

Roderick Pace \*

## Malta's Cliff Hanger Election: Epilogue or a Turning Point?

**Abstract:** *The 2008 election in Malta, the EU's smallest member state was fought on many issues most of which focused on the incumbent Nationalist Party's (NP) long stretch in office. The Nationalist Party has been in government since 1987 except for a brief spell between 1996 and 1998. Generally speaking the EU did not command the same level of attention as it had done in past elections. In the 2008 campaign the Malta Labor Party (MLP) proposed reopening negotiations with the EU on some aspects of the 'membership package' in the Accession Treaty signed between the EU and the new member states in Athens in 2003. Another EU-related issue revolved around the future of hunting in Malta. This article will not analyse at length this issue, which in any case is still sub judice but will focus more on the other salient points of the campaign, the peculiarities of the Maltese electoral system, Malta's membership of the Partnership for Peace (PfP) which was one of the most important outcomes of this election and the main impact of this election on Malta and the EU.*

**Key Words:** *Malta, electoral system, election 2008, National Party(NP), Malta Labor Party(MLP), EU*

---

\* Director, European Documentation and Research Centre, Jean Monnet Centre of Excellence, University of Malta. E-mail: roderick.pace@um.edu.mt

## Introduction

On the 8 March 2008, Maltese voters went to the polls to elect a new government. Eight parties contested the elections: the incumbent Nationalist Party (NP), the Malta Labor Party (MLP), Alternattiva Demokratika (AD), Azzjoni Nazzjonali (AN), Forza Malta (FM), Imperium Europa (IE), Gozitan Party (GP) and Alpha Liberali Demokratiku (ALD). As shown in Table 1 the lion's share of the votes went to the NP and the MLP, each obtaining about a half of the valid votes, while less than 2% went to the AD and AN. The other four small parties received a negligible amount. Voter turnout was lower than in previous elections and the final result was very close. The governing NP's advantage over its political rival the MLP was reduced to just a handful of votes and a one seat overall majority in the House of Representatives (referred to as the House in this text).

## The Main Electoral Issues

The 2008 electoral campaign lasted from around the end of January up to a day before polling day. There was no dominant issue but a number of issues which gained importance from day to day, week to week with breath taking speed. The EU issue featured but not as intensely as in previous elections particularly the 2003 one. Issues related to it included the MLP's proposal to reopen the 'membership package' and the European Commission's effort to ban spring hunting. These will be analyzed further down. The MLP and the NP also trade several allegations of corruption or inappropriate behavior by incumbent MPs but many of these accusations did not appear to have a devastating effect on the electoral outcome save for one. The MLP charged a NP member of parliament who styled himself as the 'Green Politician of the Year' as having 'pressurized' public officials into granting him a permit for an open air disco in a protected environmental area. The issue which surfaced in the last few days before polling, may have actually helped the member of parliament in question to increase his votes and to be elected in two districts due to a swing in his favor by NP sympathy voters. However, he may have caused the NP to lose some floating voters.<sup>1</sup> This article does not attempt to deal with all the electoral issues but will focus solely on the main ones, beginning with the MLP's voluntary return to the EU issue during this campaign.

The MLP's EU policy and its attempts to raise the EU issue in the 2008 campaign merit further scrutiny. This is because prior to the election the widespread public belief was that the MLP had closed that chapter and would prefer to fight the election as a fully fledged member of the Party of European Socialists (PES) committed to the process of European unity. Indeed, throughout

---

<sup>1</sup> R. Cachia Caruana - L. Zammit "Winning by a Whisker", *The Sunday Times of Malta*, 16.3.2008, pp. 28-29.

*A proposal by the MLP leader, Dr Alfred Sant, that a labor government would reopen negotiations on the Treaty of Accession to revise parts of the 'membership package' raised intense controversies and may have mortally wounded Labor's chances of winning the election.*

the 1990s and right up to the referendum on EU membership of 8 March 2003 and the election of 12 April of the same year, the MLP had opposed membership, proposing instead a Free Trade Area (FTA) with the EU. In the wake of its 2003 electoral reversals, and the rejection of its FTA proposal, the MLP began to revise its EU policy.<sup>2</sup> By mid-2004, it had completed a policy shift on Europe thus clearing the way for it to contest the elections to the European Parliament which were held in June of that year. The MLP contested these elections within the ranks of the PES.<sup>3</sup> It scored a success by electing three out of the five parliamentary seats available to Malta, largely

because the Maltese Green Party, Alternattiva Demokratika (AD), succeeded in chipping a substantial share of the NP's votes without itself winning a seat in the European Parliament.

In the wake of the MLP's policy shift, followed by its success in the EP election and its further integration in the PES, no one expected the question of EU membership to feature prominently in the 2008 electoral campaign. Indeed, prior to the start of the electoral campaign, the widely held view was that the MLP's EU policy shift enhanced its chances of winning the next general election. But a proposal by the MLP leader, Dr Alfred Sant, that a labor government would reopen negotiations on the Treaty of Accession to revise parts of the 'membership package' raised intense controversies and may have mortally wounded Labor's chances of winning the election.

Leaving aside this controversy the low level of interest in the EU was noteworthy for other reasons. Malta had introduced the euro on 1 January 2008, just over two months before the election and had joined the Schengen Area in December 2007. Both developments had enough potential to stir political controversies, but in the end they failed to do so. The introduction of the euro was the most challenging of the two since it could severely rock the NP's re-election chances, given the negative backlash which had accompanied its introduction by the first wave of countries in 2002. The main speculation was that should anything go wrong in the changeover – such as price hikes – the government would inevitably be blamed for the debacle, causing it to lose the

<sup>2</sup> See for example, R. Pace, "Malta's EU Membership: Chapter 1 Concluded, Chapter 2 Just started" *Mediterranean Politics*, Vol. 9, No. 1, 2004, pp. 114-121; See also M. Cini Michelle, "Malta Votes Twice for Europe: The Accession Referendum and General Election, March/April 2003", *South European Society and Politics*, Vol. 8, No. 3, 2003, pp. 132-146.

<sup>3</sup> For an analysis of this election see R. Pace, "The Maltese Electorate Turns a New Leaf? The First European Parliament Election in Malta", *South European Society and Politics*, Vol. 10, No. 1, 2005, pp. 121-136.

<b>Votes obtained by the parties in the 2008 Elections</b>			
Party	Number of Valid	Percentage Votes obtained	No of Seats
Nationalist Party	143,468	49.34	31 + 4*
Malta Labour Party	141,888	48.79	34
Alternattiva Demokratika	3,810	1.31	0
Azzjoni Nazzjonali	1,461	0.50	0
Others	172	0.06	0
Total	290,799	100	69

Source: *The Malta Government Gazette, No 18,211, March 17, 2008.* \* Four seats added in line with the Constitutional requirement that the party with the relative or absolute majority of first count votes wins the right to a parliamentary majority

election which was due by mid-2008 at the latest. In view of this danger, many speculated that NP might call a snap election at any time during 2007 and not wait for the currency switchover to take place, in this way avoiding all the potential electoral pitfalls which it could give rise to. In the end the NP decided to forego this option and hold the election after the euro changeover. It might have even gone for an earlier election date, say in February, had the leader of the Opposition not undergone major surgery towards the end of December 2007.

The MLP's euro politics are also interesting. When on the 2 May 2005 the Maltese Lira joined the ERM II in preparation for the introduction of the euro in two years time, the MLP opposed the move claiming that it was premature and hasty. At the time the economic indicators and the state of public finances appeared to justify this stand. However, by mid-2006, the Maltese economy was showing positive signs of recovery while the Government looked set on achieving the so called Maastricht criteria which would qualify Malta for the introduction of the euro. In view of this, Maltese public opinion began to shift positively and there was a growing realization that Malta was likely to satisfy these criteria after all. In response to this changing situation, the MLP produced yet another policy switch by accepting the changeover date.

This latest policy shift occurred in October 2006. While speaking during the national budget debate in the House of Representatives, MLP leader 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 the introduction of the euro on 1 January 2008 should be respected. He added that should the MLP win an election held before that date,

*By mid-2006, the Maltese economy was showing positive signs of recovery while the Government looked set on achieving the so called Maastricht criteria which would qualify Malta for the introduction of the euro. In view of this, Maltese public opinion began to shift positively and there was a growing realization that Malta was likely to satisfy these criteria after all.*

it would respect that deadline and would carry on with the changeover process.<sup>4</sup> Hence following this policy shift and after months of careful preparation and policy statements to improve the MLP's EU credentials (Labor deputies in the House voted in favor of the ratification of the European Constitution in 2005 and in favor of the Lisbon Treaty in 2007 so that both were approved unanimously) it came as a big surprise that without external prompting, the MLP raised the issue of renegotiating the accession package.

The MLP's 2008 electoral manifesto did not mention, let alone hint, at this possibility. The proposal to reopen the package was made by Dr. Sant in a series of interviews with the media as soon as the campaign kicked off. The governing NP did not waste the golden opportunity thus presented to it to try and convince the public that should the MLP win

the election, trouble would brew again with the European Union. The main sign posts in the development of this controversy are recounted briefly below.

The MLP leader launched his proposal to renegotiate the membership package for the first time on 29 January 2008 in a TV programme 'Disset' broadcast on the national public channel TVM. In this programme Dr. Sant told his interviewer 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". Elaborating further Dr. Sant made it clear that what he intended was that negotiations will be reopened with the EU. He identified three main sectors in which this would be done, namely agriculture and fisheries as well as the shipyards. In the case of the latter, the Accession Treaty specifies that all state subsidies to the yards must be stopped by the end of 2008.<sup>5</sup> Dr. Sant was pressed and harassed on this point for most of the electoral campaign but he doggedly stuck to his guns despite the concerns it raised. The *Times of Malta* reported him as saying in another interview on the MLP's TV channel *Super One*, "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..."<sup>6</sup> The NP's reply to all

<sup>4</sup> Official Report, Debates of the Maltese House of Representatives, Sitting No 443, Wednesday 25.10.2006, pp 90-91.

<sup>5</sup> Act of Accession, Annex XI, Section 3, 3(a), *Official Journal of the EU*, L236, Volume 46, 23.9. 2003, p. 860.

<sup>6</sup> "EU Talks Will be reopened, Sant Insists", *The Times of Malta*, 11.2.2008

Table 2					
Malta – Real GDP Growth					
	2003	2004	2005	2006	2007*
Real GDP Growth as a percentage	-0.3	0.1	3.1	3.2	3.8

Source: National Statistics Office (NSO), Central Bank, Quarterly Review and Malta;

\* For the first nine months of the year. 2007/4, p. 19

this was that there was no need to reopen the membership negotiations to achieve what Dr. Sant was suggesting but simply to deal with the issues through the normal EU institutional channels.

The MLP's stance put it on the defensive for a substantial part of the campaign. Indeed it was difficult to extricate itself from the issue and focus on other matters. This proposal also overshadowed another interesting statement made by Dr Sant, namely that balancing Government spending by 2010 as the government was proposing, was not a priority for a future Labor Government.<sup>7</sup> Government fiscal projections indicated that *ceteris paribus*, a balanced national budget and possibly also a surplus could be achieved by that date. Indeed the introduction of the euro, required amongst other things, the maintenance of public deficit within the margin of 3% of GDP as a compulsory requirement of the Stability and Growth Pact. Hence, although Euro-zone governments are not obliged to balance the budget or to run a surplus, the MLP leader's statement alarmed a segment of the public and no doubt the business community, that a Labor Government would adopt a more relaxed fiscal stance which could have negative implications for inflation. Furthermore, this proposal did not fit so snugly with the MLP's past policy pronouncements placing the control of inflation at the very head of the party's political goals. What Dr. Sant might have intended was that he would not tie the MLP's hands on the deficit in advance of any adverse economic development which his government might have to face as a result of a negative downturn in the world economy.

The Maltese authorities' successful preparations for the introduction of the euro also had a positive effect on the electorate. Starting with a fiscal deficit of 10% in 2003 the government employed a mix of policy instruments to contain it which included privatization, cuts in public spending and tax increases. The latter had a very negative effect on public opinion, biting into

<sup>7</sup> *The Times of Malta*, 26.1.2008

*Hunting organizations are very strong in Malta and they lobbied hard both before and after membership in defense of hunting. On the other hand, environmental organizations (NGOs) campaigned strongly in Malta and at EU level to curb hunters' activities and most of all to ban spring hunting.*

the electoral base of the NP and as a result the popularity of the Government declined markedly as witnessed by the NP's poor showing in local elections held between 2004 and 2007. However, by 2007 the Government's fiscal deficit had been reduced to 2.1% of GDP. At the same time, while public debt did not decrease in raw terms, its share as a percentage of GDP gradually declined after 2004 to 66.5% in 2006<sup>8</sup> and 62.8% of GDP in 2007.<sup>9</sup> Inflation and long-term interest rates were also reined in. These efforts were helped not only by Government fiscal prudence but also by an economic resurgence starting in 2005 and which continued during 2006 and 2007 despite the effects of rising petroleum prices, the so called 'fourth oil shock'. This upbeat economic performance contrasts sharply with the negative growth registered

in 2003 and low growth in 2004 (Table 2) and is reflected in public opinion as shown by Eurobarometer.

It is likely that the public equated the negative economic growth registered in 2003-2004 and the low growth of 2005 with the negative effects of EU membership. But the economic turnaround which started in 2006 was associated with the benefits of membership. This assessment seems to be borne out by the findings of Eurobarometer. According to this public opinion survey, in the autumn of 2003, the year when the membership referendum and general election were held, public support for EU had risen to 55% while opposition was a low 17% (slightly above the EU average). In the autumn of 2007, support at 54% had nearly climbed back to its 2003 level – having dipped to 40% in the spring of 2005 – while opposition to membership had declined to 15% - or two per cent below the corresponding 2003 level – after having risen to 19% in the spring of 2005.<sup>10</sup> This evidence indicates a link between satisfaction with EU membership and the ebb and flow of the Maltese economic fortunes.

In the end fears that the introduction of the euro could ruin the NP's re-election chances turned out to have been misplaced. Two weeks into the changeover, 90% of cash payments in Malta and Cyprus were taking place in euros indicating a smooth changeover.<sup>11</sup> The Government and the monetary authorities together with the business community made a joint effort to

<sup>8</sup> Commission Press Release IP/07/673, Brussels, 16.5.2007

<sup>9</sup> *Quarterly Review*, No. 4, 2007, Central Bank of Malta, p.41

<sup>10</sup> Standard Eurobarometer 68, European Commission, Autumn 2007, *National Report, Executive Summary*, p.5.

<sup>11</sup> Commission Press Release, IP/08/36, Brussels, 14.1.2008



maintain strong control of prices and mitigate price speculation. Indeed the introduction of the euro *per se* did not feature in the electoral campaign save as another government EU success story. There is no doubt that Government's intricate and detailed preparations ensured the successful switchover and avoided unnecessary public backlash.

## Spring Hunting

The issue of spring hunting also played a role in this election. Hunting organizations are very strong in Malta and they lobbied hard both before and after membership in defense of hunting. On the other hand, environmental organizations (NGOs) campaigned strongly in Malta and at EU level to curb hunters' activities and most of all to ban spring hunting. The Maltese government and hunters have been severely criticized in the European Parliament and in some member states for allowing spring hunting. In January 2008, the European Commission raised the issue of spring hunting before the European Court of Justice. The Maltese Government maintains that Malta negotiated a derogation from the Birds' Directive which permits it to allow spring hunting. But following a December 2005 decision of the Court on hunting in Finland, effectively

*The anomaly of the Maltese system is that it leads to a lot of what are called 'wasted votes'. This means that the votes which are not used to elect the candidates in a particular district are lost, in other words they are not pooled and translated into parliamentary seats.*

withdrawing the application of a derogation by Finland, the Commission started arguing that Malta's derogation was no longer justifiable.<sup>12</sup> The Maltese government retorted by rejecting the Commission's position while underlining that it will abide by the Court's decision.<sup>13</sup> The MLP has adopted a similar stance.<sup>14</sup>

In the last week of the 2008 electoral campaign, the hunting organizations organized a series of popular meetings for their supporters as a show of strength and to garner support for their demands. The underlying criticism was however aimed

exclusively at the government for allegedly failing to keep its word with the hunters. The government had given its word to hunters that hunting would not be affected by EU membership. The hunting lobby has a lot of electoral clout but this is often exaggerated. In the 2004 elections to the European Parliament the Secretary General of the main hunters' organization standing as an independent obtained 3,119 first preference votes out of a total of 245,722 valid votes cast (1.27%).

## Close Elections: How Close?

Maltese elections have always been hotly contested and voter turnout (Table 3) has been amongst the highest, if not the highest, in the world.<sup>15</sup> In the 2008 elections, 294,214 cast valid votes out of a total of 314,364 eligible voters. This represented a turnout of 92.5%, which however, was three and a half per cent lower than the 95.96% registered in the 2003 elections which was the highest since 1966 (the first elections held after independence which was obtained in 1964). One of the main factors which could have caused the high turnout in 2003 was the fact that the main issue in these elections was EU membership. Furthermore, the 2008 turnout is below the 93.82% average for all the elections held since independence as shown in Table 3. As for the electoral performance of the parties, the NP secured 49.34% of the first count votes thus obtaining a one seat majority in the House of Representatives, to

<sup>12</sup> Commission v. Finland, C 344/03, ECR (2005-I) (15/12) Bird-directive - hunting: Derogation from the ban of hunting within the spring season requires that the sufficient status of the species is not threatened and that hunting does not exceed 1% of the annual deaths of that species

<sup>13</sup> Department of Information Malta Press Release No 0171 of 31.01.2008

<sup>14</sup> MLP Electoral Manifesto, Malta Labour Party, point 16 page 44.

<sup>15</sup> For an analysis of the Maltese two-party system see M.Cini, "A Divided Nation: Polarization and the Two-Party System in Malta", *South European Society and Politics*, Vol.7, No. 1, 2002, pp. 6-23.

<b>Voter Turnout in Maltese Elections</b>			
	Registered Voters	Valid Votes Cast	Percentage
<b>1966</b>	161,490	143,347	88.77
<b>1971</b>	181,768	168,059	92.46
<b>1976</b>	217,724	205,440	94.36
<b>1981</b>	238,237	224,151	94.09
<b>1987</b>	246,292	235,168	95.48
<b>1992</b>	259,310	247,139	95.31
<b>1996</b>	274,475	261,224	95.17
<b>1998</b>	281,078	264,492	94.10
<b>2003</b>	294,106	282,213	95.96
<b>2008</b>	314,364	290,799	92.50
Average turnout 1966-2008			93.82

Source: Malta Elections Data at <http://www.maltadata.com/> and official information with respect to 2008 election published on the Malta Government Gazette

Labor's 48.79%. Overall this majority amounted to just 1,580 votes more than the MLP's tally. Another peculiarity of the Maltese electoral system, which is a proportional one based on the Single Transferable Vote (STV), is that it has not led to political fragmentation, as is likely to happen under such systems, but to a competitive 'duopoly' dominated by the NP and the MLP.

Eighteen members of parliament (more than a quarter of the House), eleven from the NP and seven from the MLP, were not re-elected. A few of them may however find their way back into the House when the bye-elections are held to fill the seats vacated by candidates who were elected in two districts. The eleven NP members of parliament who failed to retain their seats included three incumbent ministers and two parliamentary secretaries (junior ministers). As soon as the official result of the election was published, the Prime Minister Dr. Lawrence Gonzi appointed a smaller and younger cabinet which included a number of new faces while some experienced ministers were left on the back benches. On the external front the first policy act of the new government was to revive Malta's membership of NATO's Partnership for Peace (PFP), a request which was accepted by the NATO allies during the Bucharest NATO summit held between 2<sup>nd</sup> and 4<sup>th</sup> April 2008.<sup>16</sup>

<sup>16</sup> Point 32 of the Bucharest Summit Declaration of 3 April 2008, NATO press release (2008)049.

*In the 2008 elections, only two of the smaller parties namely AD and AN (a fringe right-wing party) set out to overturn the status quo. Of the two, the Green Party (AD) being the oldest stood the best chance of succeeding.*

## The Maltese Electoral System

For the purposes of national elections, Malta is divided into thirteen electoral districts each of which return five members to the House of Representatives. The islands of Gozo and Commino constitute one electoral district. The other twelve districts comprise the main island of Malta. The counting process, which is still a manual one, begins with the counting of the valid votes cast and if a party secures 50% + 1 of the first count valid votes cast, it is declared the winner. The quota or the number of votes that a

candidate must obtain to win a parliamentary seat is calculated for each district according to this formula: the number of valid votes cast divided by six (number of seats + 1) plus one vote. Thus in the first electoral district, the total votes cast were 21,720, the valid votes 21,492 and the quota 3,583.

The preference votes are first allocated to all the candidates and then with every successive count, the candidate with the lowest tally is dropped and his/her votes are distributed amongst the other candidates, in accordance with the second, third preferences etc. indicated by voters. This process continues until all five seats in the district are elected. The anomaly of the Maltese system is that it leads to a lot of what are called 'wasted votes'. This means that the votes which are not used to elect the candidates in a particular district are lost, in other words they are not pooled and translated into parliamentary seats. To illustrate the case by a concrete example, in the first electoral district the MLP polled 10,688 preference votes which eventually translated into three parliamentary seats (quota 3,583). This meant that the party had no vote wastage and the third seat was clinched by the candidate with 3,489 in the final count. By contrast the NP polled 10,586 votes which translated into two electoral seats while the third candidate was left hanging with 3,426 votes in the final count – which are considered as wasted votes. In this particular case the candidate concerned managed to clinch a parliamentary seat by virtue of the rule which awards extra seats to the party which secures a relative majority of preference votes as explained further down in this article.

In 1981 vote wastage led to the perverse result where in a two party race between the NP and the MLP, the NP obtained more than half of the preference votes but three seats less than the MLP in the House. The result led to a political crisis which was eventually resolved by a 1987 constitutional compromise laying down that the party obtaining the majority of preference votes nationally (i.e. at least 50% + 1 of valid votes cast) would also have a number of seats added to ensure that it enjoys at least a one seat majority in the House. In the 1987 elections the perverse result of the 1981 elections was repeated but thanks to the Constitutional amendment the NP was allocated

four more seats and thus a one seat governing majority. The 1987 constitutional compromise also included the entrenchment of neutrality, defined in terms of non-alignment, in the Constitution. Both parts of this constitutional amendment can only be changed by a two thirds majority of the House.

One of the other peculiarities of the Maltese electoral system is that the thirteen electoral divisions or districts must be of more or less equal size though the Constitution (Article 61) allows them to vary by no more than 5%. In 2005 it became clear that due to population changes, the voting population of Gozo which constitutes a single electoral district had surpassed the permitted 5% margin and as a result some of the localities on the island had to be removed from the 13<sup>th</sup> district and integrated with the geographically closest district on the island of Malta. This was opposed by the NP which wished to keep Gozo as a single electoral entity. Following discussions between the MLP and NP, it was decided to amend the Constitution in order to keep Gozo as a single electoral district while ensuring that the imbalance thus created in the size of the electoral districts would not impinge negatively on the proportional allocation of seats in the House. The rule that a party obtaining the majority of preference votes nationally, will still have the right to govern with a parliamentary majority was maintained. However, should more than two parties contest the election a relative majority of the preference votes would be sufficient to determine the winner while if a third party managed to secure at least one seat in the House, it would be the number of seats as elected by voters which would count.<sup>17</sup> One of the many implications of this change was that should a third party, apart from the MLP-NP duo, enter the Maltese Parliament, the electoral districts as constituted for the 2008 elections would ensure a majority of seats for the MLP, even if the latter were to obtain less votes than the NP. Hence the best scenario for all parties in 2008 was to obtain an overall majority of votes (50% + 1 of valid votes cast) or failing that a relative majority, provided that no third party secured a seat in the House.

In the 2008 election, only two of the smaller parties namely AD and AN (a fringe right-wing party) set out to overturn the *status quo*. Of the two, the Green Party (AD) being the oldest stood the best chance of succeeding. It campaigned strongly to convince the electorate of the benefits of a 'coalition government' presenting it as a kind of antidote to the extreme political polarization generated by the MLP-NP duopoly. The underlying message was to urge disgruntled voters of the two main parties to vote for it and secure it a parliamentary seat. AD did not say with whom it would go into coalition had it managed to win seats in the House. In any case as has already been stated the way the electoral districts had been drawn up, in such a scenario the MLP would have been able to govern

---

<sup>17</sup> An Act to Amend the Constitution, Act No 21, 28 September 2007.

*One of the first acts of the new Maltese government was to reactivate Malta's participation in the Pfp.*

*Malta had originally joined the Pfp in 1995 and left it the next year just a few days after the MLP won the 1996 election.*

without the need of a coalition and possibly also despite gaining less votes than the NP. In this case the country would have reverted to the *status quo ante* prevalent in 1981. For this reason after the election results the main political parties already declared that the electoral law needs to be changed again in order to prevent once and for all any such anomalies from becoming true.

One also has to explore how the Maltese STV system can be further reconciled with the need of ensuring a fair election result and at the same time provide the necessary safeguards that the design of

the electoral districts does not negatively impinge on this objective, given that the inheritance of the votes of the smaller parties which are eliminated during the counting process should ideally also matter in determining the overall winner.

As to the allocation of seats, the MLP elected 34 seats and the NP 31. However due to the constitutional requirement that the party with the majority of preference votes should also have an overall one seat majority, four additional seats were allocated to the NP increasing its tally to 35. The seats were allocated to the candidates who had secured most votes at the last count in their respective districts, but fell short of reaching the quota. Thus Jean Pierre Farrugia who obtained 3,426 final count votes in first district but was not elected was allocated the first of the extra four seats followed by the candidate in the eleventh district who obtained 3,301 final count votes without being elected and so on until all the four seats were allocated. This procedure has been used when necessary since 1981.

The 2008 elections has shown once again how difficult it is for the small parties to break the MLP-NP mould. For a party such as AD or AN to elect at least one seat in the House, it must acquire enough votes to achieve a quota in at least one electoral district, since the total share of votes obtained nationally in all the districts do not count for the allocation of seats as explained above. The election results show that altogether in all the thirteen districts, AD obtained a total of 3,810 votes or 1.31% of the total valid votes cast nationally. AN obtained less than half of that amount. The size of the quotas in each district varied from 3,583 in the first district to 3,958 in the thirteenth (Gozo). In none of the districts was AD close to securing a quota.<sup>18</sup> Indeed its total national vote tally is less than the quota of the 13<sup>th</sup> electoral district.

<sup>18</sup> 2008 Election Result, *The Malta Government Gazette*, No 18,211, 17.3.2008.

AD or any of the small parties which contested the election at no point posed a serious challenge to the MLP-NP duopoly. However, following the publication of the first count results, there was some speculation that the redistribution of the surplus votes (above the quota) obtained by the NP leader Lawrence Gonzi in the ninth district could, should a substantive part of them be inherited by an AD candidate lead to this candidate being elected. Hence, in this election the Electoral Commission had to wait until Tuesday 11<sup>th</sup> of March to declare a winner, for it had to wait until it became amply clear that no third party stood a chance of securing a seat in the House. Having ascertained this, the Commission informed the President of the Republic that the NP had obtained a relative majority and was by implication entitled to form the next government. After taking the oath of office and after swearing in the new Cabinet, Prime Minister Gonzi flew off to attend the European Council held in Brussels between the 13<sup>th</sup> and 14<sup>th</sup> of March.

### **The First Major Outcome: Membership in the Partnership For Peace (PFP)**

One of the first acts of the new Maltese government was to reactivate Malta's participation in the PFP. Malta had originally joined the PFP in 1995 and left it the next year just a few days after the MLP won the 1996 election. The reason cited by the short-lived Labor Government was that membership in the PFP went against Malta's constitutionally entrenched neutrality. Neutral Switzerland joined the Partnership a few weeks after Malta's departure, while EU neutral member states – Austria, Finland, Ireland and Sweden – had joined the Partnership from its inception. The NP and the MLP obviously differ in their interpretation of the neutrality clause in the Maltese constitution but to date no judicial clarification has been forthcoming from the Constitutional Court.

The re-activation of Malta's membership in PFP was announced in an official press statement issued on the 20 March 2008. The main reason cited to justify this decision was the difficulties which Malta faced in some EU policy areas because it was not a member of the PFP.<sup>19</sup> In its statement, the Government reiterated its long-held position that membership in the PFP did not violate Malta's neutrality. At the same time the press statement listed all the other member states of the partnership comprising the EU's neutral states, Russia and a number of former Republics of the USSR, to make the public aware that the end of the Cold War's East-West tensions had brought former enemies together and that Malta was not the only neutral state to join the Partnership.

---

<sup>19</sup> Department of Information, Malta, Press Release No 0475, 20.3.2008

*Although Maltese elections are hotly contested and the country's politics are polarized, yet after each electoral contest, there is a tendency for consensus to be achieved on the most divisive issues that have characterized that particular election.*

The move came as a complete surprise for many reasons. It had not been included in the Nationalist Party's electoral manifesto and was never mentioned during the electoral campaign. Indeed, a few days before the Maltese actually went to the polls, Ambassador Victoria Nuland, United States Permanent Representative to NATO, did remark in a speech she gave in Paris on 22 February 2008, that Malta should be encouraged to return to the Partnership. The Ambassador stated this while referring to EU-NATO co-operation under the so called *Berlin Plus* arrangement. However, this

statement played no role in the Maltese electoral campaign and was never mentioned. Ambassador Nuland's full reference to the *Berlin Plus* issue was this: "On the EU side, a partner like Turkey which contributes generously to EU missions and wants to cooperate with the European Defense Agency should be welcome, should be consulted and offered a security agreement and rights commensurate with its contribution and potential. In response, NATO should open the doors of partnership fully to Cyprus and finalize its security agreement, while also encouraging Malta to come back to the Partnership for Peace."<sup>20</sup>

The *Berlin Plus* agreements were reached between the EU and NATO following three years of intense negotiations and were approved by the Copenhagen European Council of December 2002. According to this arrangement, the EU acquired access to NATO's military assets to be employed in EU-led operations where NATO as a whole is not involved. This arrangement removed one of the major obstacles in the development of the EU's European Security and Defence Policy (ESDP). However, following enlargement, Cyprus and Malta were barred from participating fully in the *Berlin Plus* because the decision taken in Copenhagen in 2002 specified that "as things stand at present, the 'Berlin Plus' arrangements and the implementation thereof will apply only to those EU member states which are also either NATO members or parties to the 'Partnership for Peace', and which have consequently concluded bilateral security agreements with NATO."<sup>21</sup> This created an awkward situation, which was succinctly captured by George Kentas: "...Cyprus and Malta, two European states which are members of neither NATO nor PFP, but joined the EU two years

<sup>20</sup> Extracts of the speech "Strengthening the EU to strengthen NATO" were published at [http://www.atlanticcommunity.org/index/articles/view/Strengthening\\_the\\_EU\\_to\\_Strengthen\\_NATO](http://www.atlanticcommunity.org/index/articles/view/Strengthening_the_EU_to_Strengthen_NATO), 31.3.2008

<sup>21</sup> Declaration of the Presidency, Copenhagen 12 and 13 December 2002, Annex II, 31.3.2008 [http://www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressData/en/ec/73842.pdf](http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/73842.pdf)

after the Copenhagen Council decision, cannot participate in the ESDP's missions employing NATO assets. Likewise, their representatives do not participate or vote in EU institutions and bodies, including the Political and Security Committee, with regard to decisions that concern the implementation of such operations. Further, they do not have the right to receive EU classified information that contains or refers to any classified NATO information."<sup>22</sup> More serious implications of this *Berlin Plus* 'anomaly' was that described by Ambassador Costas Miltiades, Cyprus' Permanent Representative to the PSC, who stated that not only were Cyprus and Malta not fully participating in ESDP but that the *Berlin Plus* could not be expanded to cover terrorism and cooperation in the Mediterranean if two member states could not be included. Ambassador Miltiades therefore saw *Berlin Plus* as part of the problem at a time when the notion of a comprehensive approach meant that nations should be able to advance together.<sup>23</sup>

Malta's membership of the PFP has already led to internal protests in Malta by a leftist NGO. However, it has cleared an important obstacle to the further development of ESDP and increased the pressure for a solution to be found to somehow accommodate Cyprus. It will certainly be preposterous to have the *Berlin Plus* arrangement embrace all the EU member states except Cyprus. As for the Malta, PFP membership is unlikely to feature as a major political issue in the future.

## Epilogue or a Novel Chapter?

Although Maltese elections are hotly contested and the country's politics are polarized, yet after each electoral contest, there is a tendency for consensus to be achieved on the most divisive issues that have characterized that particular election. Following the 1987 elections the consensus formed was that Malta should adhere to neutrality defined as nonalignment and the domestic political system should always ensure majority rule and avoid the anomaly of the 1981 elections. The 1996 elections led to the suspension of the EU membership application while the 1998 elections led to its reactivation. The 2003 referendum and elections sealed Malta's membership in the EU, the 2004 European Parliamentary elections further consolidated the hitherto Eurosceptic MLP as a mainstream European Party within PES. What is the 2008 elections likely to lead to?

---

<sup>22</sup> G. Kentas, "Time to Consider Accession to the Partnership for Peace", Newsletter, No. 8, 2005, InterCollege (now the University of Nicosia), Cyprus, 31.3.2008, <http://www.rcenter.intercol.edu/Newsletter/issue8/art03.htm>

<sup>23</sup> Proceedings of a conference "NATO and ESDP: Forging New Links" organized by the Security and Defense Agenda with the Konrad Adenauer Stiftung and HP, and with the support of NATO, Lockheed Martin and the Atlantic Council USA, Friday 8.6.2007, Bibliotheque Solvay, Brussels, p.23.

*In order to improve its performance, a small country with very limited human resources in quantitative, raw terms can ill-afford to waste or sideline some or part of its human resources for narrow internal political positioning and more cohesive consensus-based policies need to be pursued instead.*

First of all despite the acute political polarization which the MLP-NP duopoly has encouraged the electorate seems to prefer a government formed by a single party to government by coalition. Thus although some disgruntled voters have switched from the NP and the MLP to AD, AN and the smaller parties, they did not do so in sufficient numbers to enable these smaller parties to secure seats in the House of Representative. In short the Maltese electorate seems to favor strong government as compared to the potentially weaker (though not necessarily) coalition government.

It has also been shown in this article that the Maltese electoral system itself does not facilitate matters for the smaller parties and makes it harder for them to break the mould and elect representatives to the House of Representatives because to do this they must at least secure one quota in one electoral district. The votes secured by the more successful of the smaller parties nationally amount to around one quota in a single electoral district.

The second important point that follows from this election is that the MLP needs to spruce up its European image nationally if it wishes voters to trust it. Notwithstanding the fact that it managed to radically shift its EU policy in between 2004 and 2008, the party did not manage to swing votes in its favor. Indeed one interpretation of the 2008 elections result is that the majority of those voters who abstained are disgruntled NP voters and the MLP would have lost by a wider margin had these voters turned out to vote for the NP.

The election result led to Malta rejoining the Pfp. This will certainly remove one of the principal obstacles which have dogged the *Berlin Plus* arrangement and move the EU a step closer towards achieving its goals in the area of security and defense. Malta will also acquire new means to enhance its own security.

On the domestic front the 2008 elections have instigated more internal changes in the MLP which could perhaps lead to the enhancement of its competitiveness vis-à-vis its main political rival the NP. It may also make the party more malleable to national consensus-building that is required if Malta wishes to take a bigger advantage of EU membership. In this context one only has to mention the very ambitious EU energy targets which will have to be implemented in the years to come. In 2005 Malta only derived 0.36% of its energy needs from renewable sources, a figure which has to be increased to 10% in the twelve years to come. Malta hugs the bottom position of the Lisbon Agenda's

scorecard.<sup>24</sup> In terms of economic development as indicated by its level of GDP per capita in purchasing power standards (PPS) Malta occupies the 18<sup>th</sup> place in an EU of 27 member states. Malta's GDP *per capita* in pps is 76.3% (EU27 average = 100). Of the new member states Cyprus and the Czech Republic are above it.

In order to improve its performance, a small country with very limited human resources in quantitative, raw terms can ill-afford to waste or sideline some or part of its human resources for narrow internal political positioning and more cohesive consensus-based policies need to be pursued instead. The narrow margin obtained by the NP and the MLP's failure to win the elections may convince both parties of the need to compromise and build consensus where it is most required. The 2008 elections may in that case not be the epilogue of a political era for the MLP but the beginning of an exciting new chapter for Malta.

---

<sup>24</sup> K. Barysch - S. Tilford Simon - P. Whyte, "The Lisbon Scorecard VIII: Is Europe ready for an Economic Storm?", Centre for European Reform (CER), London, 2.4.2008, [http://www.cer.org.uk/publications\\_new/806.html](http://www.cer.org.uk/publications_new/806.html)