

Andreotti Seeks Stronger Economic Ties With Saudis

"Andreotti's trip plays a very important role at this time...because it is not seen as an isolated initiative — as similar trips have been in the past — but rather it is an integral part of a strategy which will be continued with regularity, in all fields." Thus, on August 7 *Corriere della Sera* regular Mideast correspondent Dino Frescobaldi emphasized the importance of Prime Minister Giulio Andreotti's August 6-7 Saudi Arabian meetings with crown prince Fahd and king Khaled.

The uniqueness of Andreotti's trip was underlined by the top-level delegation which accompanied him which included: Foreign Minister Arnaldo Forlani, Economics Minister of the Foreign Office LaRocca, Foreign Office Mideast expert Attolico; Foreign Office Energy expert Giovanni Migliuolo, Vice Head of the Foreign Ministry Vattani, and the press attaches of the parliamentary office and of the foreign office respectively, Cecogerubum and Sergio Berlinguer. All members of Andreotti's delegation were guests at the royal palace at Taif — a most unusual break with protocol. Further, the only Italian press allowed to cover the meetings were the official state news agency, ANSA and the semi-government TV network RAI-TV to guarantee only officially sanctioned press coverage of the meetings.

The Italian delegation proposed the following economic deals to the Saudi leaders:

* According to the official press release "Italy has

tried to convince the Saudis to invest in Italian industry and to direct a good-sized portion of its reserves into the Italian banking system. Among the proposals is a Saudi-Italo bank for financing industrial operations even in third countries."

* The Italian nationalized electrical company ENEL work with its Saudi Arabian counterpart, Saudi Electric Company for a Saudi-wide electrification grid as part of Saudi Arabia's five-year plan. The pro-nuclear power ENEL president, Angelini is scheduled to go to Saudi Arabia to finalize the accord.

*Italy will be involved in an integral way in three major Saudi development projects including: \$16 billion for a desalination project in Saudi Arabia; \$21 billion for natural gas exploration-exploitation in Saudi Arabia; \$20 billion for construction of industrial parks at Yambu and Yubail.

To work out the details of the joint projects, a group of Italian "technicians" will negotiate with their counterparts in Saudi Arabia prior to heir prince Fahd's trip to Italy in September. *Il Tempo*, the Andreotti-linked Rome daily, proudly announced that Fahd's Rome visit "will not be a routine visit but a precious occasion to accomplish with Saudi Arabia that 'qualitative leap' in trade and collaboration which Andreotti and Forlani went to arrange."