

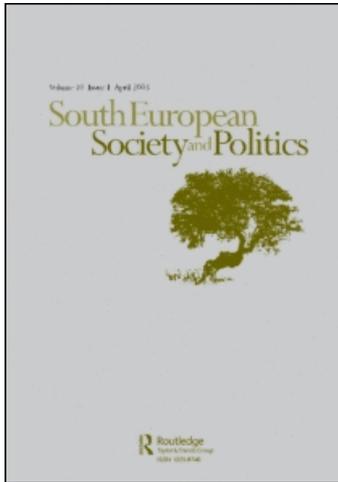
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Roderick Pace

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## SOUTH EUROPEAN ATLAS

# Malta's 2008 Election: A Vote for Continuity and Change

Roderick Pace

*The 2008 Malta election confirmed the Nationalist Party in power for a third consecutive term, but with a much reduced majority. It also instigated a change of leadership in the opposition Malta Labour Party and the subsequent election of a new leader from amongst the ranks of its MEPs. Unlike national elections in most other EU member states, EU membership featured very strongly in this election but in a peculiarly different way than it did in previous ones. Voter participation at 92.5% was below the 2003 rate of 95.96% and 1.32% less than the 1966–2008 average.*

*Keywords: Malta; Election; EU Membership; Euro changeover; Hunting; Partnership for peace; BerlinPlus*

The Maltese general election of 8 March 2008 produced many surprises. Turnout, at 92.2 per cent (with a total of 290,799 valid votes cast), was 3.8 per cent below the 2004 watershed election that decided Malta's EU membership, and about 1.6 per cent below the average for the period 1966–2008. Neither of the major parties secured an overall majority (meaning 50 per cent plus one) of preference votes. Contrary to the prognostications, the incumbent Nationalist Party (NP) was returned to power for a third consecutive term. The result plunged the Malta Labour Party (MLP) into a leadership race following the resignation of its leader, Dr Alfred Sant. New political formations joined hands with the green party, Alternativa Demokratika (AD), in trying to break the MLP–NP competitive duopoly that has dominated Maltese politics since 1966 (see Table 1). AD's candidate, Arnold Cassola, had performed very well in the 2004 elections to the European Parliament, obtaining around nine per cent of the vote, a result attributable to AD's prominence in the 'yes' campaign prior to the referendum. AD officials had hoped to win at least one parliamentary seat in 2008, thus breaking the mould of Maltese politics and leading to a coalition government. Nevertheless, although

**Table 1** The Party Duopoly: Percentage of Preference Votes Obtained by the Maltese Political Parties in National and EP Elections since Independence, 1966–2008

Year	NP	MLP	AD	Azzjoni Nassjonali	Turnout
1966	47.9	43.1	–	–	88.8
1971	48.1	50.8	–	–	92.5
1976	48.5	51.5	–	–	94.4
1981	50.9	49.1	–	–	94.1
1987	50.9	48.9	–	–	95.5
1992	51.8	46.5	1.7	–	95.3
1996	47.8	50.7	1.5	–	95.2
1998	51.8	47.0	1.2	–	94.1
2003	51.8	47.5	0.7	–	96.0
EP 2004	39.8	48.4	9.3	–	80.8
2008	49.3	48.8	1.3	0.5	92.2
Average turnout in national elections 1966–2008					93.8

*Note:* Turnout means valid votes cast as a percentage of registered voters.

AD campaigned strongly for a coalition government, it seems the electorate preferred government by a single party. Once again, only the two main parties succeeded in winning seats in the House of Representatives (henceforth referred to as ‘the House’).

The vote can be interpreted in many ways but, as shall be argued in this article, it signals the apparently contradictory demands of change and continuity. Continuity results from the fact that the incumbent NP received a popular mandate to govern the country for the next five years. However, the closeness of the result and the fact that the NP now enjoys only a relative majority sent a strong signal to the latter’s leaders that a substantial part of the electorate is discontented. Meanwhile, the opposition MLP has entered a period of self-examination, following its failure to convince voters to change their party allegiance and give it a mandate to govern.

The article begins with a brief outline of Maltese electoral history and the development of Malta’s proportional system based on the single transferable vote (STV). The analysis then shifts to some of the pre-election stands and then to the campaign itself. It ends with an appraisal of the election’s likely consequences. Some immediate outcomes are already apparent. A few days after the election, Malta applied to revive its membership of the North Atlantic Treaty Organization’s (NATO’s) Partnership for Peace (PfP).<sup>1</sup> The application was unanimously endorsed by the Atlantic Council during the Alliance’s Bucharest summit in April. This development has opened a debate on the need to revise the neutrality clause in the Maltese Constitution.

### The Election Law

Understanding the election outcome requires some knowledge of the Maltese electoral system. The latter is based on proportional representation and STV. Voters mark their preferences on the ballot papers and can also vote across party lists. Since 1987,

preference or first count votes have been given enormous importance. The party obtaining 50 per cent plus one of these votes also secures the right to a one-seat majority in the House of Representatives if it has failed to gain a majority otherwise. This change was made to avoid a repetition of the 1981 electoral anomaly, when the NP with 50.9 per cent of the preference votes to Labour's 49.1 per cent won three seats less in the House and went into opposition.

The Constitution was amended again by Act 21 of 2007, partially because of the need to keep the island of Gozo as a single electoral district. Otherwise, demographic developments would have necessitated a wholesale reorganization of electoral districts, entailing the removal of some localities in Gozo and their incorporation into the nearest electoral district in Malta. The constitutional changes maintained the rule that if only two parties are represented in the House a majority of seats is allocated to the party gaining 50 per cent plus one of valid votes, or failing that, a relative majority of preference votes.

Of the eight parties that contested the 2008 election, NP secured 49.3 per cent of the vote, MLP 48.8 per cent, AD 1.3 per cent and the *Azzjoni Nazzjonali* (AN) 0.5 per cent while the remaining four minor formations received only 0.06 per cent between them. Thus, the NP's lead over the MLP was a mere 1,580 votes, giving it 31 seats to Labour's 34. The rule giving a majority of seats to the party gaining a majority of preference votes then went into effect. In accordance with this, NP received an additional four seats, making a total of 35, thus giving it a one-seat majority.

### The Main Dramatis Personae

This section will briefly present the main parties that contested the election, focusing on the ruling NP and the opposition MLP, which each command the support of roughly half of the electorate and have alternated in power since independence in 1964.

Influenced by the exiles of the Italian *risorgimento* who took refuge in Malta, the NP was founded in 1880 to struggle for the rights of the Maltese people. In the 1920s it campaigned for 'dominion status' within the British Commonwealth, which would have meant a measure of home rule in domestic affairs, with foreign and defence policy remaining a British prerogative. The party gained independence for Malta in 1964 and signed the Association Agreement with the then European Community in

**Table 2** Votes and Seats in the 2008 Elections

Party	Number of valid votes obtained	Percentage	No. of seats in the House
NP	143,468	49.34	31 + 4*
MLP	141,888	48.79	34
AD	3,810	1.31	0
Azzjoni Nazzjonali	1,461	0.50	0
Others	172	0.06	0
Total	290,799	100	69

Note: \*Bonus Seats received due to majority of preference votes.

1970. It was also a Nationalist government that applied for accession to the European Union (EU) in 1990 and took Malta into the EU in 2004 and the eurozone in 2008. The NP's inspiration is rooted in Christian Democracy, with internal positions ranging from centre-left to centre-right. At the European level, it is a member of the European People's Party (EPP). Its current leader is the 55-year-old Dr Lawrence Gonzi.

The MLP was established in 1921 on the model of the British Labour Party. It is allied to the island's largest trade union, the General Workers' Union (GWU). The party split in 1949 and Dom Mintoff became leader. Mintoff steered the MLP to victory in 1955, campaigning in favour of integration with Britain. When the integration project failed, Mintoff demanded independence. The MLP returned to power in 1971 and remained in government until 1987. During this period, it followed a policy of non-alignment overseas and third-world socialism at home. In 1984, Mintoff was succeeded as MLP leader by Dr Karmenu Mifsud Bonnici,<sup>2</sup> who in turn was succeeded as MLP leader by Dr Alfred Sant in 1992. The MLP was briefly in power in 1996–98, but otherwise has been in opposition for most of the past 20 years. Notwithstanding its repeated inability to win a governing majority, the MLP has thus been able to survive as the focal point of opposition to the government. This is because it commands the unwavering loyalty of nearly half the electorate and nearly half the parliamentary seats. It also benefits from a sturdy organizational structure, including its own TV and radio stations and newspaper.

AD was established in 1992 by renegades from the MLP. It has campaigned incessantly on green issues but has never surpassed two per cent of the valid votes cast in the elections for the House, although it gained over nine per cent of the vote in the 2004 European Parliament (EP) elections and also registered some successes in a couple of local council elections. Meanwhile, Azzjoni Nazzjonali is a right-wing, anti-immigration party founded in 2007 by Dr Josie Muscat, a former Nationalist MP and a medical doctor known for his uncompromising right-wing views. It reflects the growing concerns about illegal immigration in Malta.

### The Campaign

No opinion polls may be published during the official election campaign, although the main political parties admit to carrying out their own surveys to enable them to gauge public sentiment and target their campaign thrusts. In the 2008 election, the only exception to this rule was the newspaper *MaltaToday*, which conducted and published a series of polls. The main results of these surveys, together with a brief account of the campaign issues, are summarised in Figure 1.

In this election, as already mentioned, there was no one dominant issue, but rather a series of issues. The main ones concerned: the government's record on environmental protection, particularly the operation of the Malta Environmental Protection Agency (MEPA), which came under heavy criticism; the NP's proposal for further tax cuts; the MLP's proposal to set up a 'reception class' before the start of primary education; corruption; the NP's long period in power; investment, jobs and the fiscal deficit; as well

as the opening of the new general hospital, Mater Dei. The Maltese election differed from the usual pattern in EU member states because of the prominence given to EU issues. The EU had been highly salient in the political debate and elections in the period 1990–2003, when Maltese society had split virtually down the middle over the issue (Cini 2002). Although the issue of membership itself was closed by the 2003 general election referendum, EU-related issues in 2008 included the MLP's proposal to reopen negotiations on part of the accession package and the question of spring hunting.

The electoral campaign also had its dramatic moments. Three days before voting took place, the police informed the AD leader that he would have to serve a prison

Survey date /event	Main result
30 January to 1 February	MLP ahead by 5.6% over NP; 42.6% non-committed
4 February: The Prime Minister announces the election and massive tax cuts	
6–7 February	MLP's advantage 1.7%; non-committed voters 35.3%
13 February: The Prime Minister excludes the possibility of a coalition with AD and promises to take the MEPA into his hands if re-elected	
11–13 February	MLP's advantage down to 1.5%; AD down from 3% to 1.8%
NP intensifies its campaign against the MLP's proposal of introducing a 'reception class' before primary education	
18–20 February	NP leads for the first time with 1.8%
25 February: MLP leader exempts private schools from the party proposal for a reception class	
25–27 February	NP leading MLP by 5.4%
27 February: The MLP claims that Cabinet had discussed introducing healthcare fees. Government denies the charge, saying it had refused consultants' advice to do this. AD reveals that a firm had been granted a building permit outside the building development zone; MLP reveals that an outline permit for an open air disco owned by a prominent NP MP had been approved by MEPA. The MP denies the allegation and confronts MLP leader during a TV recording	
29 February to 5 March	NP leading by 1.7%
5 March: An 'arrest warrant' allegedly served on leader of AD for tax evasion; 6 March (last day of campaigning): MLP reveals contract on open air disco.	
8 March	NP wins election by a narrow majority

**Figure 1** The Main Events of the 2008 Election Campaign and Public Opinion Surveys by *MaltaToday*.

sentence because a court fine (value-added tax [VAT] related issues) had been converted into a prison sentence. The move could have boomeranged on the government, but the latter denied involvement, claiming that the police had acted independently. The police in turn denied that they had gone to arrest the AD leader.

The MLP also charged the government with having discussed plans to introduce fees in the health care system. However, this turned out to have been just a proposal in a consultant's report, which had been flatly turned down by the government some years before. Two days before the election, the MLP accused a leading NP MP with involvement in a successful application for the building of an open air disco on land outside the building development zone, in an environmental conservation area. This allegation reinforced criticism that the government was not doing its utmost to protect the environment. The MP in question disrupted the recording of a televised press conference, which he joined disguised as a journalist in order to face down the MLP leader who was making the accusation. Dr Sant quit the recording before it started, but the incident was broadcast by the media. The building application is still under police investigation and the Prime Minister stated publicly that he would exclude the MP from the Cabinet until the conclusion of the police investigations. This incident may have helped the MP involved to garner more preference votes, as party diehards deemed him to have been the victim of malicious MLP propaganda. However, it may have cost the NP some support among floating voters (Cachia Caruana and Zammit 2008).

The NP's undertaking to further reduce taxes had a positive impact on the electorate, as did Prime Minister Gonzi's pledge to personally assume control of the environmental agency, MEPA, in the next government. Since 2004, opinion polls consistently showed that voters' trust in Dr Gonzi surpassed their trust in MLP leader Dr Sant. However, for a short while at the start of the campaign, Dr Sant led Dr Gonzi by about six per cent.

The MLP's campaign was hampered by self-inflicted difficulties. Key proposals in its electoral manifesto had already been implemented by the government. This was not missed by the NP propaganda machine. The MLP's proposal for a 'reception class' (see MLP 2008, point 7) may have had a devastating effect on voters. The proposal was to establish an additional year before the start of primary education in order to prepare children before they embarked on their education. However, when the MLP was pressed to give concrete examples of how this was being implemented elsewhere, it was unable to do so. Many parents were alarmed that the measure would uselessly add another year of education for their children. For parents of children in private schools, this would mean an extra year of fees. In the end, the MLP was forced to concede that it would exempt private schools from this requirement. Further details of the chronology of the election campaign are provided in Figure 1.

### **The Resilience of the NP**

Following the 2003 election, many analysts keenly predicted that the NP would certainly lose the next election. The main reason was that the party had been in government since 1987, save a short spell in 1996–98, and voters were growing tired of it. In addition, most

governments that negotiated their country's EU membership have subsequently lost the first post-accession elections, due to public backlash against the negative adjustment effects of membership. The NP had also been soundly beaten in the 2004 EP elections and in a spate of local elections held in 2004–6 which saw it beaten in traditionally Nationalist strongholds (see Malta Election Data on <[www.maltadata.com](http://www.maltadata.com)>). Above all, the MLP had strengthened its credibility by transforming itself from a Eurosceptic party into a mainstream member of the Party of European Socialists (PES).

On the other hand, as already mentioned, the NP leader and Prime Minister, Dr Gonzi, was more popular than the MLP leader, Dr Sant, who had led his party to defeat in two general elections and the EU membership referendum of 2003. While Gonzi had built a reputation as a doer and as a prime minister to trust because he could implement challenging policies, Sant projected the image of a weak leader, mostly due to his failure to lead the party to victory and the U-turns he had made on Europe. He had also failed to patch up his differences with the former MLP leader, Dom Mintoff, who had brought down his government in 1998. Several leading MLP officials who had policy disagreements with him were expelled from the party and he tended to take decisions on his own with little or no consultation. Since 2003, he had also been dogged by his public declaration immediately after the referendum on EU membership that the 'no' camp had won – even though the result was the opposite. Dr Sant never retracted his statement.

The second positive factor that helped the NP was that following EU entry and after a shaky start, the Maltese economy started performing well, leading to a widespread feel-good factor. Closer to the election, public opinion failed to coalesce around a single important issue strong enough to precipitate a change in government. The government could boast that it had taken a big gamble on introducing the euro and succeeded, that it had tamed the fiscal deficits, that it had stimulated investment and created jobs and that it had opened a state-of-the-art 800-bed hospital, placing the island's health care on a new footing.

At the start of the electoral campaign, the MLP reopened the EU issue in an unnecessary manner by pledging to reopen negotiations on the membership package concluded in 2002. Also, the MLP's 2003 EU policy shift brought it no automatic electoral dividends, least of all votes of gratitude. With the question of EU membership itself no longer an issue, voters focused on policies. It was in this domain that the MLP showed itself unable to project credible policy choices, leaving floating voters to decide according to the old Irish proverb, 'Better the devil you know than the one you do not know.' The NP made a more strenuous effort to persuade disgruntled voters to change their minds and vote for it than did the MLP (Cachia Caruana and Zammit 2008).

### **Election Timing**

Before the election, some analysts expected the issue of Malta's EU membership to play a role in determining the result, but for quite different reasons than those which had dominated the debate in 2003. Prior to losing both the EU membership referendum of 8 March 2003 and the election of 12 April, the MLP had strongly opposed accession,

but subsequently rapidly shifted its policy (Pace 2004). Following this, the MLP contested the June 2004 EP elections within the ranks of the PES, winning three out of the five seats allocated to Malta (Pace 2005). This electoral success was helped by the performance of AD, which attracted sufficient votes from the Nationalists to allow the MLP to overtake the NP for the fifth seat.

The MLP's EU credentials were further strengthened in July 2005, when 85 per cent of the delegates at its general conference authorised the parliamentary group to vote in favour of ratification of the Treaty Establishing a Constitution for Europe (*Times of Malta*, 5 July 2005). The MLP's 'yes' was tied to a number of reservations. These mainly concerned Malta's neutrality, the 'entrenched' articles in the Maltese Constitution which require a two-thirds parliamentary majority for their amendment,<sup>3</sup> the special status of Malta as a small island state that should receive special attention from the EU, the status of the island of Gozo, and the preservation of Malta's autonomy in decisions related to its welfare system (House of Representatives Debates, Sitting No. 288, 5 July 2005).

When the European Constitution was replaced by the Treaty of Lisbon, the MLP leadership again received the party's endorsement to vote for its ratification in the House. This allowed the House to vote unanimously in favour of ratification, with the MLP maintaining the same reservations it had expressed with respect to the European Constitution (House of Representatives Debates, Sitting No. 613, 29 January 2008).

The EU issue could potentially boost the MLP in different ways, apart from strengthening its legitimacy amongst voters. For example, should the adoption of the *acquis* lead to economic turbulence and unemployment as Malta grappled with the resulting structural adjustments, this could lead to popular dissent, resulting in criticism of the Nationalist government for incompetence in negotiating Malta's membership package. Indeed from an economic perspective, 2003 and 2004 were both difficult years, characterised by negative and low economic growth rates and rising unemployment. Growth in real gross domestic product (GDP) in 2003 was  $-0.3$  and only by  $0.1$  per cent in 2004. But GDP growth rates accelerated to  $3.1$  per cent in 2005, reaching  $3.8$  per cent in 2007, (National Statistical Office press release no. 39, 10 March 2008). The unemployment rate (registered unemployment) rose steadily from 2000, peaking in 2004 but declining slightly and stabilizing thereafter.

Economic performance affected public mood and perceptions about the EU. This was reflected in the Eurobarometer surveys, which showed that support for EU membership had peaked in the autumn of 2003, when 55 per cent of the survey respondents indicated that the EU was 'a good thing'. By spring 2005, this figure had declined to 40 per cent. But as the Maltese economic performance improved, public support for the EU picked up, so that by autumn 2007, 54 per cent once again thought that the EU was 'a good thing' (Eurobarometer 2008).

### **The Introduction of the Euro: A Risky Enterprise?**

The introduction of the euro also had its pitfalls. Malta had joined the Exchange Rate Mechanism (ERM-II) on 2 May 2005 (Department of Information, press release no.

0612, 30 April 2005). During the 2004 EP election campaign, the MLP's position was that although all the new EU member states were obliged to join EMU at some stage, it was premature for the government to speak about joining before it reined in the public deficit. The party thus saw eurozone entry as a question of timing. This stand appears to have been influenced by EU Internal Market Commissioner Frits Bolkestein's 2004 warning to Malta to 'make haste slowly' regarding the introduction of the euro. In April 2006, Dr Sant told EU Commissioner Joaquin Almunia that he would prefer to see Malta's economic growth rate increase to between three and four per cent before the euro was introduced, suggesting that a future MLP government could achieve this within two to four years. The implication was that the MLP would support Malta introducing the euro somewhere between 2010 and 2012.

The MLP's initial misgivings were not entirely ill-founded. The sluggish economic growth experienced up to 2004, the high deficit in government spending which stood at 9.8 per cent of GDP in 2003 (though declining), and growing public debt reinforced convictions that Malta would be unable to achieve the so called 'Maastricht convergence criteria' in time to introduce the euro as planned (Table 3). However, by the end of 2006 with the economy growing at a healthy rate—despite the unfavourable international economic situation characterised by rising world oil and commodity prices—it became clear that the target date was likely to be achieved. The only nagging question was whether Malta would manage to reduce inflation to the level required to satisfy the criteria. In May 2006, Latvia had abandoned its effort to introduce the euro in 2008 due to its inability to tackle inflation and this had led the Maltese government and monetary authorities to fear they might be constrained to do the same. This would have diminished the NP's re-election chances.

By the end of 2006, it was becoming clear that even this hurdle could be cleared. Sensing this trend, the MLP suddenly switched position. Dr Sant declared that, notwithstanding his party's past criticism of the decision to introduce the euro as being too hasty, the national interest now dictated that the target date for its adoption on 1 January 2008 should be respected. In the light of this, he pledged that should the MLP win an election before that date, it would respect the deadline and carry on with the changeover process (House of Representatives Debates, Sitting No. 443, 25 October 2006).

Meanwhile, on the NP side, a constant concern was not only whether Malta would achieve the eurozone entry criteria, but also whether the introduction of the euro could

**Table 3** Malta's Main Fiscal Indicators, 2003–7

	2003	2004	2005	2006	2007
Government deficit as a percentage of GDP	9.8	4.6	3.0	2.5	1.8
Public debt as a percentage of GDP	69.3	72.6	70.4	64.2	62.6
Rate of inflation	1.3	2.79	3.01	2.77	

Source: NSO press release no. 67/2008, 18 April 2008; NSO press release no. 167/2007, 22 October 2007; inflation rate: *Quarterly Review*, Central Bank of Malta, 2007–4. NSO: National Statistics Office (Malta).

negatively impact on its chances of re-election. Many NP supporters considered the decision to join ERM-II in 2005 a big gamble. If the introduction of the euro led to price hikes, the government would be blamed for them. Thus, the internal party debate centred on whether an election should be called before or after the introduction of the euro. Party strategists were also constrained by other worries. In order to achieve the Maastricht Criteria, the government had adopted restrictive fiscal policies and increased taxation, causing discontent amongst the middle class, the bedrock of NP support. The economic recovery, starting around 2005, permitted the government to start easing the fiscal burden, but party strategists must have calculated that the negative effect of the fiscal squeeze could not be completely undone before the end of 2007.

The government had, in any case, already decided to establish the necessary mechanisms to ensure a seamless and non-inflationary euro changeover. This would also double as a showcase of its competence during the electoral campaign. No doubt mindful of what had happened in other EU member states, the Maltese government established an effective system of dual pricing ahead of the actual changeover, while reaching agreement with the main business associations (particularly the General Retailers' and Traders' Union [GRTU]) on maintaining stable prices for a period of at least six months following the introduction of the euro.<sup>4</sup> Malta was, in fact, the first country to prohibit the smoothing of prices by law. The rigorous implementation of the ban apparently had a positive impact on citizens' perceptions of inflation. In the first months after the euro changeover, inflation perceptions were kept in check in Malta while they increased in Cyprus, which introduced the euro on the same day (European Commission 2008).

### Renegotiating the Membership Package

In a TV programme, *Disset*, broadcast on the national public-owned TV channel on 29 January, just five days before the Prime Minister called the election, the MLP leader, Dr Sant, proposed to renegotiate the EU membership package if his party were elected to govern the country. At that point, the *MaltaToday* public opinion surveys (see Figure 1) showed the MLP leading the NP by 5.6 per cent with 42.6 per cent still undecided. Dr Sant explained that if the EU membership package should prove insufficient for certain sectors of the Maltese economy, 'we will discuss [with the EU] in that context'. He added that he intended to reopen negotiations, identifying agriculture, fisheries and shipyards as the sectors he had in mind.<sup>5</sup> Most probably Dr Sant was trying to attract the support of disgruntled voters in those economic sectors most threatened by the restructuring necessitated by membership.

A few days later, Dr Sant further clarified his position, saying, 'We will seek some kind of deal that would permit us to give these enterprises a new lease of life. We will do this while respecting EU laws . . . We are in the EU to stay but we want to safeguard the national interest' (*Times of Malta*, 11 February 2008). The NP's reply was that the issues could be addressed through the normal EU institutional channels without the need to reopen the membership package—which in any case could not be reopened. The MLP's stance put it on the defensive for a substantial part of the campaign.

Another interesting statement by Dr Sant was that balancing public spending by 2010, as the government was promising, was not a priority for a future MLP government (*Times of Malta*, 26 January 2008). Government fiscal projections indicated that *ceteris paribus* a balanced national budget and possibly also a surplus could be achieved by 2010. In the early stages of the campaign, the NP pledged to reduce taxes once in government, thus dispelling fears that it would achieve a balanced budget through tax increases. The EU Stability and Growth Pact obliges member states to maintain the public deficit below three per cent of GDP, but does not oblige governments to balance the budget or run a surplus. The MLP's more relaxed fiscal stance had negative connotations for inflation and also meant that it would not be in a position to reduce taxation. The MLP might have wanted to keep all its options open for any negative economic downturn it might have to face when in office. But in the end, its stand was interpreted as indicating that the party was again vacillating on a major economic issue.

### Hunting

Another EU-related issue in the 2008 electoral campaign concerned spring hunting. Hunting organizations are very strong in Malta and lobbied hard both before and after membership. Environmental NGOs also campaigned strongly in Malta and in the EU institutions to curb hunting and especially to ban spring hunting. Indeed, the Maltese government has been severely criticised in the European Parliament and some member states for allowing the latter. The Maltese government maintains that Malta has negotiated a derogation from the Birds Directive, permitting it to allow spring hunting. But following a December 2005 Court decision on hunting in Finland, effectively withdrawing the application of a derogation by that country (European Court of Justice [ECJ] 2005), the European Commission started arguing that Malta's derogation was no longer justifiable. In January 2008, the Commission took the issue to the ECJ. While the Maltese government rejected the Commission's position, it announced that the spring hunting season would not open (Department of Information, press release no. 0171, 31 January 2008). Meanwhile, both the NP and the MLP declared that they would respect the ECJ's decision.

In the last week of the 2008 electoral campaign, the hunting organizations held a series of popular meetings to make a show of strength and garner support for their demands. Their criticism was aimed almost exclusively at the government, for allegedly failing to keep its word that hunting would not be affected by EU membership. While hunters have some electoral clout, this is often exaggerated. In the 2004 EP elections, when the secretary general of the main hunters' organization stood as an independent, he obtained only 3,119 first preference votes (1.27 per cent). However, it cannot be ruled out that this issue may have led some NP voters to abstain. Immediately after the election, on 24 April, the ECJ issued an interim decision prohibiting hunting of turtle dove and common quail, migrating species that stop in Malta on their way back to Europe.

### Neutrality and Membership of the Partnership for Peace

Following the swearing-in of Dr Gonzi's new cabinet, political life in Malta returned to its pre-election tempo, but not without new developments and surprises. On 20 March 2008, the government announced that it had decided to reactivate Malta's membership of NATO's PfP programme (Department of Information, press release no. 0475, 20 March 2008). A few days before the Maltese actually went to the polls, the United States' (US) Permanent Representative to NATO, Ambassador Victoria Nuland, said that Malta should be encouraged to return to the PfP. However, this statement played no role in the Maltese electoral campaign and was never mentioned (Nuland 2008). Nor was this issue included in the NP's election manifesto. Thus, the move to rejoin PfP, welcomed by the UK and the US, came as a surprise to the Maltese public. The decision was doubtless prompted by the fact that the biannual NATO summit was due to be held in the first week of April. Had the Maltese government missed this occasion, it would have had to wait another two years for the next opportunity.

Malta had joined the PfP in 1995, but withdrew the next year when the MLP came to power. The reason cited by the then MLP government was that membership of the PfP contravened Malta's constitutionally entrenched neutrality. However, neutral Switzerland joined the PfP a few weeks after Malta's departure, while the neutral EU member states – Austria, Finland, Ireland and Sweden – had belonged to the PfP since its inception. The main reason now cited by the NP to justify reactivating the relationship with the PfP was the difficulties Malta faced in some EU policy areas (Department of Information, press release no. 0475, 20 March 2008). The most significant concerned the 2002 Berlin + agreements between the EU and NATO, empowering the EU to use NATO's military assets in EU-led operations in which NATO as a whole is not involved. Of the new EU member states, only Cyprus and Malta were excluded. The local pro-MLP press criticised the move to rejoin, attempting to link this to a quid pro quo between the EU, the US and Malta (*L-Orizzont*, 24, 31 March 2008). In the weeks following the election, it was also announced that Malta and the US had successfully concluded a long-delayed double taxation agreement and that Washington had agreed to begin easing visa restrictions on Maltese citizens in line with similar agreements reached with some other new EU member states.

While the NP and the MLP obviously differ in their interpretation of the neutrality clause in the Maltese constitution, to date no judicial clarification has been forthcoming from Malta's Constitutional Court. In the weeks immediately after the election, both government and opposition spokesmen made declarations favouring inter-party talks on an amendment to the neutrality clause in the Maltese Constitution (*Times of Malta*, 31 March, 1 April 2008).

### Conclusion

The politics of a small state rarely attract attention, but this does not make them any less interesting or complex. The analysis of the Maltese election in this article has attempted

to uncover these complexities and the intricacies involved. The 2008 election in Malta was different from previous ones, particularly those held since 1992, because no single issue dominated the campaign and EU membership did not feature prominently. Issues related to membership did, however, play a supporting role, as outlined in this article. Malta's EU vocation remains undisturbed by this election. Indeed, having introduced the euro on 1 January 2008 and also joined Schengen in December 2007, Malta has further consolidated its position in the EU. Meanwhile, the decision to join the PfP opens new possibilities for Malta to fully participate in the Berlin + arrangement, removing an important obstacle and anomaly in this arrangement.

The 2008 election paradoxically maintained continuity while instigating change. Since the result was so close, both political parties will have to undergo internal reforms. The NP will need to be more decisive in government if it wishes to regain its lost support, while the MLP will have to undertake a wholesale review of its policies and actions that may see it move closer towards Europe. On 4 June 2008, the party elected a new leader, 34-year-old Dr Joseph Muscat, an MEP who had gained the highest number of preference votes among the party's candidates in the 2004 EP election. At 34 years old, the new leader is being touted as Malta's next prime minister, which might indeed come true. After obtaining a master's degree in European studies at the University of Malta, Dr Muscat gained a PhD at Bristol University in the UK. Until the 2003 referendum, he faithfully followed the party line and was quite vocal in the anti-membership campaign. Some would claim this was his survival kit. After his election to the EP, he immersed himself in the work of the Party of European Socialists. Indeed, the PES leader, Martin Schulz, visited Malta to campaign on his behalf in the MLP leadership race, much to the consternation of the other contestants. As a new young leader, Dr Muscat enjoys considerable sympathy from the electorate. It remains to be seen whether he can turn this to the MLP's advantage. The next big test for both parties will be the EP elections in June 2009. Given the marginal nature of the 2008 election outcome, the next contest currently seems too close to call.

## Notes

- [1] The PfP is a programme of bilateral cooperation between individual partner countries and NATO in which the partners choose their own priorities for cooperation. Based on a commitment to democratic principles, its purpose is to increase stability by building relationships between individual partner countries and NATO, as well as among partner countries.
- [2] Dr Bonnici currently leads the small, Eurosceptic Campaign for National Independence (CNI).
- [3] These include the article that specifies which parts of the Constitution require a two-thirds parliamentary majority for their amendment—the definition of neutrality, the national flag and language, the supremacy of the Constitution—the articles that stipulate the rights and freedoms of the Maltese, the powers of parliament, of the president and of the judiciary, as well as the appointment of the prime minister, general elections as well as fiscal and other powers.
- [4] The GRTU is Malta's chamber of small and medium enterprises. The other business organisations are the Malta Chamber of Commerce, the Malta Federation of Industry, the Malta Employers' Association and the Malta Hotels and Restaurants Association (MHRA).

- [5] The Accession Treaty specifies that all state subsidies to the shipyards must be stopped by the end of 2008 (Act of Accession 2003, p. 860).

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