

June 10, 1960

Enrico Mattei, 'On the Decolonization of States and of the Economy'

Citation:

"Enrico Mattei, 'On the Decolonization of States and of the Economy'", June 10, 1960, Wilson Center Digital Archive, Archivio storico eni, fondo eni/ segreteria de! presidente Enrico Mattei, f. 64e, b. 90 - «Il Gatto Selvatico», anno VI, 6 (giugno 1960), 6. Contributed, translated, and annotated by Cyrus Schayegh. <https://wilson-center-digital-archive.dvincitest.com/document/291045>

Summary:

This is the English translation of the translation, into Italian, of a French speech that Enrico Mattei (1906-1962) held in Tunisia in 1960 while negotiating an agreement in his function as the 1953 founder and director of Italy's Ente Nazionale Idrocarburi (ENI)—a conglomerate that managed Italy's energy needs and led Italy's energy foreign policy, pleasing many citizens but displeasing some high-ranking officials.

Already in the 1950s Mattei openly supported independence movements, also French Algeria's. Moreover, he was a sharp Western critic of the world's dominant oil companies, British Petroleum (until 1954, Anglo-Iranian Oil Company), Royal Dutch Shell, and the five US firms Standard Oil Company of California, Gulf Oil, Texaco, Standard Oil Company of New Jersey, and Standard Oil Company of New York, who in various combinations enjoyed oil monopolies in Saudi Arabia, Iran, and Iraq. He talked of Anglo-Saxon oil imperialism and in the 1950s coined the moniker the "Seven Sisters"—after the seven Pleiades sisters of Greek mythology—for those companies, leaving out the Compagnie Française des Pétroles that formed part of Iran's and Iraq's consortium, too. Unable to break into these two consortia or into the Saudi one, he succeeded to circumvent the Iranian one, which had been midwived by the US government a year after the 1953 CIA-led coup d'Etat against Prime Minister Muhammad Musaddiq, who in 1951 had nationalized Iran's oil.

In 1957 Mattei and Iran's monarch, Muhammad Reza Shah Pahlavi (1919-1980; r. 1941-1979), cut a deal whose profit terms—75-percent for Iran, 25-percent for ENI—undercut the Iranian consortium's 50-50 terms. The US government did not oppose the deal, hoping it would buoy the shah's popularity and hence stabilize a Cold War client bordering the Soviet Union. When in 1959 Mattei signed an oil deal with the Soviet Union, he again shocked the consortia and now also Washington: for dealing with the Soviets, and because they sold oil for less than the consortia. (This deal was a contributing factor to a price cut by the large US companies in July 1960, which angered oil producing countries and triggered the birth, in September, of the Organization of the

Petroleum Producing Countries, or OPEC, a project discussed from 1959 by Arabs including the Saudi Abdallah al-Tariqi.) In 1958 and 1960, Mattei negotiated deals inter alia with two minor Arab oil producers, Morocco and Tunisia, respectively. Moreover, he entertained contacts with the Algerian Front de Libération Nationale. In 1962 he died in an airplane crash that in 1997 was ruled to have been caused by a bomb—perpetrators unknown.

Original Language:

Italian,French

Contents:

Translation - English

On the decolonization of states and of the economy

Tunis, June 9-10, 1960

I am here to respond to your call to invest and to help you in your struggle against underdevelopment.

I am not afraid of the War in Algeria.

I am not afraid of decolonization.

I believe in decolonization not only for moral reasons to do with human dignity, but for economic reasons to do with productivity.

Without decolonization, it is impossible to elicit in the Afro-Asian peoples the energies and the enthusiasm necessary to make Africa and Asia productive (*messa in valore*).

At present, Africa and Asia dispose of immense riches.

The geography of famine is a myth: it is simply tied to the passivity and the inertia that colonialism created among the native populations. It was convenient for colonialism to not address and correct fatalism and resignation.

I always read your discourses. The one that has impressed me most is the one that concerns the fight against fatalism and resignation.

I, too, have fought against the *idée fixe* that existed in my country: that Italy was condemned to be poor because she lacks raw materials and energy sources.

I have identified these sources of energy and put them to work, and I obtained [such] raw materials.

But before doing any of this, I, too, have to decolonize, because many sectors of Italy's economy were colonized; indeed, I would say that the south of the selfsame Italy was colonized by its north!

The colonial reality is not only political; it is also, and above all, economic.

A colonial condition exists when there the industrial infrastructure minimally necessary to treat raw materials is absent.

A colonial condition exists when a hegemonic power—also a private one [taking the form] of a monopoly or oligopoly—tampers with the play of supply and demand for a vital raw material.

In the petroleum sector, this hegemonic-monopolistic power is the cartel.

I am fighting against the cartel not only because it is oligopolistic, but also it is Malthusian—and Malthusian [in a way that] damages the [oil-]producing countries as well as the consumer countries.

The cartel is Anglosaxon, but I am not against the Anglosaxon world. The independent US [oil companies][i] are my friends, and they carry a lot of weight in [the United States of] America, and will have even more influence should there be a new administration in America come November.[ii]

I have restored the law of demand and supply by cutting all the Gordian knots, all the production, transport, refining, and distribution bottlenecks.

I have seen petrol in Italy decrease to 100 lire per liter, saving billions to the Italian consumer.

I want [also] others to save if they become my associates. As I become your associate, I take into account that today you have the interest of a consumer country but tomorrow ("inshallah") of a producing country. The cartel may create a refinery for you, but it will be a cyst ("un kyste") in your economic body. It will not hurt you, but it will not do you any good either. "I, at any rate, do not want to become a cyst in your economic corps." [iii] I want to create something more than a refinery: I want to create a development pole in the south of Tunisia. You asked me about the petrol pumps Azienda Generale Italiana Petroli; I offer you a network of gas stations and motels that will solve your tourism problem. You asked me to build a refinery for you, and I offer you a petrochemical industry. But I also offer you a market for your excess [oil] production, and first and foremost, I offer you parity, co-management, the formation of a technological elite, so that you are not the passive recipients of a foreign initiative, so that you are the subject, not the object, of the economy. I will face critique in Italy (why not a refinery in Sicily?), and you will come under Anglo-American pressure. Don't be scared. I was not scared; Morocco did not freak

out. Don't be scared either.

[\[i\]](#) Mattei refers to the US oil companies that were not part of “the Seven Sisters.”

[\[ii\]](#) Mattei refers to the presidential elections of 1960, which was won by the Democrat John F. Kennedy against the then sitting Republican Vice President, Richard Nixon.

[\[iii\]](#) This sentence is rendered in the original French of Mattei’s lecture in the otherwise Italian text I translated.