score would probably show a significant drop, especially given the fact that the equipment deterioration would be more pronounced in the capital intensive air force and navy.

Since the Kuwait War, Libya's economy has shown tremendous resilience and has staged a comeback with growth jumping to an estimated 9% in 1991. Whether this level of performance can be sustained, however, is doubtful unless the country's tarnished external image can be turned around. In fact, Libya's most resilient asset may be its leader Muammar Khaddafi. Foreign policy since the Kuwait War has been a surprise for many

with a subtle and understated turn towards Europe on one hand, and the Maghreb on the other. Even during the Kuwait crisis, Libya's stance, pro-Saddam on the surface, was in fact carefully managed so as to avoid any further damage to the country's image, often making it clear that the stance adopted was one of necessity and of no real consequence. The greater shift in Khaddafi's approach has come with the change of administration in the US from Reagan to Bush and the Libyan leader has grasped at the opportunity offered by the changeover by accepting Egypt, the US's prime Arab ally in the region, to mediate in the potentially damaging Lockerbie affair. This is also significant in that it allows for the diffusion of another crisis point between the two neighbours. Other overtures, include the initiatives on the 5+5 Western Mediterranean Cooperation which ultimately aims (rather optimistically) at the creation of a mini-EEC in the region and the effort to reinstate its good relations with its traditional trade partners, Italy and Greece for joint ventures in tourism and the construction industry. A good indication of the seriousness of this effort is the recent appointment of Omar Mustapha Al Montasser, an oil industry manager and renowned for his good contacts in the US and Europe, as the new minister of foreign affairs. Foreign investment in the country from the West is greater than it would appear with brand names being suppressed for political reasons.

In conclusion, Libya has found itself in the most dire of situations in the past five years but the resilience of its economy and political leadership may pull her through. As a player in the power equilibrium Libya cannot afford at the moment to play any real active role and in fact the preservation of secularism and the supplementing (and eventual replacement) of the finite oil reserves as source of income by other wealth generating ventures are now probably foremost on the agenda. Militarily, Libya will be carefully watched in the near future but the decrease in US global capability together with increasing sources of arms trade and Libya's economic prosperity may result in a new era of military build-up.

b. Egypt - Index ranking: M 17th, D 32nd

Egypt's military might is now deep into its transformation from a Soviet

to a US ally. Changes in the past five years have been qualitative rather than quantitative with further deliveries of F-16 fighters (40 a/c), SA-342 attack helicopters and M-60 MBTs. Egypt has adopted a hi-lo acquisition policy, supplementing its high quality and price western equipment with cheap Chinese products in an effort to replace the now ageing Soviet equipment of the seventies. The M index shows an increase of 8.76% overall from 6.7073 to 7.2950, but this takes into account Soviet equipment, most of which is in store, and on the other hand, a cut of 35,000 men in manpower. More significantly, the increase without the naval input, is greater than 12% showing Egypt's priorities in building up its air forces and replacing its ground equipment before directing its attention to its limited power projecting naval capabilities. In the future, investment in the defence industrial base, like the M-1 MBT project, should provide the country with the sustainability dictated by its national security requirements. In the meantime, however, Egypt is limited in its military capabilities by the huge undertaking of replacing its base of acquisition from East to West.

Egypt's reliability in adhering to its pro-western role has benefitted its troubled economy primarily by reducing the country's huge foreign debt (including most of the military debt). In effect, the rising debt of \$ 45 bn in 1987 and \$ 54 bn in 1990, has been reduced to below \$ 39 bn in 1992. The country is still far from safe economically, however, with a struggling growth of 2.3%, one of the world's largest public sectors and a rising unemployment of over 15%. As part of the government's agreement with the IMF, Egypt has undertaken to institute a reform programme. The greatest threat lies in the huge population growth which adds 1 million people every seven months in a country with only 5% arable land; surely a welcome target for any islamic fundamentalist group.

On the political front, the recent elections of 1990 have shown the strength of Mubarak's position but also the rising threat from the Muslim Brotherhood which is now in alliance with the Socialist Labour Party. The Kuwait War has further strengthened Mubarak's position a fact which allows him to stir the country's foreign policy in three dimensions, the understanding of which can provide some insight as to Egypt's future alliances. First, with the Arab world, the uneasy relationship in the West

with Libya has to a large extent been difused, for the time being, as noted in the previous section. In the East and the Persian (or Arab) Gulf, Egypt is well placed to provide the security assistance required on a permanent basis for the "Damascus Eight". This will make security in the Gulf an Arab affair, to the detriment of "outsider" Turkey and Iran and, most important for the West, will allow crisis management to proceed, if not with a single party, at least with a single mentality. This of course, will be resisted by both the Turks and the Iranians, who have a lot at stake in the area, but as long as the West (and primarily the US) will require stability in the region it will have to deal with the Arabs first, strengthening thus Egyptian initiatives. Secondly, in the Eastern Mediterranean, Egypt is trying to open the road to all European countries with the proposal for a mini-CSCE, the CSCM, while in the Iberian Penninsula it has approached Spain with similar proposals. These overtures are more valuable as an indicator of Egypt's geopolitical intents rather than as a realistically viable solution to the region's complex problems but, in balance of power terms, political alliances can, at times, prove to be a very tangible asset and should not be overlooked. The third dimension is the African one related primarily to regional concerns over the Nile river. There is a very real threat perception for Sudan either as an Iranian base for undermining Egypt's secular regime, or as a possible arms twister over the Nile waters, so vital to all concerned.

In conclusion, Egypt has no visible alliance geographically, but is rapidly trying to overcome this handicap by exploiting its central position in the area. Its problems are primarily socio-economic at the moment which is not to say that they are negligible. The population growth in particular, with the limitations mentioned above, could turn the country into a volcano ready to erupt, although appearing dormant for the time being. Militarily, The country is not in a comfortable position to project power at the moment, although its security requirements may force its hand in the future.

c. Syria - Index ranking: M 20th, D 48th

Along with Iraq and Libya, Syria is the third ex-Soviet ally to suffer from the USSR's demise. Militarily, Syria has found it difficult to maintain its

arming spree in the late eighties and apart from some allowance following the Kuwait War, its declining economic power, exposed to the vagaries of economic globalisation, will make it harder for her to re-equip, either with western or even Russian equipment. Assets have increased since 1987 but not significantly, with a limited penetration capability in the form of 20 Su-24 bombers and a squadron of Mig- 29s. On the ground, holdings of T-72 tanks are up by about 40% while Syria's significant armed helicopter capability has been further enhanced with additional acquisitions of SA-342s. The possible increase of SSMs has not been substantiated as yet and, in any case, is beyond the scope of this section, being primarily a political rather than a military weapon. In general, however, Syria's military position seems to be suffering from a "Gulf War Syndrome" where Iraq's very much similar holdings of equipment proved of little value against western high-tech, multiplier- based weaponry. In M index terms, Syria has increased its rating by 6.7% overall which is below average for the region, from 6.7202 to 7.1706. Furthermore, as in Libya's case, a lot of land and air assets taken into account may be unserviceable or in store (some 1,000 MBTs have not been included). The naval situation is even worse with a lot of the old equipment becoming increasingly obsolete. The case may be that Syria will have to realize that a country of 13 million, with modest resources and without a strong sponsor cannot indefinitely maintain an army of over 408,000 troops (as shown also by the huge discrepancy between its M and D rankings, above).

The Syrian economy, is showing its first signs of having to compete in hard currency terms and trying to match Israel's military strength is not the way to make things any better. Despite a recent upturn in growth, its only bright points are an agrarian reform and development programme which is showing signs of success and a recent find of light crude oil which has enabled Syria to cut back on oil imports. Socialist policies and a most inefficient bureaucracy, however, are stifling any chance of developing its economy along competitive lines. Unemployment figures have not been released, but the problem seems to be of such magnitude that it is an issue when considering cut-backs in the armed forces. In general, economic realities are proving to be a major constraint in Syria's power rating and with no easy way out, will continue to be so in the future.

On the political side, the Baath Party is maintaining its hold of power, but as Assad grows older there is no visible heir to take his place and with the ruling Allawites being only 12% of the population and the ever-present Islamic threat, it is no wonder that the political arena looms uncertain in Syria. The expected turn to the West has of course taken place with Syria's timely siding with the Allies during the Kuwait War. The payoff may in fact have been the acceptance of the present status quo in the Lebanon by the West (although some would claim that the West had little choice in the matter). The question of the Golan Heights and Israel's strength remains, however, and its resolution or not will probably dictate the chances of stability in the region. In the North, relations with an ever-strengthening Turkey demand respect but tensions are bound to grow as the Turks flex their newly acquired muscles, either implicitly through water control, or explicitly by invading Iraqi Kurdistan. To complete the picture in the East, Syria is, of course, one of the "Damascus Eight" mentioned earlier and this may prove Syria's only hope for new sponsorship and, if successful, should keep Turkey from meddling in the region, while strengthening Syria politically vis-a-vis its northern neighbour.

In conclusion, Syria is more constrained by developments than ever with an uncertain political future and strengthening hostile neighbours. Its only solution, a fully fledged turn to the West can only bear fruit in the longer term, a luxury which Assad will have to consider carefully if he is not to be retired prematurely.

d. Israel - Index ranking: M 9th, D 44th

The huge discrepancy between the military and development rankings is a clear indication of Israel's status as a country in permanent state of readiness to repel conventional, strategic or terrorist attack. It is also, however, an indication of the US's role in sustaining Israel's existence with financial and military aid and of the country's military efficiency in use of its human resources. The capital intensity to manpower ratio is close to unity which suggests a well balanced force. The conscription system is designed to minimize disruption to the economy while allowing rapid and

effective mobilization at all times. The technological level of the armed forces is of the highest order and special attention has been paid to the Air Force which is superior to most NATO establishments and far more experienced. All this, together with a very high level of training, adds up to an unremitting need for investment to maintain its technological edge. Israel's indigenous defence industry, designed to allow the country some independence in replenishment and sustainability is also making additional demands on the over-strained budget. In short, it is not surprising that Israel is second ranking in the region after Turkey, according to the military index. In fact, without the naval input, Israel outranks even this Goliath. In the last five years its military power has continued to increase without respite by 10.42% from 9.1525 to 10.1059 while without the navy its increase is even greater at 11.13%. The question for Israel is not whether it has sufficient military strength to repel any attack from its neighbours, but whether it can maintain it indefinitely in face of determined US cutbacks on security assistance.

With a \$ 6.7 bn defence budget for 1992 (including US aid), Israel is spending more than 13% of GDP on defence and has been doing so over an extended period of time. Should the US suffer a reversal of fortunes leading to isolationism, unthinkable of course today, Israel will find it very difficult to survive. Interestingly, the only solution for the country may come from negotiations with its neighbours on land and minorities. It is perhaps ironic that this is happening at a time when Syria is undoubtedly weakening militarily, Egypt is becoming increasingly democratic and non-threatening and Jordan and Iraq have almost ceased to exist as military threats to Israel. There is no doubt that the road to a peaceful resolution in the Middle East is a long way to come, but at least there are strong indications for most parties involved that their options are being increasingly limited to the negotiation table.

e. Turkey - Index ranking: M 8th, D 16th

The undisputed military power in the region is Turkey, as is borne out by the military index figures. In the last five years The Turkish military

index has grown substantially reaching 10.1596 in 1992 from 9.0284 in 1987, an increase of 12.53% and this despite a cut of almost 100,000 men from the active armed forces from 655,000 to 560,000 today. The most significant progress has been made in the air and naval holdings with the F-16 production line having turned out more than 100 aircraft until late 1992. New orders for equipment abound in every possible area from missile frigates and landing ships for the navy, F-16 fighters, CN-235s transports for the air force and tank upgrades, IFVs, MLRS and helicopters for the army. In addition to the more visible assets, Turkey is investing heavily in high-tech multipliers in the form of modern C³ systems, night-fighting capability for its forces and new missile systems. What is, however, most remarkable about Turkey's military modernization is that it is being implemented with the greatest attention to sustainability and replenishment capability. It is probably the only country in the world today that is investing so heavily in the defence industry. Most of the equipment mentioned above is, or will be built or assembled in Turkey, in plants set up from scratch for this purpose. Turkey is aiming at becoming a regional superpower overnight. All this is in addition to more equipment which is being cascaded from the CFE treaty. The problems with the huge buildup of its defence industry, however, will only become apparent when the military modernization programmes are complete. It is no coincidence that in East and West, defence industries are either closing down, diversifying, or trying to convert.

The ability of a country to sustain this level of investment without economic return is limited by its access to credit; and Turkey has, up to now, been capable of securing credits from abroad, either through commercial loans or foreign assistance. In fact, foreign debt has jumped from \$ 31.4 bn in 1987 to \$ 49.2 bn in 1991 and is rising. As long as Turkey can maintain its economic growth to the level of the late eighties (over 6% with a high of 9% in 1990) the threat of over-indebtedness can be staved off; however, there are now indications that growth may not be as sustainable as it was hoped with 1% in 1991 and an estimated 3-4% in 1992. Another indicator of the country's economy reaching its limits is the public deficit which is largely responsible to a large extent for an annual inflation rate of over 60%. Furthermore, there is no indication that foreign assistance will

be so forthcoming in the future as it was in the past: US military aid is expected to continue in the form of concessionary loans instead of grants, to the Turks' great annoyance and the National Defence Fund programme which was being funded with the assistance of Saudi Arabia, Kuwait and the UAE will probably not be repeated in the future. The real threat to Turkey, however, lies in its huge demographic growth of over 2.3% a year. The population growth is more pronounced in the poorest eastern regions where most of the Kurdish minority lives, a fact which may further complicate one of Turkey's major headaches. The government's multi-million GAP project in Anatolia is aimed at improving the standard of living in these areas but in addition to the huge military build-up it is straining the country's finances to the outmost. Whether this multi-azimuth effort can be maintained for long is increasingly in doubt and Turkey's race against time is on. At some point something may have to give.

On the political front, Turkey may be encountering its greatest challenges but also failures. Due to the reasons stated above, Turkey needs the West more than ever, but as the West encounters economic slow-down and is rethinking its integration policies it is also becoming more weary of huge, rapidly growing populations, banging on the door of western Europe. The Islamic factor is not making Turkey's case any more palatable for the West, despite Turkey's best efforts to show off its secularism and neither is its continuing, unacceptable by European standards, record on human rights. And it is here that Turkey is faced with its first dilemma: maintaining a secular face turned West and trying to play an ever-increasing leadership role amongst Islamic states or groups are proving to be incompatible. When Turkey calls for assistance for its Muslim brothers in embattled Bosnia or Kosovo, it is doing so as an Islamic power not as a secular one. The second dilemma with regard to Turkish ethnic identity is more important perhaps for the Middle East; by trying to unite the new Central Asian states under its banner, Turkey is in fact presenting the Arabs, on one hand, with a challenge they cannot afford to ignore, the Iranians, on the other, with an even bigger one and a good reason to try to undermine Turkey's secularism by influencing the increasing under-developed masses. The water issue, although a powerful political and economic weapon, may in fact prove to be a bane in disguise if it provides the Arabs with an opportunity to at last

unite. (see Damascus Eight, above).

In conclusion, Turkey is today undoubtedly the greatest military power in the region and is rapidly acquiring power projection and replenishment capabilities. To achieve this, however, it is playing at very high stakes and is opening many fronts, in every sense of the word. What the Turkish leaders may fail to realize though is the fact that by trying to do everything at once, an economic downturn of even modest proportions may trigger a catastrophe not unlike the one that befell Iran in the seventies. Furthermore, by showing off its newly acquired military might prematurely, it is providing its neighbours with the best excuse to unite and the Europeans with the best excuse to keep them out of Europe, as they would keep a guard in the guardhouse.

f. Greece - Index ranking: M 21st, D 37th

Greece has benefitted the most from the cascading of weapon systems from the CFE treaty. In fact, the Greek military index is showing the largest increase from 5.0408 to 5.7188 at 13.45%, without a reduction in manpower. Unlike Turkey, however, its indigenous military capability has remained limited and with a few exceptions, inefficient. The biggest problem for Greece, however, is that most of the cascading equipment, although a vast improvement on the hardware it is replacing, still needs to be maintained and upgraded, draining the already huge operations & maintenance budget. This may lead to an early retirement of many older types which will provide a more realistic index figure.

The country's armed forces were primarily concerned with its eastern neighbour, but with the rapidly deteriorating situation in the Balkans, this may not be Greece's only threat in the future. In fact, Greece feels increasingly isolated geographically, especially now that its primary land route for its exports to Europe has been lost. Given the current situation in their neighbourhood and predictions for the future it is highly unlikely that the Greeks will abandon their high defence spending patterns of the past. The problem, however, is one of whether they can afford to. Following its

unsuccessful courtship with watered-down socialism in the eighties, Greece is now making its first determined efforts to make its economy, one befitting an EC member. Privatizations, debt servicing and a huge public payroll are no easy obstacles for any reforming economy, even with EC assistance, let alone for one having to cope with a defence budget of around 6%.

Politically, Greece is showing signs of maturity, despite external appearances and, for once, domestic policy may become subject to economic policy, not the other way around. As a military power, Greece is too small a country and population to be a threat to any but the weakest of nations. As an EC member in serious need of assistance, economic, political and even military, it has relinquished some of its independence to the Europeans for the benefits promised by tighter control and some discipline. However, the future of the country lies more in events outside its borders than within and although this puts some fears at rest (of its neighbours) the impact on Greek psyche is having a sobering effect. In balance of power terms, the country still commands respect with its relatively modern military capabilities but ultimately it has neither the reserves nor the sustainability to enter into conflict in the region.

g. Italy - Index ranking: M 15th, D 8th

Italy is the only highly developed country in the region and its indices reflect this. In recent years, it has shown a tendency to under-invest in military assets and decrease its armed forces (by some 30,000 in the last five-years). This is borne out by the military index which shows an increase of just 2.31% from 8.1447 to 8.3327. However, Italy is planning a major modernization programme for the next ten years to upgrade its technological capability primarily. The Navy, one of Italy's primary concerns, has acquired a limited power projecting capability which is in the process of being upgraded with the entering into service of Harrier jets.

Italy's main problems, however, are not so much with its military capability or with its sluggish economy, but go much deeper into an identity crisis. In fact, the political scene may be changing the traditional political

systems come under increasing criticism. This may prompt Italy to become introspective in the coming years or at least until it is able to re-establish its system of values with some confidence. Its foreign policy has been more concerned with its immediate troubled eastern borders with Albania and the newcomer, Slovenia, which shares a historic relationship with Italy through Istria. The area may prove a sticky one for Italy, stirring passions amongst its unenlightened extreme right but with the level of problems described in the East Mediterranean until now, this one may rank somewhat lower. On the diplomatic front, Italy's initiative, the Pentagonale, is very much in a fluid state, with some of the region's states in turmoil or even in reformation (Yugoslavia, Albania); however, the stance Italy will adopt in the momentous issues encountered in the East Mediterranean will probably be dictated by the country's resolution of its internal crisis and this may a long and painful process.

4. General Conclusions

In analyzing only seven of the countries in the area, we may be giving the impression of ignoring other important issues. However, in studying balance of power shifts, it becomes immediately apparent that Yugoslavia (or what is left of it), Croatia, Slovenia, the Lebanon, Cyprus and perhaps Jordan and Bulgaria all have limitations in power projecting capabilities or even greater limitations in providing sufficient data for us to be able to reach any conclusions. It is only to be hoped that the methodology presented here may prove an adequate tool for the study of power of countries and therefore for the study of balance of power issues as well. As with most tools of its kind, it probably suffers mostly from unreliable or inconsistent data inputs. The Eastern Mediterranean has always been the water hole of humanity and where there are water holes there usually occurs conflict. The balance of power issue can never be exhausted in a single paper, since a host of major issues are either completely neglected (nuclear weapons for instance), or under-analyzed (cultural, social and political issues) but if Hans Morgenthau is correct with his eight sources of national power, than any approach to the problems of a region should at least try to be as balanced as the balance which they are attempting to study.

ANNEX 1

Country		Total	W/O Navy
TURKEY	1992	10.1596	9.1305
	1987	9.0284	8.2834

ISRAEL	1992	10.1059	9.5480
	1987	9.1525	8.5915

ITALY	1992	8.3327	6.4361
	1987	8.1447	6.3325

EGYPT	1992	7.2950	6.8270
	1987	6.7073	6.0948

SYRIA	1992	7.1706	6.9084
	1987	6.7202	6.4480

GREECE	1992	5.7188	4.6556
	1987	5.0408	3.9196

LIBYA	1992	3.7255	3.4195
	1987	3.4999	3.2208

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