MALTESE HISTORY

Unit O

Malta’ Foreign Policy, 1964-1987

Form 5
1. The Defence Agreement with Britain of 1964.

The **Defence Agreement** was drafted in June 1964 and it contained the following conditions:

- Joint consultation between the armed forces of both countries.
- Only forces of the UK and Malta were to be stationed in Malta.
- Such forces were permitted to use the harbour, dockyard, airfield, communication facilities. But **NATO** forces were to be excluded.
- The treaty was to remain in force for a period of ten years and could be renewed by a new agreement.

Borg Olivier’s aim was to increase the involvement of NATO more in Malta. It was agreed that NATO headquarters could continue to operate in Malta after independence.


The **Financial Agreement** with Britain consisted of the following clauses:

- Britain would assist Malta’s budget and emigration up to a total of £50 million spread over 10 years.
- 75% of that sum were to be grants and 25% were to be soft loans.
- £1 million were to be given for the restoration of historical buildings occupied by the British forces.

The agreement was considered in Britain as a generous one while **Dom Mintoff** criticized both agreements for giving too small an aid while at the same time keep considerable control over certain parts of the islands. He also declared that once in power, he would review the agreements to Malta’s advantage.

3. Malta seeks membership in international organizations

Independence paved the way for Malta’s membership in international organizations in 1965: the **United Nations**, the **British Commonwealth** and the **Council of Europe**. Borg Olivier kept the Ministry of Foreign Affairs and Commonwealth Affairs as part of his ministerial responsibilities.

4. Relations with the EEC

Borg Olivier aimed at an **Association Agreement** that in time would lead to a **Customs Union** and finally to full membership as its ultimate objective. The association agreement with the EEC was signed in Dec. 1970, only six months before the general election of June 1971.
1. Features of Dom Mintoff’s foreign policy
The foreign policy of the new government could be tested from its very first acts:

- **NATO headquarters** in Malta was closed down and relations with NATO stopped.
- In March 1972 a **new financial and defensive agreement** replaced the Defence Agreement of 1964.
- In May 1972 the **Maltese lira** (LM) replaced the pound sterling (£) as Malta’s legal currency.
- In Dec. 1974 the Queen ceased to be Malta’s Head of State, instead Malta was declared a **Republic**.

Mintoff toured countries in **Eastern Europe**, **Communist China** and **North Korea** and the **Arab states** of North Africa and the Middle East. The aims of these visits were to conclude bilateral economic agreements, establish diplomatic relations and inform these countries Malta’s new international role as a neutral and non-aligned state.

2. Relations with the Arab World
Mintoff’s major thrust in foreign policy was directed at the Arab world. A brotherly friendship was established between Mintoff and **President Gaddafi** of Libya (**photo on the right**). Mintoff supported the **Palestinian cause** in many international meetings. As a result, relations with Israel became very cool and by time became nearly nonexistent.

Mintoff’s friendship with the Arab world grew stronger and brought economic benefits to Malta. Libya and Saudi Arabia provided oil at a lower price. This helped Malta’s fragile economy during the **Oil Crisis** of 1973. Libya had a barter agreement by which Malta paid its oil in kind in the form of Maltese products. Through Arab support Malta was admitted into the **Non-Aligned Movement** in 1973, years before Malta actually became a neutral and non-aligned state.

3. Relations with the E.E.C.
Mintoff realized that Malta’s major trading partner was the EEC. Mintoff aimed for a financial protocol by which the EEC would open its large market to Maltese products – in other words to enjoy the advantages of membership without any of its disadvantages. It took years until a new **financial protocol** was agreed with the EEC (in 1976) in the form of loans and grants and it took the Parliaments of the member states up to 1978 to ratify the agreement with Malta. The funds were to cover a period of five years (1978-1983).
4. Relations with the Superpowers

US-Maltese relations at government level deteriorated when Mintoff closed down NATO’s headquarters in Malta and when he moved closer to Libya and the PLO. Relations with the UUS improved when the latter agreed to increase its trade with Malta and recognize Malta’s neutrality. Sino-Maltese relations reached a climax with the building of the Red China Dock, financed by the Chinese Government.

5. The Conference on Security and Co-operation (CSCE) in Helsinki (1973-75)

Its main objective was to have the post-war frontiers frozen for the future. The West hoped to persuade the Russians respect more human rights and freedoms in Eastern Europe. Mintoff demanded that Arab states in the Mediterranean should be included in the Conference. Since the Conference took decisions only by consensus, Mintoff chose to withhold Malta’s consent on this issue for two years.

The Helsinki Summit of 1975 stands out as a milestone in east-west relations. It is one of the most comprehensive international agreements with various aspects of security, co-operation, basic human rights and freedoms. What started as a Conference developed into a permanent organization with its headquarters in Geneva, the OSCE (Organization for Security and Cooperation in Europe).

6. Malta seeks recognition for her policy of neutrality

The most crucial date in the Malta’s foreign policy was, undoubtedly, 31st March 1979 with the closure of the British base. The last British military forces left Malta on that day. Consequently, Malta’s image in the world was changed from that of a military fortress to one of an island with a diversified economy. After that date, Malta’s foreign policy objectives was to have its neutrality status recognized by the international community of nations.

In 1980 Malta and Italy signed an agreement that guaranteed Malta’s neutrality. By this agreement undertook to work for peace and progress in the Mediterranean, affirmed its refusal to join any military alliance and to follow a policy of non-alignment.

In the meantime, relations with Libya became strained in 1980-1981 with the Median Line dispute when Libyan gunboats stopped the Maltese government from exploring for oil in the Gulf of Sirte. The dispute was taken to the International Court at The Hague which decided the case in favour of Malta. However, since that this dispute, there were no attempts by the Maltese government to resume drilling for oil in the disputed region. One effect of this dispute was the reduction of Libyan government personnel on official business in Malta.

In 1984 Malta held the first meeting of foreign ministers of non-aligned states. In December of that year, a few weeks before Mintoff showed showed his intention to resign as Prime Minister, he held two state visits, one to Libya and another one in the USSR. At the end of his mission to Libya, both governments issued a joint declaration committing themselves to continue to strive towards their common goals in their foreign policy.
7. Foreign policy under Karmenu Mifsud Bonnici (1984-87)

The new Prime Minister, Karmenu Mifsud Bonnici continued upon the foreign policy principles of Dom Mintoff. He signed the Second Financial Protocol with the EEC which was to cover the years 1983-1988. In 1985 an agreement was reached on the huge trade imbalance that existed between Malta and Italy. Under this agreement, Italy agreed to assist Malta improve its water supply system and its road network.

8. Foreign policy under a new government

In 1977 Eddie Fenech Adami had been chosen to succeed George Borg Olivier as PN leader and Leader of the Opposition. When the PN won the general elections of 1987, Fenech Adami was sworn in as the new Prime Minister.

During his government, there was a general agreement in foreign policy that under no circumstance should Malta form part of any military alliance. The new Maltese Government intended to defend and stand up for the democratic, social and cultural values in the world in general and to foster cooperation with Europe, Arab states, the USSR, China, the USA and the British Commonwealth.

9. Malta’s neutrality recognized by the superpowers

In December 1990, the superpower leaders (Presidents George Bush Sr. and Mikhail Gorbachev) held a three-day summit on nuclear disarmament at Marsaxlokk harbour on the Russian liner Maxim Gorky. Present at the talks there were the foreign ministers James Baker and Edward Schwardnaze. The fact that the summit was held in Malta implied the formal recognition of Malta’s neutrality because other summits were held in neutral countries, namely Finland, Switzerland and Iceland.

Conclusion: Malta’s foreign policy 1964-2004

After Independence, Borg Olivier followed a policy close to Britain and the West. Labour Governments (1971-87) turned more towards the Arab World and the East while still keeping ties with the West. The Nationalist Governments of Fenech Adami (1964-71, 1987-2004) made EU membership its main foreign policy objective. But all the Maltese leaders worked for one great ideal: to establish Malta as an independent democratic state, strive its sustainable economic development at home and work for peace and security abroad.
1. Identify **three** of Borg Olivier’s main foreign policy aims after independence?
   __________________________________________________
   __________________________________________________
   __________________________________________________
   (3)

2. How did Malta benefit with the Defence and Financial Agreement with Britain of 1964?
   __________________________________________________
   __________________________________________________
   (2)

3. Why did Mintoff criticize this agreement?
   __________________________________________________
   (1)

4. How did Mintoff change this agreement when he became Prime Minister in 1971?
   __________________________________________________
   __________________________________________________
   (1)

5. List **three** changes in Malta’s foreign policy with Britain after 1971.
   __________________________________________________
   __________________________________________________
   __________________________________________________
   (3)

6. Describe briefly any changes in relations when Mintoff was Prime Minister: (4)
   (a) with the USA: __________________________________________________
   __________________________________________________
   (b) with the USSR: _________________________________________________
   __________________________________________________
   (c) with the EEC: _________________________________________________
   __________________________________________________

7. What did Mintoff achieve during the Helsinki Summit of 1975?
   __________________________________________________
   __________________________________________________
   (2)

8. Give the **two** words used in the text that describe Malta’s foreign policy after 1979?
   __________________________________________________
   __________________________________________________
   (2)

9. Identify **two** features in Malta’s foreign policy when Karmenu Mifsud Bonnici was Prime Minister.
   __________________________________________________
   __________________________________________________
   (2)

(Total 20 marks)
Read carefully the following source and then answer the questions.

‘I think it is right to inform the House of the situation which has arisen in our relations with Malta over the 1964 Defence and Financial Agreements. The first gives Britain the right to station our Armed Forces in Malta while the second, which is dependent upon the Defence Agreement, covers the provision of British aid to Malta. Both these Agreements are due to run until 1974. As soon as he took office on the 17th June, the Prime Minister of Malta ... informed us that he wished to replace these Agreements, which, he said, were no longer valid. Then, in a series of messages, he asked that a Minister should come to Malta to negotiate a new agreement under which aid would be replaced by a form of rent for military facilities and those facilities would be redefined. He also said that the Minister should come on the basis that the 1964 Defence and Financial Agreements were at an end and that the new negotiation should be completed before the end of July. Mr Mintoff would not elaborate any further on his proposals. This left us in doubt on a number of very important questions, for example ... intentions towards NATO, the redefinition he had in mind for our defence facilities and the financial implications.’

Extract from a speech delivered by Lord Carrington in the House of Commons

1. Is the source primary or secondary? State why. ________________________________
   (2)

2. Who is the person delivering this speech? What official position did he hold then?
   ________________________________
   (2)

3. Who is the Prime Minister of Malta referred to in line 5? ______________________
   (1)

4. (a) When was the first Defence and Financial Agreement signed? ______________
    (1)

   (b) Who was the Maltese Prime Minister that signed this agreement? ____________
    (1)

5. What right did the Defence and Financial Agreement give to Britain? ______________
   (2)

6. What obligation did the same agreement put on Britain with respect to Malta? __________
   (2)

7. When, why and by whom was the Defence and Financial Agreement changed? __________
   (3)

8. Mention two changes in Anglo-Maltese that resulted by this new agreement.
   __________________________________________________
   ____________________________________________________
   (2)

9. Underline the words or phrases which describe the political situation in Malta when a change in
   the original agreement was being negotiated:
   (political tension, diplomatic deadlock, political instability, economic recession, demonstrations) (2)

10. Identify one historical fact and one personal opinion from the above text.
    (a) historical fact: ________________________________
        (b) personal opinion: ________________________________ (2)

(Total: 20 marks)
Unit O.4 - Malta’s Foreign Policy (1971-1984)

Source A: In September 1978 PM Dom Mintoff addressed the Council of Europe, where he summed up his Government’s foreign policy since 1971:

‘In June 1971 as soon as we were returned to office, we sought an agreement with Britain, to phase out its military base and to provide Malta with financial means and with the necessary funds to allow its economy to be geared to new ways of peace . . . It was stipulated that only British forces could make use of the base but under no circumstances against any Arab state. For the past few years, the people of Malta have devoted their entire strength to build a new economy. With all their might they have tried to destroy the old image of an island fortress . . . The Malta Government has striven to convince Western Europe and North African States that it is in their best interest . . . of . . . the . . . Mediterranean that Malta should choose a status of guaranteed neutrality after March 1979. It is indeed in the interest of peace – and therefore least in the interest of the superpowers themselves – that Malta should become a centre of peace in this troubled region. For this aspiration to become a reality we need balanced military and economic guarantees from our Mediterranean neighbours in the North and in the South.’

Source B. During a visit to the USSR he contrasted Malta’s foreign policy developments since independence:

‘The British Queen as the Head of State, the British Governor as head of the Government, a British base . . . a NATO Headquarters enjoying equal rights with the British base, the English pound sterling (£) as Malta’s only official currency and a Maltese Central Bank following . . . regulations laid down by the Bank of England, a small badly trained, badly-equipped Maltese army . . . under the command of a British Brigadier and integrated into the British Army, commercial banking in British hands, ship-repair yards . . . run by British firms, a developing corporation under a British manager, a broadcasting system . . . owned and run by the British Rediffusion Company, the airport run and controlled by the British Air Force and the Maltese harbours by a British admiral, a University . . . controlled by the Church and the British University Grants Commission, and a vote at the UN which . . . was never at variance with that cast by the British Government.’

1. What is the subject matter of source A and source B.

   Source A: ___________________________________________________________ (2)
   Source B: ___________________________________________________________ (2)

2. Why does Mintoff says ‘when we were returned to office’ (source A line 1)

   ___________________________________________________________________ (1)

3. Why does Mintoff links Malta’s neutrality with its economic development? (Read source A to help you answer).

   ___________________________________________________________________
   ___________________________________________________________________ (2)

4. List three objections which Mintoff mentions about the state of Malta’s independence as achieved in 1964. (Read source B to help you answer).

   ___________________________________________________________________
   ___________________________________________________________________
   ___________________________________________________________________ (3)

(Total 10 marks)
Unit 0.4 – Malta’s Foreign Policy (1964-1987) - Essay Questions

Read carefully the following essay titles and answer any ONE in about 200 to 300 words. Essays carry 20 marks each.

PAPER 2A

1. In the 1970s Mintoff’s government revolutionized Malta. Discuss this statement with reference to:
   (a) the 1972 Defence Agreement with Britain
   (b) Malta becomes a republic in 1974
   (c) the closure of the British military base in 1979
   (d) the non-aligned policy (SEC 2010)

2. Discuss the main features of Malta’s foreign policy between 1964 and 2004. (SEC 2011)


PAPER 2B

1. Discuss these aspects of Malta’s foreign policy:
   (a) the 1964 Defence Agreement (6)
   (b) the concept of neutrality and non-alignment (6)
   (c) Malta and the European Union (8) (SEC 2011)

2. Trace the major developments in Malta’s foreign policy between 1971 and 1987. (Annual 2010)