Italian - Libyan relations

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The government presided by Silvio Berlusconi, that was already weakened by several electoral setbacks (the municipal elections at Milan and Naples on May 30 2011 and the popular referendum and laws as set by M. Berlusconi on the 12th and 13th June) risked its mandate with regards to the Libyan crisis.

The Northern League, Xenophobic Party and the closest ally to the Italian Prime Minister have threatened to withdraw their support to the government if Italy continues to participate in airstrikes against Libya with the NATO coalition that has struck Gaddafi armed forces for 4 months now. This position could be explained, not because of a disinterested pacifism, but only because this party is afraid of a flood of refugees to the Italian coasts due to the conflict and because of an increase in oil prices that could affect Italian enterprises and ordinary citizens. Indeed, in order to understand the international relations between Italy and Libya, refugees, oil and competitiveness of Italian enterprises are the three key points which allow us to highlight this close relationship between Silvio Berlusconi and Muammar Gaddafi and the dismay of the Italian Prime Minister when the offensive occurs by France and the United Kingdom.

How can we explain this close relation between these two countries? Why did Italy hesitate so much before entering NATO’s coalition and why did they eventually do so? What are the consequences of these actions towards the stability of Berlusconi government and its politics in this area? This article tries to reflect on some of these questions.

At the end of August 2010, Colonel Gaddafi was honorably welcomed by the Italian Prime Minister, Silvio Berlusconi to celebrate the second anniversary of the signing of the 'Treaty of Friendship' between Italy and Libya that took place on the 30th August 2008 at Benghazi. After pitching his tent in the garden of the Libyan Ambassador at Rome, Colonel was welcomed by 500 hostesses selected by an Italian advertisement agency and to whom he taught a class about Koran. A show given by the “Carabinieri” was a special honor only provided for special foreign heads of state. Berlusconi and Gaddafi were so close that rumor has it that the Bunga Bunga (an erotic ritual practiced by the Italian Prime Minister) was introduced directly from Colonel’s harem.

However, the relationship between these two countries was not always this way and will probably not always be so. Italy is a former colonial power through its occupation of Libya from 1911 to 1943 and has taken part, since March and 7 months after Gaddafi visit, to the bombings of the country.

Since Colonel Gaddhafi’s accession to power, relations between the two states have been regularly difficult. One year after his accession to power in 1969, the Colonel had driven out Italian people who were still living in Libya. He took away and nationalised their estates by denouncing the Italo-libyan agreement of 1956, signed between the Italian Republic and the Libyan monarchist power, whose aim was to put in order the previous colonists’ condition.

The year 1970 therefore, saw the beginning of a very tough period, during which Gaddafi constantly asked for payoff for the war injuries’ from the colonialist occupation.

Furthermore, Gaddafi’s support to international terrorism led to a real international crisis. In March and April 1986, the United States launched operation « El Dorado Canyon » and bombed Tripoli in order to murder Gaddafi in response to the attacks arisen against the club « La Belle » in Berlin, which was well known by the US soldiers. The Italian government’s involvement was then quite ambiguous, (Bettino Craxi, the then Prime Minister would have warned the Colonel of a potential imminent attack, which would have allowed him to prepare for bombing). The Libyan reaction (the launching of Scud missiles against US installations
on Lampedusa, an Italian island which however missed their target), almost drove the two countries into war.

Although the relations remained difficult, the Italian government, and the traditional divisions of left and right, has always paid attention to maintaining good relations with Libya, (the Benghazi agreement was negotiated by the Berlusconi administration but also by Romano Prodi’s government). ENI, the first and most important Italian company, working in the hydrocarbon field, never left the country, despite the difficult relationships between the two governments as well as when war was evoked.

**So why is there all this attention about relations with Libya?**

The first reasons are because of the migrants. Libya is considered to be the gateway from which the influxes of large illegal immigrants develop. Many migrants from Sub-Saharan Africa leave Africa from Libya in order to join the Italian borders. Italy, which has been an emigrant country for a while, has started to gain a positive migration sold since the beginning of the 90s and the foreign population has grown from a few thousands to four millions within a few years. This triggered many tensions, as elsewhere in Europe, and helped the growth and success of xenophobic parties such as the Northern League.

Consequently, the regulation of immigration influx is one of the main issues for any Italian government. Gaddafi has always known how to take advantage of this Italian weakness, using immigration influx and control of the Libyan coasts as a negotiating argument in order to make the Italian government submit.

The next argument concerns the energy supplies. Italy is one of the most dependant countries for foreign energy supplies. This dependency is not only because of the fact that Italy has weak soil for developing its own natural and mining resources, but also because of the deficiency of its use of renewable energies and surrendering nuclear energy.

This decision (the drawing up of nuclear power) was taken by the Italian people themselves after a referendum in November 1987, following the catastrophic event of Tchernobyl and it was reaffirmed in 2011 after the Fukushima tragedy despite the government's willingness to rebuild a nuclear station from 2020.

Consequently, Italy is largely dependant on foreign resources for its supplies and consumes essentially gas and oil. Russia is the first country to provide Italy with gas (that also helps to explain the personal friendship between Berlusconi and Putin) whilst Libya is the second country and the first country purveyor of oil for Italy. Italy wanted to extend oil supply because of the Russo Ukrainian crisis around gas, although ENI had an agreement with Gazprom.

Finally, in order to understand Italian strategy on foreign policy, the reorientation of the Italian diplomacy towards an economic and commercial one has to be taken into account, as Berlusconi used personal ties to enforce Italian companies.

The globalization era meant the end of competitive devaluation of the Italian Lira, the former Italian currency, but also the awareness of structural weakness of the seventh world economy. Those deficiencies concern a high public debt, an inefficient public administration, faulty infrastructures and the lack of energy resources, leading to a twofold price of electricity in Italy compared to other countries in Europe.
That is why Italian governments have always sought to strengthen the implementation of Italian companies abroad. With regards to Libya, Italy is the first exporting country (17.5 % of Tripoli’s imports come from Italy) whereas Libya is the fifth suppliers of Italy.

Beyond ENI, and granted with a concession agreed with Gaddafi’s regime that is still running until 2045, there are also Unicredit in the bank area, Finmeccanica for armament, and Impregilo for buildings construction, which have great interests in Libya as well. Gaddafi’s regime is involved in the greatest Italian companies’ capital.

The Benghazia treaty fulfilled Berlusconi’s expectations in the country. This treaty, aimed at marking the end of the Italian occupation period, implied however lots of consequences.

Italy signed a settlement, which excluded the repatriation of the expropriated estates in the 70s, which forced the country to apologize for the colonialist period, and which forced it to compensate for $5 billion US dollars within 20 years. Italy pledged itself to use this amount for building a motorway from East to West, from Rass Ajdir to Imsaas and reaching 1,700 km long. It also committed itself to train Libyan coastguards by providing them with necessary equipments.

Actually, this agreement was supposed to serve Italian interests by safeguarding ENI premiership, by allowing Finmeccanica and Italian forces to train coastguards and thus curb migrant's influx towards Italy (with the approval of the North League that are now hostile to bombings). As to the $5 billion, the motorway should be undertaken by a consortium of Italian companies.

Thus, this treaty sealed the agreement between Italy and Libya. Italy obtained important results on several sensitive issues relating to its domestic and foreign policies, whereas Libya utilised war reparations and investments in Italian enterprises in order to reinvest the oil windfall, by enjoying the knowledge of ENI and Finmeccanica.

The decision by France and the United Kingdom to attack the Gaddafi regime was agreed after obtaining votes on the 1973 resolution at the UN Security Council. Torn between his key allies in North Africa and his European and Atlantis solidarity, Berlusconi decided to side with his Western allies, after much hesitation. At first Italy came out against the airstrikes, and then came out for logistical support for the coalition, whilst making available NATO bases on Italian soil for the use of airplanes in order to impose the no-fly zones, and whilst also blinding radars and bombings. Moreover, Italy understands that its hesitations puts itself in an awkward situation vis- à-vis to the National Transitional Council, based in Benghazia and supposed to represent the new governmental authority of Libya in the future and thus, the entity which will decide all future oil concessions and therefore the potential presence of Italian enterprises in Libya.

The Italian government would prefer that a negotiated exit for Colonel Gaddafi had occurred and that negotiations between the current system and protesters could lead to the formation of a new government.

The diplomatic strengthening, encouraged by the President of the French Republic, Nicolas Sarkozy, that eventually led to the military operation “Odyssey Dawn” left Berlusconi's government without a clue and torn between Northern League revendications, whilst the disembarkation of Tunisians refugees continues on the Lampedusa Island, which generated a strong diplomatic tension between France and Italy (the Italian government procured temporary residence permits to those refugees, allowing for the most part of them to get to France, taking benefits of the Schengen space before France restores police check at the border) the requirements of the European allies and especially that of the United States were
all in favour of an Italian military involvement. The United States, which does not want to be on the foreground about the Libyan crisis, put pressure on its European allies in order to handle this conflict.

In the end, the Italian government decides to suspend the de facto Benghazi Treaty, to put 8 bombers and 7 aerial bases at the allies’ disposal whereas the Northern League threatened the governments survival by obliging Berlusconi and his party to vote a motion committing the government to ask for a quick end of these operations.

If military operations are meant to be going on, or if a land operation is foreseen to be, it is very probable those differences between Berlusconi and the Northern League will be untenable and that the government will be obliged to ask for the opposition votes in order to save the Italian intervention in this conflict.

By consequence, the Italian government, which did not lead the intervention, is deprived from its main ally in the North Africa. This could also have an influence on the energy supplies for Italy, and could also increase the migratory flux and could cause a crisis that could end Berlusconi's government.

Cynically speaking, Berlusconi's government seems to be more of a victim in this conflict; a conflict precipitated by the strong will from Gaddafi's government to slaughter protesters. Obviously this difficult situation was provoked by cynical Berlusconi support of the Gaddafi regime.

However, if a diplomatic solution to this conflict could be possible and which would imply the exodus of the Colonel, the Italian government could use its long historic links between the two countries in order to finally have an active role. After that, the Berlusconi government will have to try to be rehabilitated nearby the National Transition Council, which gives priority to contacts with Paris and London.

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