Italy and the Suez Canal Crisis (1955-1956):
The Foundations of a Multilateralist Foreign Policy

A thesis submitted in partial fulfillment of the requirements for the degree of
MASTER OF ARTS
to the faculty of the department of
GOVERNMENT AND POLITICS
At
St. John’s University
New York (USA)
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Date Submitted: May 13, 2014
Date Approved: June 4, 2014

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Abstract:

Italian foreign policy at the start of the first decade of the Cold War had to tread a careful line between two poles: one generated by the United States and the other by Italy’s European allies, namely Britain and France. Italian historian, Rinaldo Petrignani, called this the “swinging of the pendulum.” What Italy was doing was no different than what it had done with other great powers. Despite these two powerful forces affecting its foreign policy, Italy had room to maneuver. The Italian Constitution advocated for a foreign policy that embraced international institutions as a means of avoiding war and of settling disputes. The Suez Crisis of 1955-56 laid the foundation for future Italian foreign policy that used multilateralism as an important instrument of its foreign policy. This thesis looks at the role of institutions in international relations through a neoliberal lens and shows not only how these institutions provided Italy with space to pursue its interests in its own ”backyard” but also how these institutions dampened the effects of its disruptive internal politics. This thesis also looks at how Italy’s relations with Egypt, an Arab state with an equally complex domestic situation, remained engaging and laid the ground for future relations with other Arab states in the region.
Acknowledgements

Putting this thesis together and getting it finished has been an immensely rewarding experience. I have learned a lot: not only about Italy – my family’s country of origin – but also about myself and the complex and storied past of this amazingly complex and often contradictory place.

I would like to take the opportunity to thank Dr. Azzedine Layachi for all of his guidance, suggestions, resources, comments and assistance in putting this thesis together. I have learned a lot through this process, and I am grateful to have had the opportunity to study international business law with him here in Rome.

I would also like to thank Dr. David Kearn for his assistance with putting together my thesis. I never thought in my wildest dreams that IR theory would be remotely interesting, but he has proven me wrong.

I would also like to thank two of my best friends, Shawana Perry and Anasa Sinegal, for believing in me and knowing that this was something I could do and needed to do and to my friend, Arnaldo Barrone, for showing me that old dogs can learn new tricks (and that you can get a PhD at any age).

Vorrei ringraziare anche i miei amici qui in Italia – Fabio, Francesco e Danilo -- che mi hanno sostenuto durante questi mesi difficili, specificamente il mio migliore amico, Danilo. Quando ero pronto a gettare la spugna mi ha sempre incoraggiato ad andare avanti con gli studi. Grazie mille.
I would also like to thank my parents and my family, especially my sister, for encouraging me to get my Master’s Degree, for the support that they gave me these last two years and for taking care of all of my mail while I live abroad.

Lastly, I dedicate this thesis to my late friend, Scott Cerrato, who passed away right before I moved to Rome in 2012. He taught me that life is too short to do things that we do not enjoy in life. Rest in peace.
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Chapter 1: Introduction

In 1956, Egypt’s president, Gamal Abdel Nasser nationalized the Suez Canal, angering the British who relied on the Canal as a source of revenue for its shareholders as well as its link to the Persian Gulf. This nationalization also infuriated the French who viewed Nasser as an Arab upstart who would create problems for the French in Algeria through his funneling of arms to the Algerian rebels. The nationalization had the potential of emboldening the Algerian resistance, which France could ill afford. Both Britain and France had substantial financial interests in the Suez Canal and were displeased at the rash action on the part of Nasser.

The United States precipitated Nasser’s nationalization of the Suez Canal, even if the events that led to the nationalization were far more complex. On July 19, 1956, the American Secretary of State, John Foster Dulles, canceled plans to help the Egyptians finance the construction of the Aswan Dam. This loan cancellation forced the Egyptians to find other means to finance the construction of the dam, and the income from the Suez Canal would help.

The Suez Crisis had a profound impact on the formation of Italian foreign policy, particularly one that sought to chart an independent course not by directly confronting American and European interests but through the use of institutions, such as NATO and the United Nations (UN). Italian foreign policy is often criticized for being haphazard and lacking direction. The Italians faced a number of obstacles in the form of systemic pressures: the Americans and their Cold War struggle against communism, the French

1 All translations from Italian to English are my own unless otherwise indicated.
and British interests in the Mediterranean and the Middle East. Along with these systemic pressures, Italy needed to find a way to manage Middle East and North African state instability to protect its economic interests. Domestically, Italian politics were equally problematic. It is no surprise that Italy had trouble managing these international and domestic difficulties.

This thesis will examine how the Suez Canal crisis affected Italian foreign policy and how Italy responded to international systemic pressures. More importantly, the thesis will show how Italy’s response to the Suez Crisis sparked the push to resolve international problems using the foreign policy instrument of multilateralism. This multilateral approach relied on international cooperation and institutions to further Italian national interests and safeguard Italian interests abroad.

The Italian Constitution from 1947 sets the precedent for the country’s future institution-centric foreign policy. Through codification it disavows war as a viable instrument for resolving international disputes, encourages the strengthening of international law for the pursuit of peace and justice, and “promotes and encourages international organizations furthering such ends” (Art. 11 Cost., cited in Salleo and Pirozzi 2008, 95). Using neoliberalism as a theoretical foundation, this thesis will argue that:

1. Italy’s adoption of multilateral cooperation as a central foreign policy instrument was the direct result of systemic pressures created by Atlanticism, Europeanism and political instability in the Middle East and North Africa region (MENA). These systemic pressures led Italy to tackle international problems cooperatively
through institutions (formal international governmental and non-governmental organizations, regimes and conventions) rather than unilaterally.

2. Participation in the North Atlantic Treaty Organization (NATO) and the United Nations (UN) reduced the uncertainties created by Italy’s unstable domestic political process.

3. UN membership assisted Italy in mitigating systemic pressures in order to pursue a foreign policy that allowed it to maintain constructive relations with states in the Middle East and North Africa. These constructive relations allowed Italy to maintain important economic and cultural links within its own “backyard”.
Chapter 2: Literature Review

Italian foreign policy is generally studied by placing Italy between *Atlanticism* (US/NATO) versus *Europeanism* (European states), two important pillars that are often cited as guiding Italian foreign policy. Italian foreign policy is often seen as subservient to US and EU interests and gives the impression that Italian foreign policy is predetermined. Italian foreign policy is not as subservient as it may seem, and the thesis will examine Italy’s relations with Middle East and North African (MENA) states that demonstrate Italy’s interests do not always run in tandem with US and the foreign policy of European states. Italian foreign policy needs to be examined away from realist and constructivist paradigms, which make up the bulk of the literature. These paradigms ignore important aspects of Italian foreign policy, such as multilateralism, cooperation and the role of formal (and informal) institutions in the construction of Italian foreign policy. Research also tends to overly favor political personalities. This approach misses some important research avenues that could offer more fruitful explanations and findings than what is generally available in the field.

The literature review will be divided into two sections. Section I will be a review of the theoretical literature relating to neoliberalism (also known as neoliberal institutionalism), multilateralism and middle power states within foreign policy analysis. Section II will examine the literature that deals specifically with Italian foreign policy and the various approaches that have been taken in analyzing and understanding Italy’s foreign policy direction.
2.1: Theoretical Literature

One of the important contributions of this thesis will be the analysis of Italian foreign policy using a neoliberal lens, an analysis often under-utilized (Carlsnaes 2012, 120-121). Neoliberalism does make an appearance in some discussions of foreign policy analysis, especially in terms of looking at foreign policy from a system level of analysis and with particular reference to multilateralism, specifically within an institutional framework such as the UN or the European Union (EU), to name just two examples. The IR ‘champions’ of neoliberal thought are Robert Keohane (along with Joseph Nye), whose work, *After Hegemony*, is a culmination of his research from the 1970’s. Other theorists, such as Arthur Stein, Robert Axelrod, Lisa Martin, and James Caporaso among many others, have made important contributions to the neoliberal research program.

Neoliberalism was born from the collaboration between Keohane and Nye in their seminal work, *Power and Interdependence*, which created the idea of “complex interdependence (Keohane and Nye, xxiii) in an attempt to move away from a “…one-sided view of reality” (xvi) of realism by making use of realist theories, as Sterling-Folker describes, by challenging “…realist pessimism on its own terms by utilizing realist assumptions” (Sterlking-Folker 2010, 118). Neoliberals do not deny that much of their paradigmatic foundation relies heavily on the neorealist theories of Kenneth Waltz in his *Theory of International Politics* (Keohane 1984, x) but the crux of neoliberal thought lies in the idea that states benefit from international regimes which in turn leads states to cooperate by reducing transaction costs and increasing benefits as well as providing greater access to information; more importantly, international regimes do not do away with the concept of *self-interest* but instead play a role in how those calculations
of self-interest are figured (Keohane 1984, xi). Multilateralism is seen as an institution or regime of its own that works to coordinate relations among three or more states over a group of principles that appropriate for the given set of actions in questions (Ruggie 1993, 11). Thus, multilateralism is a form of cooperation (Caporaso 1992, 603) than neoliberal research programs see as become an institution of its own (Keohane 1990).

The use of a neoliberal lens to analyze foreign policy immediately places the thesis on the defensive since any discussion of neoliberalism invariably pulls the discussion into the ‘neo-neo’ debate. Because neoliberal thought uses some aspects of realism (the acceptance of anarchy, the use of microeconomics, states being rational, self-interest), it will be important to emphasize unique qualities of neoliberalism, particularly its theories on cooperation, the role of institutions (formal and informal) and the role of multilateralism, three aspects which neorealists tend to undervalue or explain away through bandwagoning and balancing (Walt 1985) or as being reflections of the larger power dynamic in the international system in which institutions become tools for managing their power rather than independent expressions of power on their own (Mearsheimer 1995, 13-14). However, the thesis must not become mired down within the ‘neo-neo’ debate. While realists see institutions as reflections of the greater world power dynamic (Mearsheimer 1995, 7), neoliberals see them as independent actors that are able to exercise their own power that is independent of the state(s) or hegemon that created them (Keohane 1984, xi). Other criticisms of neoliberalism find flaws in their distributions of gains (Grieco 1993, 116-118) and its lack of attention to security matters (119-121). As neoliberalism is employed throughout the thesis, the arguments presented in the thesis must counteract the criticism leveled against neoliberalism.
The role of Italy as a ‘middle power’ is touted often in the literature. A vast portion of the literature (Giacomelli and Verbeek 2011) places Italy as a ‘middle power’ using a constructivist paradigm while earlier research prefers to favor realism (Neack 2000) or a geopolitical framework with strong realist tendencies that emphasizes structure as a determining factor to Italian foreign policy (Santoro 1991; Brighi and Petito 2012, 140-141). Other aspects of the literature see the role of “middle powers” changing given that the bipolar environment from the Cold War is now at an end with a possible return to a multipolar system (Andreatta 2001; Carbone 2011). Given that many scholars define ‘middle powers’ in much the same way, the one recurring element of ‘multilateralism’ in the literature demonstrates that it is indeed time for middle powers to be examined from a neoliberal perspective and Cooper, Higgott and Nossal tend to confirm this by noting “self-interest” is a notable feature of middle power states (1993, 19).

The last theoretical aspect will be the analysis of foreign policy itself. Foreign policy analysis proceeds from one of three levels: 1) the domestic level, 2) institutional level and 3) the system level. This thesis argues that a system level analysis is best to study Italian foreign policy. Given that middle powers (and weak powers) are more sensitive to systemic forces, it becomes necessary to engage in a system level of analysis.

Much of the research on Italy tends to favor a first and second level of analysis. From a theoretical standpoint, Italian foreign policy is understood by some as being a product of the domestic process after a “discourse” between the state and the international system (Brighi 2007, 106-107). This model of foreign policy analysis has been labeled as a “dialectical/strategic-relational model” that incorporates all three levels
of foreign policy analysis into a single, parsimonious model (107). This model attempts to resolve the debate over agency and structure that is present in much of the literature (Wendt 1991; Wendt 1992; Wight 2006).

Others studies place Italy within a geopolitical framework whereby foreign policy is driven by the country’s complex geographical position between the West and the Middle East and North Africa (Santoro 1991; Jean 2013). Brighi and Petito however, criticize geopolitical paradigms as extensions of realism that function less as theories and more as propaganda tools (2012, 136-138).

The research of Luciano Tosi sees Italian foreign policy as being a result of international cooperation through bilateral and multilateral cooperation as well as through the use of formal institutions, mainly via the United Nations (Tosi 1999; Tosi 2003a; Tosi 2003b; Tosi 2006).

Another problematic aspect raised in the literature review is that, because neoliberalism is under-utilized as a theory for understanding foreign policy, much of the research places Italian foreign policy within realist, constructivist and critical realist frameworks. The research shows that Italian foreign policy can be squarely placed within a neoliberal framework, specifically that “cooperation comes out of the pursuit of self-interests” (Neack 2014, 15), specifically through international organizations and the institutionalization of multilateralism (that is, over time – with repeated iterations, multilateralism becomes an institution, like sovereignty, diplomacy, the state, etc.).
2.2: Italian Foreign Policy Studies

As stated in the introduction, Italian foreign policy is generally studied as a byproduct of Italy’s interactions with the US (Atlanticism) and Europe (Europeanism). This focus within the literature gives the impression that Italian foreign policy is a ship whose ‘sails’ are driven mainly by these two exigencies. However, Italian foreign policy towards MENA states has been described as one in which “Italy, all in all, continued to hold the keys to getting in” (Piacenti 2003, 241). These “keys” to maintaining good relations with MENA states is not a recent phenomenon but one that stretches back to well before the start of War World I. (Iannari 2006; Arielli 2010)

Italian foreign policy is also seen to “swing” between various poles throughout history (see Petrignani 1987, 37), most recently between Europe and the United States. This swinging of the ‘pendulum’ indicates that Italian foreign policy adapts to systemic conditions. Many Italian foreign policy specialists have noted this (Brighi 2007; Croci 2007, 120; Croci 2008; Missiroli 2007). Others see the pendulum swinging not between systemic poles but between leaders in any particular government and between left and right parties in the Italian government (Missirioli 2007; Brighi 2006). This focus on personalities is often attributed to the fall of the ‘First Republic’ and the rise of the ‘Second Republic’ that greatly changed Italy’s electoral landscape and the way elections are conducted; in this context, foreign policy becomes a tool used by politicians as modes of rallying certain parts of the electorate (Giacomello and Verbeek 2011, 24-26; Nation 2011; Ferrari and Pejrano, 2011). Brighi (2013), in her latest work, attempts to find correlations between all three levels of analysis.
System level analyses tend to be rare in the study of Italian politics. Since it focuses on the disconnect between international politics and domestic politics, this thesis examines the role of the foreign service bureaucracy in Italian foreign policy, something that was previously examined by Chelotti and Pizzimenti’s study (2011).

Regardless of its paradigmatic ‘stripes,’ much of the literature returns always to the same theme of “multilateralism” (Cosa and Tosi, 2007; Damis 2011, 198; Giacomello and Verbeek 2011; Ratti 2011; Tosi 1999; Tosi 2002; Tosi 2003). This attempts to show how uses of multilateralism and other aspects of neoliberalism, particularly interdependence and the role of non-state actors, such as Multinational Corporations (MNCs), have assisted Italy in maintaining positives relations with MENA states (Piacentini 2003; Tremolada 2011).

Documentary evidence from Gian Paolo Calchi Novati’s work, *Il canale della Discordia: Suez e la politica estera italiana* (*The Canal of Discord: Suez and Italian Foreign Policy*, 1998) contains 29 documents from Italy’s Foreign Ministry Archives which provided the foundation for this analysis of Italy’s foreign policy during the crisis. Goust and Johnman’s work collecting documentary evidence from British and American correspondence provide background information on the conflict (Goust and Johnman 2013). Abundant documents on Italy’s activities in the United Nations illustrate Italy’s penchant for multilateral in diplomacy and its desire to improve and participate in multilateral institutions (Salleo and Pirozzi 2008; Tosi 2007; Tosi 2010; and Villani 2007).
2.3: Evaluation

Italian literature on the topic often lacks a theoretical foundation and “fail[s] to draw on the FPA or IR toolkit” (Brighi 2013, 7). These works tend to be descriptive in nature with an emphasis on comparative historical methods rather than on framing particular foreign policy within a specific theoretical framework and remain focused on “puzzle-solving” rather than “theory-building” (Lucarelli and Menotti 2002, 114-115).

An overview of the literature reveals two major gaps that this thesis endeavored to fill. First, neoliberalism as an analytical tool, which is lacking in the literature reviewed here, is introduced here and used to explain Italian foreign policy. In order to avoid getting bogged down in the ‘neo-neo’ debate, it is necessary to look specifically at how neoliberalism can be serve as an analytical tool to explain foreign policy. Care must be taken to explain realism’s criticisms of neoliberalism as methodically to avoid weakening the theoretical foundations of the thesis. The second gap is the absence of studies that focus on multilateralism during the first decade of the Cold War from the perspective of a smaller power, Italy. This thesis does just that through the analysis of Italy’s participation in one of the most important Cold War events, the Suez Crisis.
Chapter 3: Methodology

This thesis analyzes the Suez Crisis and Italy’s response to it. In the context of that crisis, Italy created an important foreign policy framework, multilateralism (m), which relied on institutions for the formulation of foreign policy preferences. In analyzing foreign policy, this study uses a system level analysis and neoliberalism to interpret data and events.

As Laura Neack points out, a “system-level analysis that focuses on power and position derives primarily from the realist worldview” (2014, 145). Given that both theories have much in common, the neoliberal approach can also be used in analyzing Italian foreign policy. It will be shown that important systemic factors had overriding influence on Italian foreign policy while introducing the role of institutions – a factor often ignore in realist literature – in understanding Italian foreign policy choices.

The analysis will begin first with Italy’s motivations for joining two important institutions, NATO and the United Nations. This is followed by an examination of Italy’s role in the Suez Crisis. The analytical results could then be tested against other issue cases that will be addressed briefly at the end of Chapter 5.

The examination of the Suez Crisis will study the following variables:

1. Atlanticism (a): pressures on Italian foreign policy to conform to US foreign policy preferences either through NATO or through bilateral diplomacy;
2. Europeanism (e): pressures on Italy from European allies to conform to their foreign policy preferences;
3. Middle East and North Africa (MENA) political instability ($u$): domestic pressures generated in a given MENA state that has the potential to complicate Italy’s foreign policy goals. This variable also has the potential to magnify the effects of Atlanticism and Europeanism on Italian foreign policy especially when interests from those two “pillars” are also present in any given MENA state.

4. Italian domestic political process ($p$): pressures generated on Italian foreign policy preference from domestic political dynamics, including the occasional collapse of governments or parliamentary majority coalitions. The hypothesis argues that the pressures exerted by external variables override pressures owing to domestic instability.

**Figure 3-1: The Key Hypothesis in Graph**

![Diagram](image)

Figure 3-1: The key hypothesis as a graph. Europeanism, MENA states political instability and Atlanticism are systemic pressures on Italy. The foreign policy bureaucracy processes these systemic factors with input from institutions. A foreign policy preference for multilateralism is then transferred by to the institution in question (NATO, UN, London Conference, etc.).
3.1: Hypothesis

The hypothesis here is that the Italian foreign policy employed the instrument of multilateralism, variable \( m \), when faced with pressures from Atlanticism (a), Europeanism (e) and political instability in the MENA region (u). The impact of Italian domestic political process (p) is nullified by the overriding effect of systemic factors and the presence of a more effective foreign policy bureaucracy. Multilateralism (m) becomes the preferred foreign policy instrument of choice because it creates pathways through which Italian foreign policy may be pursued, especially in the MENA region (specifically Egypt in this case). It is proposed here that the employ of multilateralism alleviated the systemic pressures brought to bear on the state and helped to prevent Italian economic, political and cultural interests from being undermined. Because neoliberalism is found to be helpful in understanding Italian foreign policy preferences, the influence of institutions on state behavior and the impact of states on international institutions are also examined.

Multilateralism, \( m \), is the foreign policy instrument employed to respond to the exigencies (systemic factors) created by variables \( a, e, \) and \( u \). Institutions, neoliberals argue, are not simply reflections of power, as John J. Mearsheimer argues (1994, 13), but effect state behavior and are effected by states (Keohane 1989, 6). Neoliberals define institutions as:

1. “formal intergovernmental or cross-national nongovernment organizations” (such as the United Nations);
2. “international regimes,” defined as “explicit rules, agreed upon by governments, that pertain to particular sets of issues in international relations”; and
3. “conventions,” categorized as “implicit rules and understandings, that shape the expectations of actors” (3-4).

Thus, multilateralism is any foreign policy instrument that rests on interactions within multilateral forums, such as the United Nations (UN), NATO and other international organizations (IOs); sustaining or expanding current organizations and regimes or the creation of new international institutions and regimes; or the involvement of three or more states working together to tackle common problems.

In testing the hypothesis, the thesis will show that Italy has participated in the creation and adoption of institutions. Italy’s entrance into both NATO and the UN helped the adoption of multilateralism as a principal foreign policy instrument. Multilateralism functions to reduce the pressures of the domestic political process by shifting the foreign policy decision-making to the politically isolated foreign policy bureaucracy (FBP).

The Suez Crisis will be examined in depth because it includes all of the necessary variables and takes place after Italy becomes a member of the North Atlantic Treaty Organization (NATO), joins the United Nations (UN) in 1955 and is the first real test of multilateralism as Italy’s foreign policy preference. The patterns identified by studying the Suez Crisis can then be applied to other issue cases.

3.2: Alternative Hypotheses

In testing the validity of the hypothesis, it will be necessary to check it against two alternatives:

1. In this first alternative, Europeanism (e) becomes the dominating systemic factor on Italian foreign policy. This would mean that during the Suez Crisis,
Italy would openly support French and British plans to seize the canal with the help of Israeli forces in order to ensure that the transport of oil deliveries resumes at its earliest, thus protecting a vital sector of the Italian and European economy. Institutions, while present, do not play a significant role in influencing state behavior.

2. In this second alternative, Atlanticism (a) becomes the dominating systemic factor on Italian foreign policy. In this alternate hypothesis, Italy would bandwagon with American interests. With American interests dominating Italian foreign policy, Italy would renounce its parallel and independent foreign policy towards the Middle East and North Africa. Institutions would be used to further American interest and make it easier for Italy to free-ride.

This study used primary and secondary source material for measuring the variables. Gian Paolo Calchi Novati’s work (1998), *Il canale della Discordia: Suez e la politica estera italiana*, supplied many of the necessary primary source documents. These documents were used to measure the variables listed above.
Chapter 4: Theoretical Foundation

As indicated in the introduction, this thesis takes the unusual approach of examining Italian foreign policy using a neoliberal (or neoliberal institutionalist) ‘lens’ to explain the emergence of multilateralism as Italy’s primary instrument of foreign policy. Before the theoretical foundation can be laid, it is important to explain the use of the “third image” in analyzing Italian foreign policy. In other words, why should the “black box” be reduced to a “unitary rational actor” (Hudson 2013, 3-4)?

On January 17, 2014, the current leader of the Partito Democratico (PD) in Italy, Matteo Renzi, gave an interview on the Italian television program conducted by La7, Le invasione barbariche. In the interview, Renzi is asked what he likes about the current Italian Prime Minister, Enrico Letta. Renzi replies: “When Enrico Letta occupies himself with foreign policy, he is the absolute greatest, and I think very, very highly of him.” The interviewer did her best to stifle her laugh, but her response is a telling and obvious conclusion about Italian foreign policy: anyone, according to Renzi, in Parliament can conduct Italian foreign policy as it requires no political skills or special training.

Why is Italian foreign policy held in such low esteem? Is it because politicians know that there is very little that they can do to change the course of foreign policy? Or perhaps most politicians realize that the foreign policy that Italy has is the best that it can achieve given its geopolitical situation and the preponderance of American power?

Given the array of domestic problems since the end of World War II and the many changes of government over the past sixty years, Italian foreign policy has
remained consistently stable in its foreign relations, especially with its Arab neighbors in the Mediterranean and its many trading partners in the Middle East. To better understand Italy’s responses to problems in the Middle East and North Africa, it is necessary to look at external factors within the international system, namely the effects of Atlanticism, Europeanism and MENA state political instability on Italian foreign policy. These variables created potent barriers and made achieving foreign policy goals difficult and restricting. Atlanticism and Europeanism created a narrow pathway that Italian foreign policy could follow. Our thesis argues that multilateralism is a product of these systemic pressures that negated the uncertainty generated by domestic political process. Our “black box” opens only slightly in this analysis, just enough ‘to see’ the foreign policy bureaucracy (FBP), “La Farnesina,” which, this thesis will argue, was the nerve-center for Italian foreign policy.

System-level analysis permits a greater consideration of these outside factors in understanding Italian foreign policy. This does not mean that the contents of the “black box” are ignored: the inner workings of the Italian state, while at times inconsistent and dysfunctional, allows Italy to maintain relatively stable foreign policy that is guided by the stable (FBP). This thesis is not arguing that domestic politics have no place in foreign policy analysis but instead argues that, in spite of these variables, Italy’s foreign policy towards MENA states remained relatively constant. This consistency is best explained through an examination of institutions, cooperation and multilateralism as a primary foreign policy instrument.

While the current trend in foreign policy analysis seeks to find a comprises on the agency-structure debate, it makes sense to avoid ‘throwing the baby out with the baby
water’ and disregarding or even eliminating from the analytical repertoire systemic approaches. While imperfect and parsimonious, they do often provide important analytical insight into countries such as Italy, whose domestic political situation does not always yield fruitful analyses. This is the trap of delving too deep within the state, especially a state with a complex domestic political situation. While forces within the state have an effect on how a state reaches its ultimate decision, that decision, when finally reached, is accepted as the decision of the state (Waltz 1979, 177-178). Political forces in Italy do not always agree, but once a decision has been made, that decision is seen as decision of the state, not of any one particular party or majority. This supports the rationale in approaching the analysis of Italian foreign policy by employing a systems level analysis of Italian foreign policy using a neoliberal paradigm.

This neoliberal paradigm compels one to examine the role of institutions. Italy’s participation in the North Atlantic Treaty Organization (NATO), the United Nations (UN), other regional institutions and regimes and multilateral solutions is often understudied or ignored. These institutions and regimes provided Italy with foreign policy pathways, especially in its dealings with the Arab World. Neoliberalism is therefore the “lens” best suited to understand Italian foreign policy in North Africa and the Middle East.

4.1: Neoliberalism in International Relations (IR)

Neoliberalism has been noted for its penchant in focusing on “the sheer ubiquity of institutions and cooperative efforts in our current system” (Sterling-Folker 201, 133). Indeed, one of the features of this paradigm that distinguishes it from the others is its focus on cooperation and the role of regimes and institutions in influencing state
behavior. In the sections to follow, some of the major tenets of neoliberalism are presented by answering the question “what is neoliberalism” along with a brief summation of the ‘neo-neo’ debate and criticisms of neoliberal thought.

4.2: What is Neoliberalism?

The origins of neoliberalism can be traced back to the 1960’s and 1970’s when concepts of pluralism emerged to challenge realist assumptions. Robert O. Keohane and Joseph Nye’s *Power and Interdependence* initially sought to challenge realists by using realist’s own theoretical framework. Stephen Krasner’s *International Regimes* followed this work in 1983. Krasner’s work was then followed by Keohane’s seminal neoliberal work, *After Hegemony*, in 1984. The research from these endeavors laid the foundation that established neoliberalism as a prominent theory in international relations (Sterling-Folker 2010, 118). Keohane’s work evolved after the publication of *After Hegemony*, and he refines his argument in later works and articles (Keohane 1989).

By examining these works by Keohane, Nye, Krasner, and others, it can be shown how neoliberalism seeks to emphasize the institutionalization of world politics, since “…much behavior [in world politics] is recognized by participants as reflecting established rules, norms and conventions, and its meaning is interpreted in light of these understandings” (Keohane 1989, 1). This behavior has a number of obstacles to overcome: anarchy and getting states to cooperate and adhere to these principles.

Cooperation is achieved through the use of institutions. Before defining and addressing cooperation, “institutions” must be defined. Keohane defines them as “persistent and connected sets of rules (formal and informal) that prescribe behavioral
roles, constrain activity and shape expectations” (Keohane 1989, 3) and identifies three
subtypes: formal governmental or cross-national non-governmental organizations, such
as the United Nations (UN); international regimes, “explicit rules, agreed upon by
governments, that pertain to particular sets of issues in IR” (4); and lastly, conventions, or
“informal institutions, with implicit rules and understandings, that shape the expectations
of actors” (4). These three elements make up institutions, the backbone of neoliberal
thought. These institutions often function simultaneously or are part of each other.
Examples of this can be seen in neoliberal descriptions of international organizations:
“embedded within international regimes” because they “monitor, manage and modify the
operation of regimes” (5).

According to neoliberalism, anarchy is responsible for creating the “self-help”
environment that leads states to pursue an independent line of decision making; this same
“self-help” environment pushes states to create institutions, arguing that “self-interested
actors rationally forgo independent decision making and construct regimes” (Stein 1982,
324). In other words, states (“self-interested actors”) are motivated towards the
construction of regimes: anarchy creates the necessary systemic conditions that provide
for the creation of these institutions. Since actors are self-interested, their most rational
response to the anarchic conditions of the system compel them create institutions that
mitigate the uncertainty of the international system. Joseph Grieco argues that states
worry most about survival (1988, 497-498). However, the creation of institutions
addresses these concerns and helps ensure that states can survive in this self-help system
through the creation of these three institutions. The creation of formal institutions,
regimes and conventions, therefore, is a rational response to the anarchic self-help
environment. Institutions provide a framework of rules and expectations. This, in turn, adds certainty in an uncertain anarchic system and alleviates the fear associated with survival.

What exactly are regimes? Stephen Krasner defines regimes “…as sets of implicit or explicit principles, norms, rules and decision-making procedures around which actors’ expectations converge in a given area of international relations” (1983, 2). This convergence within issue areas pushes states to engage in “joint decision making”: in other words, if “state behavior in the international arena results from unconstrained and independent decision making,” (Stein1990, 28), no regime is said to be operating. What regimes ultimately do is provide the necessary conditions for states – in the long term or the ‘shadow of the future’ – to achieve better results than they might do if they were to abandon joint decision-making and attempt to solve problems unilaterally. “It is in their interests mutually to establish arrangements to shape their subsequent behavior to converge” (39): this drives states to abandon independent or unilateral decision making in favor of collaboration or coordination (39).

Neoliberals, though, disagree that successful cooperation is dependent upon a state’s power (Baldwin 1993, 5; Grieco 1993) but view cooperation as being an integral part of the international system. The debate over international cooperation is an important difference that separates neoliberalism from neorealism. This fact becomes important since both theories share many of the same assumptions, and this sharing of a theoretical foundation is often used against neoliberals.
Neoliberalism is unique in the realm of cooperation and attempts to show how cooperation can be better understood and explained by examining “…the constraints facing states, rather than to their preferences” (Powell 1993, 211-212). In other words, the constraints within the system – identified as being a state’s relative capabilities and anarchy – are better factors in determining whether cooperation occurs. Relative gains – a state’s preference – no longer matter: “relative gains in repeated games cannot be used to one’s advantage” (212-213).

Lastly, one of the most important aspects of this paradigm is its concern with change: “[neoliberalism] conceptualizes institutions both as independent and dependent variables” (Keohane and Martin 1995, 46). In other words, “…institutions change as a result of human action, and the changes in expectations and process that can result exert profound effects on state behavior” (Keohane 1989, 10; Keohane and Martin 1995, 46). This aspect of neoliberalism contradicts neorealism, which sees “…a world of constant security competition, with the possibility of war always in the background” (Mearsheimer 1995, 12). In other words, realists, like Mearsheimer, see the world as being locked in a constant struggle where the presence of institutions and regimes has little chance of changing how states interact. The rise of international institutions of all types since the end of World War II are indicative of the important role institutions play in ensuring the survival of states as well as providing states with the necessary incentives to cooperate with one another. As this thesis will show, Italy’s embrace of institutions and regimes allowed it to re-enter the world stage after its devastating loss following World War II and allowed Italy to pursue a foreign policy that followed a delicate path between American and European interests.
4.3: Criticism

4.3.1: The ‘Neo-neo’ Debate

One problematic aspect of neoliberalism is that it often becomes mired in the “neo-neo” debate with neorealism. This debate centers on the idea that both paradigms share many of the same basic tenets. Therefore, it becomes difficult to find any real differences between the two (Waever 2010, 310). Subsequently, the strength of the neoliberal intuitionalist argument is weakened and its ability to explain international politics undermined. While it is true that neoliberalism does accept many of the same assumptions as neorealism, there are key differences, most notably the effects of cooperation on the international system and the shift away from relative gains – seen by neorealists as a goal of states, and the idea of absolute gains seen by neoliberalism as being pursued by states. While their theoretical foundations are similar, the answer that each paradigm offers is different, and this difference should be explained.

The main point of contention of the ‘neo-neo’ debate has been whether states are concerned with relative gains or absolute gains. Relative gains can best be described in this way. State A makes $x$ number of gains, $xA$. If State A were only concerned with their own gains, $xA$, then this would be described as the absolute gains because State A is not concerned with the gains of others in the system ($xB, xC$, and so forth). If State A focused not solely on $xA$ but on the gains of other states, $xB, xC$, and so forth, then State A would be concerned with relative gains: the gains made by other states in relation to their gains. According to realists, these relative gains inhibit cooperation and are assumed (Snidal 1993, 171-173). Neoliberalism assumes that states are focused on absolute gains, and states are ultimately unconcerned with “…the gains of others.
Whether cooperation results in a relative gain or loss is not very important to a state…” (Powell 1993, 209).

This is the crux of the ‘neo-neo’ debate. Because cooperation *does occur* between states, neoliberals argue states must be more concerned with absolute gains rather than relative gains because of the presence of cooperation between states. This assumption leads neoliberals to surmise that cooperation is a state’s preference. This preference, therefore, leads states to concern themselves with their own gains.

**4.4: Competing Paradigms**

The debate between neoliberalism and neorealism often comes down to whether gains are absolute or relative and has been one of the great debates in IR, often labeled the “neo-neo” debate. While the debate between these two theories focused principally on the interpretation of relative and absolute gains, there are other criticisms that have been leveled against neoliberalism. This section will address those criticisms and look at other paradigms that are present in the literature on Italian foreign policy that compete directly with neoliberalism. This section will briefly explore the criticism of John J. Mearsheimer, particular the “false promise” of international institutions; Joseph M. Grieco’s rebuke of neoliberalism; the explanatory model of foreign policy proposed by Elisabetta Brighi as a means of resolving the agency/structure debate; and, lastly, the role of constructivism in international relations and foreign policy.

**4.4.1: Mearsheimer’s “False Promise”**

arguing that they “…reflect state calculations of self-interest based primarily on the international distribution of power” (13). States develop these institutions only as a means of maintaining their relative gains because of the competition between states in the international system. International institutions become proxy battlegrounds that simply reflect the current power distribution within the system: “institutions are merely an intervening variable in the process” (13).

Mearsheimer’s work casts doubt over the ability of institutions to create the necessary conditions for cooperation and focuses his criticism on the how neoliberals ignore relative gains (19-21) and criticizes them for dividing international politics into economic and security realms (15-16). Keohane and Lisa Martin dismiss Mearsheimer’s viewpoint; they argue that the separation of international politics into two distinct “realms” is not a “neat dividing line” (1995, 43). Cheating, according to neoliberals, is not the sole focus of neoliberalism (43). Mearsheimer also dismisses the neoliberal argument that the increase in the number of states in the system decreases the relative gains problem (Snidal 1993) and argues that the theory’s avoidance of security issues and relative gains is flawed (25-26). As Axelrod and Keohane state, “a single framework can throw light on both” (Axelrod and Keohane 1986, 227). Neorealists criticisms are misplaced: neoliberal do study and apply their research to better understanding security issues. One need only look to the works of John Duffield (1992; 1994) and Lisa Martin’s Coercive Cooperation (1992).

4.4.2: Critical Realism and the Failure of ‘Monocausal Approaches’

In Foreign Policy, Domestic Politics and International Relations: A Case of Italy, Elisabetta Brighi analyzes Italian foreign policy within a critical realist framework as a
way of resolving the agency/structure debate in IR. Critical realism argues for an analysis of the “social world” from the “bottom-up” by avoiding the reification of both actors and their social interaction (Patomaki and Wight 2000, 233). This is the opposite of a systems level analysis, which is a “top down” approach to studying international relations (Rourke 2003, 54). Through the ‘dialectical/strategic relational conceptualisations’ (Brighi 2013, 37), positivist and post-positivist approaches in analyzing Italian foreign policy are bridged using a critical realist framework (figure 5.1).

**Figure 5-1: The Critical Realist Framework**

![Figure 5-1: The Critical Realist Framework](image)

Figure 5-1: “In the strategic-relational model, foreign policy is elaborated through a discursively mediated political process which involves assessment of both the international context and the actor’s own preferences. Once articulated, foreign policy feeds back both into the international system, either restructuring the environment or leaving it unchanged (f2), and into the actor – i.e. the state – (f1) by making strategic adaptation possible.” (Brighi 2013, 37)

This model demonstrates “that foreign policy behavior is produced via a dialectical interplay between the actor’s own strategy…and context” (Brighi 2013, 37). In other words, what the state wants – its strategy -- and where it finds itself in any given moment in the international system are processed by a domestic political process which in turn determines the foreign policy. This framework gives equal conceptual weight to
both the actor (the state) and the system: both variables are weighted equally. While this approach works when analyzing foreign policy trends, the application of a specific case proves problematic.

This model also says very little about the role of institutions. Are institutions assumed to be “à la Waltz” (Brighi 2013, 18) a part of the international environment? Throughout the analysis presented in Brighi’s work, institutions figure very little as the conceptual weight remains firmly divided between agency and structure with scant attention given to the role of institutions and regimes. Given the importance of institutions and regimes in Italian foreign policy, their presence in the international environment should not be assumed. It begs the simple question: where do they fit?

Whereas a structural theory assumes that all states are the same – unitary, rational actors, Brighi makes similar assumptions about the role of context, arguing that “context is here intended mainly as other actors, no more and no less than the set of relations which they entertain and the patterns they have generated” (37-38). Context becomes “real” only “when looked at from the perspective of the individual actor in question” (38). Agency remains “in a position central to the interplay between foreign policy, domestic politics and international relations” (38) but still does little to account for institutions.

Brighi notes that this model “…was introduced in political science in order to reject the view that (political) action could be reduced to either external constraints or internal preferences….The conceptualisation manages to give equal conceptual weight to both structure and agency” (Brighi 2013, 36). While the model’s efforts at finding a
solution to the *agency-structure* problem are intellectually appealing, its embrace of the ‘bottom-up’ mantra of critical realism leaves institutions notably absent and thus makes it an ineffective tool for these purposes. As the thesis will demonstrate, systemic pressures brought to bear on Italian foreign policy are simply too important. Attempts to give equal conceptual weight to both the internal and the external do not adequately explain Italian foreign policy and its multilateral turn in managing its foreign relations.

4.4.3: Constructivism

The constructivist paradigm in IR is mostly indebted to the work of Alexander Wendt and his article, “Anarchy Is What States Make Of It: The Social Construction of Power Politics.” Wendt breaks away from the rationalist debate by arguing structure “has no existence or causal powers apart from process. Self-help and power politics are institutions, not essential features of anarchy. *Anarchy is what states make of it*” (Wendt 1992, 395). Self-help and power politics are not causally produced by the anarchic environment but are intersubjective: in other words, these institutions can only be understood in how they interact and not assumed to be *caused* by the structure of the system (403). Constructivism attempts to show how states are able to learn and how they are “self-taught,” demonstrating that the causality in state behavior is not linked to anarchy, but, instead, shifts the emphasis inside the “black-box,” by arguing that the “state and sub-state” level are the causes (Finnemore 1996, 12).

Constructivism is a critical response to the rationalist approaches of the two “neo’s” (neoliberalism and neorealism) that assume that all states are rational egoists. Wendt attempts “…to build a bridge between these two traditions…drawn from
structurationist and symbolic interactionist sociology, on behalf of the liberal claim that international institutions can transform state identities and interests” (Wendt 1992, 394).

4.5: The Neoliberal Approach to Foreign Policy

In the previous sections, neoliberalism was outlined and explained in relation to realism, critical realism and constructivism. As a theory of foreign policy, it is not often utilized, but there are many notable features of this paradigm that make it a worthwhile theoretical tool. Multilateralism is considered a pillar of neoliberal thought, a concept that is “fundamental to the neoliberal institutionalist worldview” (Neack 2014, 156), where the trust lies not with other states within the system but with the benefits that the system provides through multilateral cooperation (157). States trust that the benefits achieved through multilateral cooperation will outweigh the risks involved in pursuing such cooperation. Multilateralism provides a larger share of immediate gains from such cooperation to smaller states (Martin 1992, 789), such as Italy. The emphasis on multilateralism and cooperation should not distract from the neoliberal belief – shared with realism – that states, being the principal actors in the international system, are still rational egoists. This should not, as Keohane states, “elevate international regimes to mythical positions of authority over states” (Keohane 1993, 273) even if institutions, Keohane argues, influence states and are influenced by them. Therefore, a neoliberal approach to foreign policy:

1. sees multilateralism as a “deep organizing principal of international life” (Caporaso 1992, 600; Neack 2014, 157), a “systems-level result of policy choices by a number of states…” (Keohane 1990, 740), and
2. builds upon the “architectural dimension” of multilateralism (Ruggie 1992, 572) in order to maintain “…a routinized international system” (Neack 2014, 184) that benefits all states and avoids “…discriminatory arrangements…” that might “…enhance the leverage of the powerful over the weak…” and “…increase international conflict” (Kahler 1992, 681; 691).

In the first point, multilateralism becomes a norm, or, better yet, an assumption, much like anarchy or the fact that states are rational egoists. Multilateralism is not what only states do but is a systemic factor that arises from the way that states behave towards each other. It is not as an attribute of any one state or states. In other words, states are not multilateral. It only through cooperation and interdependence that states are able to add an additional “dimension,” (Ruggie 1992, 572) to their interactions.

In the second point, this ‘architectural dimension’ that is created through cooperation and interaction between states allows states to operate with more certainty by strengthening and institutionalizing diffuse reciprocity (Axelrod and Keohane 1985, 250) and create a more level playing field for all involved. This institutionalization that arose at the end of World War II has been credited with giving Italy space to pursue its foreign policy interests (Brighi 2013, 117).

For the purposes of the case study, this analysis of Italian foreign policy will look at specific instances where Italian foreign policy pursued modes of cooperation that involved international organizations, in particular, the United Nation; the creation of regimes or the call for the creation of regimes; participation in multilateral negotiations, through summits and conferences in groups of three states or more.
The study of foreign policy using a neoliberal framework is important to understanding Italian foreign policy. Much of the literature ignores the role of formal international organizations, institutions, multilateral solutions and diplomacy; these institutions have had a profound impact on Italian foreign policy. While Brighi’s dialectical explanations for Italian foreign policy do much to resolve to the agency-structure problem in IR, its avoidance of rationalist approaches downplays the primacy of structural pressures felt by the Italian state. Giving equal conceptual weight to both agency and structure ignores Italy’s historical and geopolitical context. Brighi argues “big states have a greater impact upon the ‘international’ and thus are subject to lesser pressures from this sphere” (Brighi 2013, 39): thus small states are subject to greater pressures. Italy’s location in the Mediterranean and its historically good relations with MENA states operated within a context of immense “pressures from this sphere.” Monocausal approaches, while not perfect, are still suited for the task. As this thesis will argue, the domestic political process is sidelined through Italy’s participations in institutions that provide a framework of certainty that cannot be found internally. The neoliberal framework presented here with its focus on multilateralism, extensive cooperation and the role of institutions will provide a more thorough explanation of Italian foreign policy.
Chapter 5: The Suez Crisis and Italian Foreign Policy Preference

In 1955-1956, the nationalization of the Suez Canal and ensuing conflict was a major flashpoint in the Mediterranean and Middle East during first decade of the Cold War. The crisis highlighted Europe’s waning power, the end of colonialism, and the emergence of a bipolar international system with two main rivals: the United States and the Soviet Union. The Suez Crisis would create enormous pressure on Europe’s two leading powers, Britain and France. These two nations would struggle to maintain their international position as they would attempt to force Nasser from power and would create, along with American interests, intense systemic pressure on Italian foreign policy. Italy would ultimately face enormous obstacles in achieving its foreign policy goals, caught between the Cold War struggle to contain communism and growing American hegemony, and the British and French desire to remain great powers and influential in the international politics.

While Italy lacked the material and economic capabilities of Britain and France (it must be noted that the peace treaty Italy signed with the Allies limited its military buildup, and Italy was still reconstructing its economy), it remained an important player in the Mediterranean and the Middle East. Its role in the Suez Crisis is often ignored. This international crisis is useful in studying Italian foreign policy because the role that institutions and multilateralism played in the construction of Italian foreign policy can be clearly observed.

The Suez Crisis proved to be the beginning of the end of French and British hegemony in Europe. The crisis, precipitated by the United States, France and Britain,
created a structural environment that forced Italy adopt a peculiar foreign policy. Its foreign policy, as this case study will show, began by pushing for membership in NATO and the United Nations, the latter being an important multilateral forum where Italy could demonstrate its commitment to the Global South and further advance its interests. The choice of NATO, in particular, is curious given the Italian government’s initial embrace of neutrality (Brighi 2013, 102). As the analysis will show, these institutions proved fundamental for Italian foreign policy.

The Suez Canal was not only an important waterway for trade and transit but also an important source of revenue for shareholders in Britain and France. A majority of the traffic passing through the Suez Canal were oil shipments, and, of these shipments of oil, two-thirds of it was destined for European markets (Yergin 1991, 480). The continued flow of oil through the Suez Canal reinforced its strategic importance to the Europeans, especially the Italians who imported much of their energy and provided refinery capacity for a quarter of Europe (Novati 1998, 186). The United States, fearing that Egypt might fall completely under the influence of the Soviet sphere, made overtures to Nasser with promises of loan guarantees for the construction of the Aswan Dam. Like leaders of many other weak states, Nasser played the great powers against each other in order to reap the most concessions possible, in essence, getting the tail to wag the dog (Handel 1990, 130). The Soviets supplied the Egyptians with weapons, and the United States, hoping to entice Nasser back towards the West, offered help in the construction of the dam. Nasser’s intransigence and his recognition of communist China put an end to overtures of US aid. When the United States refused on July 19, 1956 to honor a loan pledge to Egypt for the construction of the Aswan Dam, Gamal Abdul Nasser,
nationalized the Suez Canal, arguing that the proceeds from canal traffic would help pay for the construction of the dam. This abrupt nationalization of the Suez Canal, which Britain considered to be a vital national interest, created an immense problem for European powers. Europe had become too reliant on the canal for the transit of its energy needs and was caught by surprise.

The British also feared Egypt’s foreign policy under Nasser would create problems for them in other parts of the Middle East and jeopardize Britain’s oil interest in the Persian Gulf. France found itself at odds with Egypt’s nationalization of the Suez Canal but for reasons that differed from the British. While the British were the principal users of the canal, the French were annoyed with Nasser’s support for Algerian rebels. Nasser’s anti-French broadcasts from Radio Cairo and arms shipments created difficulties for the French in quelling the Algerian rebellion. These “destabilizing activities” of Nasser – as the British and French saw them – needed to be dealt with quickly and decisively (Bickerton and Klausner 2010, 122-123).

American interests in Egypt focused mainly on Nasser’s arms deal with the Soviet Union and his possible destabilizing influence in the region. The Americans wanted to maintain their policy of “friendly impartiality” by treating both the Israelis and the Arabs equally in order to prevent the Soviet Union from exploiting Arab discontent and gain further influence in the region (Tal 2001, 26). This preoccupation with the spread of communism and countering Soviet influence drove American foreign policy in the Mediterranean and Middle East.
On October 29, 1956, warfare broke out when Israeli paratroopers invaded the Sinai Peninsula. Passage through the canal was effectively halted by Egypt, and energy transit was severely restricted. The British, French and Israelis hoped American President Dwight Eisenhower, distracted by his re-election campaign, would be too preoccupied (Bickerton and Klauser 2010, 128) to interfere with their plans to topple Nasser. The war did not last long, and a resolution of the crisis occurred thanks to both the Soviet Union and the United States who cooperated to force French, British and Israeli troops to withdraw and end the conflict (Layachi 2011, 47).

While the role of the United States, France, Britain, Israel and the Soviet Union are widely studied, Italy’s role in the conflict and its foreign policy are rarely mentioned. Italy did not participate in the armed conflict, but, as documentary evidence shows, remained highly cognizant of the destabilizing influence that the conflict could create given its economic interests in the region, particularly in safeguarding the oil supply and other economic interests in the region (Novati 78, 1998). Italy had one-quarter of the refineries in Europe that were responsible not only for internal energy consumption but also for supplying the rest of the European continent. Suspension of the refineries meant not only a lack of necessary energy supplies but also, as Italy’s Foreign Minister Gaetano Martino pointed out, a work disruption. These problems compounded Italy’s economic situation (Novati 1998, 186), and a prolonged conflict might erode societal cohesion, especially in the face of large-scale unemployment in the Italian energy sector.

These complexities made it difficult for Italy to chart a determined course of foreign policy. The interests of its allies, the United States, France and Britain, narrowed Italian options in resolving the crisis quickly and satisfactorily (78). In an essay from April 2,
1956, Italy’s ambassador to London, Vittorio Zoppi, outlines the difficulties facing not only Italy but also its allies. His essay conveys a clear understanding of the regional problems and Italy’s difficulties in constructing an effective and independent foreign policy response to the crisis. He points out that Italian public opinion from both sides of the political spectrum were calling for decisive action to protect Italian interests. Zoppi strike a cautious tone: “It seems to me that it is still worthwhile to demonstrate patience that is far-sighted” (79). Italian foreign policy would have great difficulties take any unilateral action or any other action that interfered with American, French or British interests. The international context underscores the realities of Italian foreign policy, one caught between the pressures of Atlanticism and Europeanism and further compounded by the pressures of MENA state instability. The Suez Crisis had the potential to jeopardize Italy’s economic recovery and domestic cohesion. Italy’s response needed to reduce any regional instability because tension in the region had the potential to cause grave economic problems that Italy could ill afford as it chugged along with its post-war recovery. Independent, unilateral action would do more harm than good. Italy was also mindful of the need to maintain positive relations with Arab countries in order to protect its economic interests while, at the same time, being careful not to intrude on the interests of the United States and its European allies in the region (79-80). These realities, as the case study will demonstrate, push Italy to adopt the use of a multilateral foreign policy instrument in asserting its interests. This is achieved either through the United Nations, multilateral forums (such as the London Conferences between the major players in the conflict) or by calling for the creation and adoption of new regimes. Italy’s reliance on
institutions coalesces during the Suez Crisis into a definitive foreign policy framework with multilateralism as an important foreign policy instrument.

5.1: Italian Domestic Political Process in Isolation

The Italian reliance on multilateralism as a principal foreign policy instrument is a direct response to the high levels of uncertainty in the domestic political process. Italy’s coverage under the American “nuclear umbrella” through NATO is an important institutional milestone for Italian foreign policy since “security could be obtained without playing any assertive role” (Newell 2010, 322). This effectively neutralized the domestic political process in the determination of its foreign policy (336; Panebianco 1977, 846-848). Participation in these institutions “meant stability and prosperity at home” (Brighi 2013, 101) and followed a trend “…to de-link Italian domestic politics from international relations” (102). These systemic pressures from Atlanticism and Europeanism – in other words, American interests and Europeans interests (France and Great Britain, in particular) – created a reactionary foreign policy, one by which systemic pressures – not domestic necessity – determined foreign policy responses. No longer did the domestic political process determine Italy’s course of action in the international system.

Participation in NATO provided Italy with “a high level of continuity and uniformity” in its foreign policy (Chelotti and Pizzimenti 2011, 72) in the face of potent systemic factors. Foreign policy moved away from the domestic political process and found such responsibilities relegated to the level of ministers, ambassadors, and, when necessary, heads of government (Newell 2010, 336). “La Farnesina” or the foreign policy bureaucracy (FPB) became the nerve center of Italian foreign policy responsible for processing systemic influences. An example of this can be seen during the London
Conference of 1956. At this multilateral forum, Italy’s President Gronchi advocated for a conciliatory response towards the Egyptians, bucking the systemic pressures from the Americans (Atlanticism) and Great Britain and France (Europeanism). However, Foreign Minister Marino “was more attentive in not putting [Italy] on a collision course with London and Paris” (de Leonardis 2003, 78). Italy’s FPB had a much clearer understanding and awareness of the external pressures facing Italian foreign policy, and Marino realized the importance of the convergence between American and Italian interest towards the Arab world (78). The divisions that dogged internal politics would remain outside of foreign policy decision-making: Italian politicians “were divided on internal not on foreign politics” (de Leonardis 2011a, 12). Given the highly turbulent nature of domestic politics and the rise and fall of a succession of governments, this shift in foreign policy decision-making away from the chaotic domestic political process provided Italian foreign policy with level of certainty and predictability not found domestically. Italy’s institutional turn first towards NATO and then to the United Nations endowed the domestic political process with an atmosphere of certainty and predictably.

These institutions further highlight the role of the FPB as the main determiner of Italian foreign policy with its reliance on multilateralism. These institutions created the necessary environment whereby Italy could shift foreign policy decision-making away from the uncertainties of the domestic political process. These institutions “permeated the political and economic structures… locking [states] into sets of implicit or explicit principles, norms and rules which have created formidable constraints on state action” (Ratti 2002, quoted in Newell 2009, 320). Even if the domestic political process spiraled out of control, the institutional constraints prevented any radical adjustments to Italy’s
foreign policy. These institutions provided Italian foreign policy with an avenue to pursue an independent course of foreign policy even if, as one might argue, that course was a narrow one. These institutions conveyed the necessary continuity the domestic political process lacked and isolated foreign policy decision-making away from the turbulence and uncertainty of the chaotic changes in Italian leadership as successive governments rise and fell.

5.2: Egyptian Political Context

With the establishment of the Arab League’s office in Cairo, Egypt solidified its importance in the Arab world as a center for Arab nationalism. This is not to say that Egypt did not have any rivals in this regard. MENA state political instability during this period was intense, as many of these former colonial powers now became sovereign nations. Nations such as Libya, Jordan, and Iraq all began making the transition to independence that was wrought with difficulties. Western powers, namely the Britain and France, attempted to keep their grips on the governments of these new states in order to protect their interests, namely oil.

5.3: Egypt and Italian Relations Before the Crisis

Italy and Egypt enjoyed significantly warm relations at the end of 1950 before Nasser’s overthrow of the monarchy when both governments finally settled their differences regarding reparations and damages from World War II. This accord signed by the Italian and Egyptian governments gave Italy some space to pursue friendly relations and increase Italian influence in the region. Relations between the two countries thrived through cultural, diplomatic and economic exchanges (Pizzigallo 2008, 46-48).
The foundation of the Arab League made this all the more important with its headquarters in Cairo (Novati 1998, 9). This made relations with Egypt all the more important because good relations with Egypt meant good relations with the Arab World: “Egypt was the center of all political and diplomatic operations there were conducted in the Middle East in the climate of Cold War tension and rivalry” (9). The arrival of Nasser on Egypt’s political scene created difficulties for the Italian government that sought to defuse tensions through mediation by acting as a bridge between Egypt and West (Brogi 2006, 751). Italy considered helping Egypt finance the Aswan Dam, but British pressure forced Italy to reconsider its plans only to be replaced by the United States, which ultimately failed to provide the necessary funding as punishment for Nasser’s support for communism (Piacentini 2003, 237-238). This is an example of Italian foreign policy attempting a unilateral response only to be thwarted by pressures from Europeanism, in this case, Britain. Yet Italy recognized the importance of Egypt in the Mediterranean and wanted to be seen as a vital diplomatic conduit by the West as it worked to defuse tensions with the new Egyptian regime. Instability in Egypt had the potential to instigate further instability throughout the region. This instability could potentially disrupt oil supply issues on a regional level and create economic difficulties for the Italian state.

Italy’s Minister of Defense visited Egypt in 1953, meeting with Egyptian officials and urging them to move closer to the United State “in order to lift Egypt out of the grips of England without pushing it into the sphere of the Soviet Union or towards neutrality” (Novati 1998, 23). Again, this urging on the part of the Italians aligned with American interest in the region: “ideologically, this new activism was portrayed as in line with the
new Mediterranean projection of US foreign policy, as both Italy and the US were clearly supporting decolonization” (Nuti 2011, 35). Britain and France welcomed Italy’s moves in the region and hoped Italian efforts with Egypt would not only pacify the upstart Nasser but have positive effects on other Arab states in the region (Novati 1998, 24). Italian diplomatic incursions towards these newly independent countries also increased the systemic pressures generated by both France and Britain that traditionally saw North Africa as their domain (Nuti 2011, 35). Nasser, in an interview with the Agenzia Nazionale Stampa Associata (ANSA) on November 20, 1955, remarked that Italy appeared best suited for this role because Italy could make the West understand that Egypt “was a free nation” (34). Now with the Suez Crisis about to become even more volatile, Italy’s entrance to the United Nations at the end of 1955 proved important for the development of multilateralism as an important foreign policy instrument.

5.4: Institutional Turn & Multilateralism in the Suez Crisis

The Suez Crisis and the shockwaves this crisis sent through the region was the first opportunity for Italy to test the “institutional” framework it had laid through participation in NATO and its recent admission to the United Nations (UN). Entrance to the UN provided it with a perfect opportunity “to test its policies….The main political forces of the majority and opposition were in agreement on two aspects: that any diplomatic solution to the crisis must take into the accounts the needs of Egypt and that the UN was needed to resolve it” (Tosi 2011, 89). This policy was an obvious attempt to appease both the pressures of Atlanticism and the pressures of Europeanism while at the same time attempting to market itself as a representative of the Third World sensitive to their needs. Italy had to be careful how it responded to the crisis and was acutely aware of the
difficulties in managing the pressures from its commitments to NATO, its commitments to preserving its relations with Britain and France and managing the demands of its diplomatic missions abroad in other Arab countries. Italian foreign policy needed to send a clear and consistent message that it was different from its allies and avoid “a passive abstentionism that should be neither fish nor fowl” (Tremolada 2011, 28). Italy’s renunciation of its colonial possessions gave it an advantage over Britain and France. Italy felt ready to increase its efforts toward cooperation in the Mediterranean and Middle East. It adapted this role not only for its own interests but also for those of its allies whose positions and relations with the Arab World were complicated by former colonial ambitions (France and England) or by their position on Israel (namely, the United States) (Tremolada 2011, 29).

Italy’s foreign policy firmly rejected Realpolitik and began to embrace policies that had an “international outlook” (de Leonardis 2011a, 12). Italy took a further step towards this international outlook at the end of 1955 with its admission to the United Nations and the emergence of two important crises: The Suez Crisis, discussed here, and the Hungarian Revolution. Finally, the Italians had gained admission to the United Nations, an institution that “was the ideal place for resolving crises, a place, on the other hand, where also Italy should be able to make its voice heard” (Tosi 2010, 3). The UN allowed Italy to rise above the clamor created by Atlanticism and Europeanism. Admission to international organizations and subscribing to treaties, like NATO, helped to reintegrate Italy into the international system. Institutions helped Italy deal with the security concerns but also, through cooperation, an institution in its own right, brought economic incentives along with security guarantees (Brogi 2002, 6).
As demonstrated above, finding a voice that could rise above the clamor generated by the pressures of Atlanticism and Europeanism was not always easy for Italian foreign policy. As Italy’s Ambassador Quaroni once remarked: “We could be a little pro-Arabs [sic], since our public opinion is pro-Arab – and since the Vatican is anti-Israel—we would also be a little pro-colonial out of respect for our allies, France and Britain…within a short time, everyone would be punching us on the nose” (2006, 754). Multilateralism was the best means of resolving international problems and keeping Italy from suffering a “bloody nose.” Ambassador Quaroni’s remarks highlight the delicate tightrope that Italian foreign policy had to traverse. Yet, in spite of American hegemony in the region, Italy had a great deal of foreign policy latitude during the first decade of the Cold War (Brogi 2002, 2). The Suez Crisis gave Italy the opportunity to make its interests and ideas on resolving international conflict known. NATO states, according to Italian diplomats, should do more to pressure the French to moderate their stance, yet Washington refused to make the hard choice of pressuring the French in the face of its bipolar struggle with the Soviet Union (Brogi 2006, 754). American preoccupation with stopping the spread of communism proved impossible for the Italians to ignore despite their own pressing economic and energy interests. These pressures often found their way to United Nations where the United States, France and Britain wielded considerable influence.

Even though Italy abstained when the UN requested French and British forces withdraw, in an effort to appease its European partners, Italy left the door open for continued mediation through the UN as a way of finding a solution the canal problem that would benefit all involved and saving face with MENA states. Italy felt that any
solutions must address underlying problems in the region, such as the conflict between the Israelis and the Palestinians and the Israelis and the Arab world. As Gaetano Martino remarked in his address to the 11th session of the General Assembly (588th plenary) on November 21, 1956:

> It is not enough to prevent war; instead we need to go to the root of the evil and eliminate the causes that have made conflict inevitable. Repressive action has never been shown to be effective; at most it has been able to hold back the flame that was smoldering under the ashes. The inability to act in a crucial moment can drive the conflict to explode….Recent developments in the Middle East provide clear and painful evidence of this. (Tosi 2010, 27)

Marino wanted to see multilateral forums, such as the UN, take on a greater role in putting out the “flame that was smoldering” under the proverbial ‘ashes’ of international conflicts and advocated for an expanded UN role in these kinds of situations through legal, economic and social mechanisms.

These statements coincided with the Italian belief that the American approach was too unilateral in nature and maintained a military focus that concentrated too much on the Soviet threat (Brogi 2006, 756). Yet, the Italians welcomed the increased hegemony of the Americans in the region, because the Italians preferred the American presence to the British, whose energy interests in the Middle East and North Africa created the Suez Crisis in the first place. The American presence gave Italy greater flexibility in its foreign policy goals by allowing for greater diplomatic prospects with many of the emerging economies in the region (Villani 2007, 79-81) without treading on British and French interests in its former colonial holdings.

With this newfound diplomatic flexibility, Italian foreign policy elites sought a greater role for institutions in resolving problems, especially in Italy’s backyard. The
Suez Crisis presented Italy with a unique dilemma that forced it to reassess many of its foreign policy priorities, specifically its alliance with the Americans. Many in Italian foreign policy called for a new approached, dubbed “neo-Atlanticism.” This approach placed Italian economic interests, namely lucrative oil contracts in the Middle East ahead of American interests. This reinterpretation of foreign policy sought “to cultivate privileged relations with some Middle Eastern regimes…, [and to] establish Italy as a ‘bridge’ between the West and the Arab world” (Croci 2008, 144). Many instances of this re-interpretation can be seen in the Suez Crisis. Italy’s multilateralist approach during with the Suez Crisis would permit the pursuit of new foreign policy aims without jeopardizing commitments to NATO or unsettling its European partners. This new foreign policy “doctrine” would be tested during the Suez Crisis through the use of multilateralism as an important foreign policy instrument. Institutions would play an important role and would become frequent tools of Italian foreign policy. These tools become increasingly important for Italy because they provide effective avenues of pursuing foreign policy in the face of increasing systemic pressures.

5.5: Examples of Multilateralism During the Suez Crisis:

The methodology section defined multilateralism as any foreign policy preference within multilateral forums, such as the United Nations (UN), NATO or other international organization (IO); sustaining and expanding current organizations and regimes or the creation of new institutions and regimes that include the participation for three or more participants; or the involvement of three or more states working, such as through summits, conferences or through diplomacy including three or more participants. In this section, examples of multilateralism employed during the Sue Crisis are highlighted by
examining the documentary sources reprinted in Gian Paolo Calchi Novati’s *Il canale della Discordia: Suez a la politica italiana*. This source contains documents from 1956 from the Archivio storico del minister degli Affari Esteri (Asmae) reprinted in their entirety (unless otherwise noted).

5.5.1: *Multilateral forums such as NATO or the UN*

A second London Conference took place from September 19-21, 1956 (144). At this conference, Italy fought hard to keep the lines of communication open with the Egyptians to reduce tensions. Italian foreign policy sought a multilateral solution and looked towards the UN, asking them to intervene in order to find a peaceful resolution to the situation between Cairo and the 18 countries attending the conference (156). On November 6, 1956, Italy again appealed to the institution of international law and condemned the actions of the Israelis against the Egyptians and called for an immediate suspension of the conflict (169-170).

5.5.2: *Creation of New Institutions and Regimes*

The Italian proposal from the above-mentioned London Conference included the creation of a new institution or regime to oversea the operation of the Suez Canal. This institution would guarantee its proper administration, upkeep and handling of the transit fees paid to Egypt. This “international committee” would be made up of a “board” that would, as the proposal highlights, include Egypt and other states that use the canal. The Italian proposal envisioned this international board as operating under the aegis of the UN. The Italian plan, although never adopted, sought the creation of a “regime” which would create norms and rules governing the use and management of the waterway (113).
5.5.3: *Three of More States Working Together*

On August 16, 1956, a conference took place in London known as the London Conference. This conference was attended by the principal users of the canal (Gorst and Johnman 2010, 72-74). Egypt did not attend the conference. Italian Foreign Minister, Gaetano Marino, attended and advocated that the rights of those nations who use the canal must be respected (Novati 1998, 107: b. 1058). Marino’s statement demonstrates several key points raised earlier. First, the preference for multilateralism gave Italy room to maneuver in the face of American pressure (Atlanticism) and French and British desire to topple Nasser and restore the status quo (Europeanism). Marino insists that the rights of third parties be respected in spite of the nationalization and reminds the attendees of the conference of the canal’s importance for Italy: “It is enough to think about Italy’s geographic position, about the characteristics of its economy based in large part on the import of raw materials… and to realize how important the interests of my country are in this truly great controversy” (Novati 1998, 107). Marino avoids directly implicating France and England in the conflict and stresses the importance of finding a multilateral solution to the problem, stressing the need for cooperation to guarantee peace and ensure good relations in the region (108). Marino calls attention to the Constantinople Convention, a treaty signed in 1888 (Gorst and Johnman 2013, 3). Italy relies on this regime created by the treaty to protect its interests. Italian diplomacy sought assurances from Nasser that the treaty would be respected (Novati 1998, 108).

These instances of multilateralism demonstrate Italy’s parallel foreign policy: on one hand, working with the Arab states and cultivating good relations with them, but, on the other, having to work towards appeasing American interests (Di Nolfo 2009, 18 and 23).
Italy is seen engaging not only with the Egyptians. The Italians were requested to mediate by the Egyptians, only to be rebuffed by the Americans (Novati 1998, 157-158). Italy wanted to defuse the crisis by offering multilateral solutions by advocating for the creation of new regimes, making use existing ones as well as keeping the lines of cooperation and communication open between all the states involved in the Suez Crisis.

5.6: Patterns of Multilateralism

The Suez Crisis demonstrated a strong Italian commitment to institutions and multilateralist approaches in resolving conflicts in the region and to safeguard Italian interests. This reliance on institutions and regimes in achieving foreign policy aims would be repeated. Having examined this crisis in detail, is it possible to establish a pattern in Italy’s foreign policy? Has multilateralism been employed a useful foreign policy instrument in other issue cases involving MENA states?

This commitment to organizations, such as the United Nations (UN), reaffirmed the values outlined in the Italian Constitution and pushed Italy into developing a foreign policy framework by which Italy could use to respond to crises in the Middle East and North Africa. This framework placed multilateralism first and foremost as Italy’s primary foreign policy instrument. The examination of the Suez Crisis raises some important questions: Does multilateralism remain an important foreign policy instrument in dealing with other crises in the region? Do structural influences continue to be the overriding factor in determining Italian foreign policy?

Italy’s commitment to multilateralism as an important instrument of foreign policy can also be seen during the Six Day War in which Italian foreign policy pushed for
the UN to take an active role in reducing tensions between Egypt and Israel (Caviglia 2006, 60). Italian foreign policy adopted a similar tone during the Yom Kippur War, arguing that Italy should avoid taking sides in the conflict. The consensus was that Italy needed “to undertake vigorous action in international organizations for a just and lasting peace” (Cricco 2006a, 201) in the Middle East. The employ of multilateralism as a foreign policy instrument demonstrates the complexity of many of these crises. Multilateralism allowed countries such as Italy to promote their interests and to give their foreign policies a louder “voice” that would be heard by the greater powers. Multilateralism allowed Italian foreign policy to avoid taking sides while at the same time promoting cooperation. Italy sought to promote further cooperation in the Middle East and the Mediterranean through the proposal of a regional conference through the EEC to promote security and cooperation. The goal in mind was to create the foundations for an eventual framework that would seek to coordinate the policies of European countries towards North Africa and the Middle East and move away from the current bilateral arrangements (Cricco 2006b, 128-129).

The expansion of new regimes and multilateral mechanisms for strengthening cooperation is also noted in Italian foreign policy towards Libya in 1970. In an effort to improve relations with Libya, which had expunged Italian citizens and appropriated Italian businesses and assets in 1970, Italy sought to convince Libya of the value of cooperation and engaging multilaterally through institutions and regimes in order to not remain isolated. Libya is an excellent example of how cheating can have detrimental effects on the offending nation, and Italy’s use of institutions to ensure compliance are noted (even if not always successful). In order to bring Libya into compliance, Italy
sought to expand the scope of the Global Mediterranean Policy through the European Economic Community (EEC). The EEC would serve as a means of preventing Libyan defection, but pressures from the United States (Atlanticism) and those of other European signatories (Europeanism) scuttled the possibility of expanding the institution (Varvelli 2009, 265), thus depriving the Italians of an effective instrument to ensure the Libyans behaved fairly.

These events demonstrate a pattern of reliance on institutions, regimes and a preference for multilateralism in achieving foreign policy aims. This reliance played out away from the turbulent domestic political process that remained focused on domestic issues and power struggles among the political elite. In a research memorandum from 1968 issued by the U.S. Department of State on the role of Amintore Fanfani, the report’s author highlights Fanfani’s political ambitions. The report’s author, however, is quick to note that Italian foreign policy remained buttressed between “the two pillars of post-World War II Italian foreign policy constituted by the American alliance [Atlanticism] and support for the process of European unification [Europeanism]” (Caviglia 2006, 31). In 1990 and 1999 during Operation “Desert Storm” and the Kosovo conflict, respectively, systemic pressures are acute. In both instances, Italian foreign policy opted for a multilateral approach in addressing its foreign policy exigencies, if not through the UN then through its regional commitments in the European Union in order to avoid “facing the risk of immobility” (Nuti 2011, 131). Furthermore, successive Berlusconi governments since 1994 “have not produced a dangerous rupture with the foreign policy of the First Republic” (131) further demonstrating the efficacy of multilateralism as an instrument for achieving necessary outcomes. This turn towards multilateralism and
institutions – such as the UN, NATO, and the G8/G20 – continues to demonstrate that participation is “fundamental for a more balanced governance of the international system” (130) that alleviates the systemic (or structural) pressures felt by Italian foreign policy. Multilateralism is a tool that is repeatedly used because it permits Italy to deal more effectively with the “structural pressures upon Italy’s foreign policy” (131) generated by Atlanticism, Europeanism and MENA state political instability.

This pattern of a multilateral preference eventually paid off. The Suez Crisis created an important proving ground for future Italian foreign policy. Institutions created the necessary climate that allowed Italy to shift decision making away from the turbulent political scene. This helped to create economic opportunities, improve collective security and assist in mitigating the systemic pressures felt by Atlanticism, Europeanism and MENA state instability. Italy’s preference for a multilateralism and its desire to create a regional regime paved the way for Italy’s success in pushing for the signing of the Rome Treaty of 1957, the precursor to the current day European Union. As Italy’s acceptance and reliance of these institutions grew, they would demonstrate their efficacy by creating an atmosphere of certainty and predictability as Italy interacted with its allies across the Atlantic and in the region. These institutions would level the playing field and giving the weaker Italian nation a voice that would not have been heard otherwise. First with NATO first and then the UN, Italy built upon these institutions by taking part in other institutions and incorporating these institutions into its foreign policy. As former Ambassador Guido Lenzi writes, “No wonder that Italian diplomats proved more influential in multilateral contexts…which proceeded by steady accumulation and thrived with multiple contributions” (2011, 71).
Chapter 6: Conclusion

Italian foreign policy faced several challenges. The Suez Crisis is an excellent example of the intense systemic pressure generated by the crisis. The French and their refusal to acknowledge their own defeat in World War II can be seen in their inability to relinquish their colonial possessions. French pressure to keep American hegemony at bay exerted strong systemic pressure on Italian foreign policy as France sought Italian assurances. The British, too, proved problematic and the combined Anglo-French partnership in attempting to topple Nasser did more to aggravate regional pressures than to alleviate them. These pressures caused the Italians economic distress and made unilateral action impossible. American pressure, too, in keeping the Communists out of the Italian government coupled with an uncertainty as to Italy’s foreign policy towards the Arab world, also created difficulties for Italian foreign policy. MENA state instability, especially in Egypt, proved to be another strong pressure on Italian foreign policy given the effect that this instability had on Italy’s capacity to refine crude oil as well as risking substantial job losses as it continued its post-war recovery.

Despite Italy’s embrace of institutions and its reliance on multilateralism as a foreign policy instrument, success was not always forthcoming. Italy’s multilateralist approach to foreign policy dilemmas should not be interpreted as being effective but was often the only avenue available between the pressures of Atlanticism and Europeanism. This approach demonstrated Italy’s commitment to cooperation with the global South by stressing the need to help nations modernize and push to recognize their newfound sovereignty and independence from undue Western influence. The UN, in particular
allowed Italy to enlarge its playing field and to move with some autonomy with respect its bigger allies, specifically the United States, with whom it did not always share similar interests, as well as sharing the costs and responsibility….Collaborating with the UN meant….reinforcing [Italy’s] role on the international scene: its interests then coincided in many ways with those of the UN.” (Tosi 2005, 242)

Multilateral institutions and frameworks did not always yield fruitful results as Italy’s contributions in resolving the Suez Crisis demonstrate. The Suez Crisis should be seen instead as validating the neoliberal view of international relations that institutions play an important role in the behavior of states. Not only do institutions affect states, but states also have the ability to influence institutions, too. States serve as entrepreneurs, as Italy attempted to do several times in the Suez Crisis, by advocating for the creation of new regimes and organizations that embraced multilateralism as an effective instrument. The political elite in Italy believed that “the solution of every international question should be brought back to the supreme forum of the United Nation” (Cricco 2006, 187) and that solutions to international crises were to be found through multilateralism, “a constant” in Italian foreign policy (187). Italy’s consistent call for new regimes in resolving the Suez problem demonstrates an implicit trust in these institutional frameworks, a trust that Italy tried to impart on other states, such as Libya.

Italy’s foreign policy preferences during the Suez Crisis reaffirm the role of multilateralism not only as a mode of cooperation but also as an institution on its own. Research on multilateralism focuses on more recent multilateral institutions, such as the European Union or World Trade Organization.
As this paper demonstrates, multilateral approaches in foreign policy began much earlier and begs the question: why did a state, such as Italy, prefer a multilateral approach to the Suez Crisis? Italy could have easily joined the French, British and Israeli alliance in attacking Egypt or simply bandwagon along side American interests. While Italy was severely hampered by the Peace Treaty in rebuilding its military, the Americans pushed for Italy’s rearmament so that the Italian state would remain a vital ally against the Soviets. Arguably, the Italian foreign policy establishment understood that military solutions to problems in the region would not help and would only delay them from becoming even hotter flashpoints. Italy’s trust in multilateral solutions through the UN demonstrated its belief in the effectiveness of these institutions in solving world problems. Multilateral co-operation is “a systems-level result of policy choices by a number of states rather than an attribute of any given actor or its policy” (Keohane 740, 1990). In other words, Italy’s policy of multilateralism came about because of systemic pressures facing it from Atlanticism, Europeanism and MENA state political instability. Multilateral institutions also help states to achieve their gains (751), but, in a state such as Italy, where few gains were to be had, the inverse rings true: that it helps states to mitigate their losses. This logic provides a better explanation for employ of multilateralism as a foreign policy instrument during the Suez Crisis. Italian entreaties through multilateral institutions were not always successful in achieving gains but succeeded more at reducing losses, such as the economic losses suffered by the closure of the canal and oil and trade to transit elsewhere.

For states that are not great powers or lack material capabilities to impose their preferences on others, multilateralism, as a way to reduce losses rather than accumulate
absolute (or relative) gains, reveals a more complete picture. This picture provides a clearer understanding of the role of multilateralism even if the analysis is more semantics than substance. This is important since the idea that Italian foreign policy was or could be autonomous (Nation 2011, 29) ignores the systemic realities and documentary evidence.

Like the very institutions that encourage multilateral approaches to foreign policy and diplomacy, multilateralism is becoming more and more an accepted norm and an effective approach to many issues in international politics. Multilateralism has become “an ideology ‘designed’ to promote multilateral activity” (Caporaso 1992, 603) Even “maintaining the appearance of multilateralism may be quite important…” (Martin 1992, 799) for states since intent is often just as important. Governments – such as Italy –create the “need to conceal this behind a veil of “multilateral agreement” (779) when faced with intense systemic pressures. This allowed Italy to demonstrate its good intentions toward the Global South even if Arab nations were asking “with what means could Italy, who was still suffering from its internal and international situation that was limiting its ability for autonomous action, be able toe help” (Tremolada 2011, 38). These actions showed that Italy was a country different from the rest and willing to listen to their problems and provide important aid. Even though Italy had very little opportunity for changing the system or its place in it (which Arab states were quite aware of), its willingness to help in areas of development and modernization proved important. Italy donated a motor ship to Yemen, planes to Syria, and tractors to Lebanon as well as offering its services in areas of reconstruction and public works (38). Italy relied on multilateralism as an important foreign policy instrument that masked its weaknesses while simultaneously working to equalize the disparities between the north and the south.
This multilateral approach often complicated Italian foreign policy because action often contradicted the message. Italian policies worked toward pleasing everyone and often sent mixed messages that worried its allies. Diplomacy could not always solve Italy’s foreign policy woes as the Suez Crisis showed. This occurred several times during the Suez Crisis as the Italians attempted to maintain often paradoxical policies by supporting the Americans while at the same time supporting French and British interests. Italy also tried to show the Egyptians that Italy understood their plight and respected their sovereignty. The veil of “multilateral agreement” provided the Italians with a useful foreign policy instrument that gave it necessary cover to avoid taking sides during the conflict. With the Cold War environment as it was, Italy could hardly afford to defect and risk defecting on the United States. Italy relied military and economically on the United States. Without the security guarantees provided by the Americans through NATO, Italy would have not had the freehand it had in the Mediterranean and the Middle East.

Italy’s decision to join NATO and its subsequent entry in the United Nations served a dual purpose. First, the institution regularity and safeguards provided by these two organizations helped to pacify the unpredictable nature of the domestic political process. This pacification of the chaotic allowed the FBP to deal more effectively with foreign affairs. Second, these institutions provided Italy with a space to makes it interests known. Systemic pressures overwhelmingly dictated Italian foreign policy during the Cold War, and these institutional arrangements were sought in order to provide a way for Italy to achieve its interests. Systemic influences in recent history still continue to have an important impact on Italian foreign policy, as seen during the Kosovo crisis and Operation “Desert Storm.” For Italy, multilateralism presented itself as the most rational
means of action given the international political climate and overriding systemic pressures from allies and from instability in the Middle East and North Africa. The Suez Crisis compelled Italian foreign policy to engage multilaterally with crises rather than attempt to engage them independently. This engagement through multilateralism provided Italy with stability and certainty and reduced transaction costs as the country worked to recover from its loss of prestige and power suffered from its defeat in World War II.


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