

2. THE SEVEN-POWER SUMMITS IN ITALIAN FOREIGN POLICY

Unlike most major players in the international system, and especially the larger powers of western Europe, Italy has not sought through its foreign policy to extend its influence, maximize its power or jealously guard its national security and prestige. Emerging from the traumatic effects of fascism domestically and military defeat internationally, and conditioned by the historical experience of continual exposure to penetration from outside forces, post-war Italian foreign policy has been based on a lack of desire to assert influence internationally and little concern for military security or other forms of protection from the outside world. An inward-looking provincialism and the absence of nationalism in a political culture still dominated by familial loyalties has further inhibited the degree of assertiveness in Italian foreign policy, which has shown a particular sensitivity only to the acknowledged status accorded Italy by its international partners. As a result, Italian foreign policy has been characterized by a passive approach to the outside world emphasizing responsible membership, compromise and the avoidance of open confrontation, and a definition of the national interest based on the realization that, especially in an increasingly interdependent regional sub-system and broader international environment, attempts to stand alone and go-it-alone would be counterproductive.²

This tolerant, cooperative tendency in Italian foreign policy has placed a premium on the protection from confrontation to be found through participation in multilateral fora: the benefits to be derived from team play. Italy, as a result, has become a team player par excellence, focussing its foreign policy on those teams most central to its long term stability and security interests. While the two most important fora for Italian foreign policy in the post-war international system have been N.A.T.O. and the E.E.C., through which Italy has secured its military and economic survival, since its inception in 1975 the Seven Power Summit has emerged as a rival forum central to Italian foreign policy and in which the whole range of international political and economic issues of concern to Italy may be addressed simultaneously. And based on its quiet, subtle approach to diplomacy and negotiation, Italy's team play has provided it with substantial benefits as it has increasingly channeled its external activities through this triad of important system and sub-system management mechanisms.

The success of team play in Italian foreign policy is firmly grounded in domestic political traditions which have proven to be advantageous in a world characterized by declining hegemony and growing interdependence. While Italian leaders have remained relatively free from constraints in pursuing foreign policies because of a lack of interest on the part of the general public, they have been highly constrained by the demands of a vulnerable export-oriented and regionally skewed economy, and the complexities inherent in a multiparty, proportional representation political system and the resulting coalition dynamics which dominate it. Italian leaders cannot avoid being absorbed by the demands of coalition management, and the election - and party - dominated political process related to it. They are similarly confronted on an ongoing basis with the heavy constraints of an entrenched system of subsidies which has produced an excessive level of public sector debt but which is continually reproduced by the electoral sensitivity of coalition politics and regional disparity. Despite these everpresent domestic conditions which pervade the conduct of

Italian foreign policy, or perhaps because of the discipline they impose in constraining leadership, Italy's external relations have been highly successful in securing political stability and economic prosperity for Italians in an ever more complex world. These domestic realities which so heavily condition Italian foreign policy have at the same time produced a political acumen well-suited to team play in an interdependent world demanding it. The Italian genius for "patience, resilience and improvisation in the face of looming disaster"³ is well-suited for the increasingly concert-oriented structure of the international system, especially the new managerial forum provided by the Seven Power Summit.

With the emphasis on team play which emerged in Italian foreign policy after World War II and which has dominated it since 1975⁴, the importance of the Seven Power Summits to Italy has steadily grown, as has Italy's status therein. Most important to Italy, especially given its economic vulnerability to the decisions taken by that powerful forum, has been the issue of membership and participation. Establishing Italy as a legitimate, co-equal member of the Seven Power Summits is considered a major success story in post-war Italian foreign policy, and a turning point in Italy's relationship with the outside world in the contemporary era.⁵ Most important to the other summit members has been the perceived political vulnerability of successive Italian governments, given the consistent second-place performance of the Communist Party of Italy (PCI) in all Italian elections since 1947, and its enduring command of approximately one-third of the popular vote. Thus while Italian leaders have needed the summit to enhance their ability to adjust to the outside world, both in terms of participating in major decisions affecting the broader international political economy and in gaining legitimacy for proceeding with domestic changes and continuing to exclude the PCI from successive coalitions, so too has the summit needed Italy, both as a rising economic power with a legitimate place at the conference table and as a stable partner able to exclude the PCI from governing power.

As a result of these overlapping domestic and international political and economic conditions, the Seven Power Summit has become the third cornerstone of Italian foreign policy since the mid-1970s. Its centrality to Italy's external behaviour has coincided with a period of increasing Italian involvement and interest in international problems and their management, a development fully consistent with Italy's emergence during that period as a principal power within a dominant grouping of seven democratic, advanced capitalist states seeking to manage the effects of declining American hegemony and growing yet asymmetric interdependence, a concert of powers increasingly in need of each others' cooperation in maintaining a stable international political economy heavily burdened with real or impending crises.

While the relationship between Italian foreign policy and the Seven Power Summits has intensified steadily over the past fourteen years, the decisions and actions initiated by that powerful forum have not always been good to Italy. Given its traditional status as sixth among the seven, and reinforced by its passive orientation towards concert summitry, Italy has tended not to play a central role in the key issues which have dominated the annual meetings. Where it has, it has often found itself outside the dominant consensus of the most powerful members, especially the United States, Japan and West Germany, and more firmly in the company of its closest European ally, France, and the representative of the other important team to which it remains loyal, the European Community. This has been

particularly true on the big issues of trade liberalization and the relationship between the EEC, the summit and the GATT, the debates over demand-management versus supply-side macroeconomic strategies, approaches to managing the international monetary system, East-West and North-South relations. Relying on export-promotion and import-limitation in a trade-dependent economic strategy, Italy has consistently favoured a cautious, managed pursuit of liberalized trade heavily conditioned by intra-European agreements and considerations. Its leftward-looking centrism ideologically has made it more supportive of Keynesian, stimulus-oriented demand-management approaches to macroeconomic strategies than the "Ronald Thatcherism" supply-side solutions so popular among neoconservatives since the early 1980s. Sensitive to the vulnerability of the lira and its export-oriented development strategy to volatile money markets, as well as the success of its stringent national approach to managing finance capital, it has advocated along with France the need for monetary system reform in the direction of increased state control of markets, placing a priority on exchange rate stability as the key to enhanced trade and uninterrupted growth. And it has urged caution but openness toward the Soviet Union and action supportive of the disadvantaged South in ameliorating East-West and North-South sources of crisis in the world.

Despite frequently finding itself within a minority grouping on the major issues of the day, however, Italy has been a responsible member of the summit, only asserting itself strongly on the sensitive issue of secure membership and equal participation in decision-making bodies. Italy has consistently emphasized the need for collective consideration of all important issues by the summit seven and the avoidance of smaller groupings dominating issues affecting all, as is its team-oriented wont. Overall, its approach to the Seven Power Summits, consistent with its general foreign policy tendencies, has been to encourage the process of controlled integration, collective crisis management and responsible international leadership best suited to the triad of teams which form the cornerstones of its interactions with the outside world during a period in which Italy has emerged from humiliating military defeat to become one of the principal economic and political success stories in the world, and increasingly so over time.⁶