

## 5. FRANCESCO COSSIGA'S VENICE SUMMIT, 1980

One of the most interesting features of the Seven Power Summits is the special role played each year by the host country and its leaders. Hosting such an important event places heavy constraints on the host country's leader, who must not only fulfill the obligations of the social convener of the elite gathering, but must also play the taxing role of chairperson and dispute conciliator to ensure a successful meeting. Hosting the summit also provides, however, significant opportunities to affect the nature and content of the meetings. Such influence is especially possible in terms of the degree of formality or informality with which discussions are pursued, the amount of pre-summit preparations by sherpas and officials which go into the drafting of statements on various issues, and, perhaps most importantly, the setting of the agenda for the particular summit in question. When Italy was presented with its first opportunity to host the summit, Italian leaders took significant advantage of their special role as hosts to affect the nature and substance of the 1980 summit, (held in Venice on June 22-23, 1980) introducing important and lasting changes to the Seven Power Summits in doing so.

Despite facing significant domestic constraints economically and politically in 1980, Italian leaders were able to take advantage of their position as host to address some of the important issues that had been of central concern to them throughout the preceding summits. They exerted influence over the agenda of the summit, instituting for the first time a separate, formal set of discussions on political and foreign policy matters, and placing an important emphasis on North-South relations on the economic side of the agenda. Relatedly, they helped introduce a parallel set of pre-summit preparations on political issues to match those already in place on economic matters. And they added to the formal communique of the summit a separate set of political statements on the pressing issues of the day as seen by the leaders at the time.

The move to alter the structure of the summit discussions to formally include political matters was closely related to Italian concerns over the need for collective decision-making on issues of concern to, or likely to affect, all summit members. That issue had been central to the Tokyo summit the year before on the question of national import quotas. What did not arise at the Tokyo summit was a similar problem which had in fact begun to emerge in 1979 but which was not directly addressed until the 1980 summit in Venice, based on an important Italian initiative.

When the USA, France, Britain and West Germany met in Guadeloupe in January 1979 to try to settle the debate within NATO over how to respond to the Soviet deployment of SS-20 missiles, they set the stage for the formal extension of the Seven Power Summits to political issues. While the "two-track" strategy they agreed upon was later adopted by NATO as a whole, there were hostile reactions from their allies regarding the process through which the decision was taken. For Giscard, the host of the security summit, the meeting approached his original idea for the Seven Power Summits themselves: the big four military powers of the west getting together and deciding amongst themselves what was best for the alliance as a whole. But for those excluded from such important discussions and decisions which would seriously affect them, the Guadeloupe summit represented another

violation of the principle of collective responsibility, only adding to the problem of intra-alliance divisions which had originally stimulated the Guadeloupe meetings.

The worst reactions to Guadeloupe came from Italy, Belgium, the Netherlands and Japan. While the Japanese made an effort at the Tokyo summit to encourage political discussions, especially on the Middle East, they were unsuccessful given the energy crisis focus which dominated the sessions. For them it was important to have the summit address political issues, because it was the only forum at which they could participate on such a collective basis on those issues. And while political discussions inevitably arose informally between such powerful leaders at the various summits, there was a tendency for France, Britain, West Germany and the USA to prefer to raise important political issues privately amongst themselves while gathered in the same location. When Italy's turn came to host the summit, however, they were much more successful in changing the summit to a forum where both economic and political priorities were discussed, partly due to a significant change in the international political environment, but due as well to the efforts of the Italian hosts to ensure that all important issues relevant to summit members be discussed by all seven leaders collectively, not by smaller groupings of them as Guadeloupe and Tokyo had signified.

The Italian hosts were able to capitalize on the opportunity presented them by the Soviet invasion of Afghanistan and its disruptive effects on East-West relations to permanently alter the Seven Power Summits in a direction they desired. That major event, especially the divisions it stimulated among summit members in terms of responses to the Soviet action, permitted Italy to formally establish as part of the summit agenda a set of political discussions. The agenda of the Venice summit departed from past practice by allocating separate days for political and economic issues. Foreign ministry officials were brought together for the first time to discuss political matters and prepare draft texts on key issues for discussion at the summit just as the sherpas had been doing on the economic side since 1975. And the separate discussions of either economic or political issues by smaller groups of summit members, especially the big four powers (USA, France, West Germany, Britain), were eliminated once and for all. Italy thus began a process which Canada would build on in 1981 towards a more integrated, collective set of summit discussions addressing the major economic and political issues of the day.<sup>14</sup>

The added formality and the broadening of the agenda of the summit can be considered important contributions made by Italy to the evolution of the Seven Power Summits as a forum for concerted global management. They were also significant contributions given the considerable constraints under which Italian leaders were operating at the time. As a result of the second fastest growth rate among summit countries in 1979 (5%, behind Japan) and a strong, stabilized lira, the economy in general terms had been rather successful in "convalescing ... from the twin diseases of inflation and balance of payments deficits -- in spite of uncontrolled public spending". Nevertheless, with the continuing effects of the second oil shock, and the rising relative labour costs reflecting Italy's membership in the EMS, inflation remained a serious problem, hitting the 20% range in 1980. And the projected growth rate for that year was a meagre 1.5%.<sup>15</sup>

Political conditions were also very unsettled. The government had fallen in March as its

three-year economic plan, which had included a 10% inflation guarantee, fell apart. Prime Minister Cossiga, the host of the Venice meetings, was leading a caretaker administration with elections scheduled in June just following the summit. He was personally on shaky ground as a result of his handling of a scandal concerning the payment under his predecessor, Andreotti, of a commission on an oil deal with Saudi Arabia which was later cancelled by the Saudis due to the public outcry it caused, but which Cossiga was under pressure to have reinstated. By the time of the summit, Cossiga himself was under threat of impeachment and his Bank of Italy governor was under indictment. Nevertheless, with important gains in regional elections, his coalition was bolstered somewhat, and some degree of stability had been regained by the time the summit convened.<sup>16</sup>

As a result of the agenda and format changes instituted in the months leading up to the Venice summit, the discussions among the leaders were relatively equally divided among foreign policy and economic issues. The French desire to pursue monetary matters was frustrated as the American preference for energy, the collective need to deal with the foreign policy agenda, and the host's interest in North-South issues formed the core of the talks.

Three important issues dominated the agenda at Venice: the Soviet invasion of Afghanistan and Brezhnev's personal message to Giscard that some troops would be withdrawn; the key economic issue of oil consumption, and its relationship with inflation and economic growth; and the most significant discussion of North-South issues yet achieved at the summit. On the first subject, the summit reasserted unity among the allies, emphasizing the need for consultation and coordinated responses, and condemning the Soviet invasion as destabilizing. With reference to the American difficulties in Iran, a statement on hostage-taking, terrorism and refugees was also endorsed. On energy, substantively the most important topic of discussion, the meticulously detailed package worked out in advance by the sherpas was endorsed, extending the coordination which had been achieved at Tokyo. And on North-South issues, Italy played a major part along with West Germany in discussions focussing on the Brandt Commission report and the particular plight of non-oil-producing developing countries, emphasizing the need for negotiations with OPEC on oil prices and leaving the sherpas with a mandate to prepare for North-South issues at the next summit.<sup>17</sup>

The Venice meetings proved to be a great success for the host country and for the summit as a whole. Italy successfully advanced both its conception of the summit process through its extension and formalization of the agenda on political matters, and its own issue priorities as in the case of North-South dialogue. The Venice summit had been based on the most detailed preparatory work in the history of the summit, and set a new standard for the quality and detail of the official communique endorsed by leaders. More importantly, the Venice meetings re-established a much-needed unity among allies increasingly divided over how to respond to the common external threats facing them and endangering the international system as a whole. Thus, despite the considerable domestic dilemmas facing Italy's leaders at the time, their contribution to the Seven Power Summits on the occasion of their first opportunity to host it was a remarkably successful one.