

# [Malta us relations in the 20th century history essay](https://assignbuster.com/malta-us-relations-in-the-20th-century-history-essay/)

Malta’s relations with the USA in the 20th and early 21st century were more or less stable. Yet, there were periods, especially throughout the 20th century, when relations were strained due to many factors. This assignment attempts to show not only the political aspect of these relations, but also delves into the economic and social effects which came out of this relationship. For this purpose three interviews were also carried out to get a first hand version regarding these relations.

## Introduction

In the late 18th century, Malta’s strategic position served the USA as a supply station for her navy and also a shelter for her citizens and ships against the Mediterranean corsairs[1]. The USA, as an out of area player, was not as important as neighbouring countries for Malta. Yet, being a superpower and the biggest power of the Western world, Malta’s relations with it were essential and inevitable. Having the largest fleet in the Mediterranean during the Cold War, the Americans paid close attention to Malta’s position and were in fact ‘ active’ in the defence agreements Malta signed with the UK[2].

In ‘ Looking Ahead’, Stephen Calleya points out that in the Cold War, especially under the Labour government, Malta took a very realist approach in its foreign policy as it sought to maximise its national interests by ‘ remaining aloof from the superpower chess game[3]‘. The USA didn’t like this approach, and continued regarding Malta with great suspicion until 1987 when the new PN government took over and adopted a Pro-West policy.

Economically, relations started developing well mostly in the 1990s, because in the years before the U. S. did not give trade with Malta a very high priority. Socially, one could say that relations with the U. S. started off quite early. In fact, in the 1920s Maltese emigration to America started in earnest, culminating after the Second World War.

## Pre-1964 Relations

Just after the First World War, in the period 1919-1921, the USA was the Maltese’s favourite emigrant destination[4]. Some 15, 000 Maltese emigrated to America; mostly in Detroit, New York (where there were 9000 Maltese Immigrants by 1928[5]), San Francisco, Chicago and New Orleans. These Maltese were most of the time farmers, labourers and skilled workers – including a good number with experience in the Dockyard. In the U. S. many of them found work in the motor industry. The Immigration Restriction Act which the USA introduced in May 1921, restricted immigration[6]. However, emigration to America reached another peak just after the Second World War with a total of 8000 Maltese leaving for the States in 1947-1977[7].

This movement towards the USA is a proof of the good relations America catered with Malta especially before Independence. The Maltese provided an important boost in the U. S.’ working force and therefore helped it grow economically. In an interview I carried out, Professor Dominic Fenech pointed out that ‘ before 1964 we had no independence in our foreign policy and diplomacy. This made it impossible to establish relations with the U. S. or any other country except if not through Britain. Our relations with America were informal and emphasized more on the relationship between the Maltese community in the USA and vice-versa[8].’

Although Malta suffered greatly from the Second World War it couldn’t benefit directly from the Marshall Aid introduced by America in 1949. This was because Malta wasn’t sovereign and Maltese pleas to deal with the USA directly, in this, were rejected by the British[9].

Instigated by Mintoff, the Labour Party, which had been in government since 1947, sent an ultimatum to the British. If the UK did not give a fair share of the Marshall Aid to Malta, the Maltese Government would go directly to the USA and offer the island’s facilities to the superpower. Considering that by the 1950s America was increasingly taking over the UK role in the Mediterranean[10], this ultimatum could have meant that ‘ the Maltese would then ask the British to pass the military base of the island to the U. S. and therefore the UK would be ousted completely[11].’

The opportunism involved in this situation foreshadowed the policy the MLP adopted later in the 1970s. This realist approach of national interest first and foremost was in contrast with the PN’s all out pro-West approach. According to Dominic Fenech relations with the USA were even strengthened before the granting of the Independence as George Borg Olivier visited President Kennedy in 1963[12].

## Formal Relations 1964-2009

In the Nationalist period (1964-1971), Dominic Fenech pointed out that relations were ‘ 100% pro-West, with the U. S. even being one of the first countries to construct an embassy in Malta. There was no thought of neutrality or non-alignment[13].’ Despite such a policy, NATO refused to admit Malta to the Alliance even though NATO had a base on the island[14].

Under the Nationalist government, Malta joined the Council of Europe and the ‘ Western European and Others Group’. It even expressed its intention of one day joining the EEC[15].

In his first UN Address in December 1964, Malta’s PM George Borg Olivier made it clear that: ‘ We hope to have cordial relations with all countries of the world, irrespective of their ideologies[16].’ Victor Gauchi points out that since Malta demonstrated its impartiality in its first years in the UN; it was trusted by both USA and USSR[17]– with both superpowers agreeing to proceed by means of consensus regarding the Law of the Sea (1967).

No one had an interest in attacking a small island like Malta which could do nothing on its own. Yet, Dominic Fenech points out that ‘ it was the presence of foreign forces that rendered Malta threatening to its neighbours[18].’ NATO forces in Malta were not regarded favourably by both Arab and pro-USSR countries. This was one of the main reasons why the MLP under Mintoff chose to make a major transition in Malta’s foreign policy.

Initially the MLP under Mintoff had quite pro-Western policies especially in the 1950s with the idea of Integration with the UK which would embed Malta into the Western hemisphere. The failure of Integration showed how opportunistic Mintoff was as he changed his party’s policy completely to a one of achieving complete independence for Malta. He even started seeking non-traditional partners in foreign policy; this came out quite clearly in his relations with Nasser. This policy was regarded suspiciously by the U. S. which had the largest fleet in the Mediterranean[19].

When the MLP was elected in 1971, the pro-West policy the Nationalists had adopted was completely abandoned. Relations with Libya were immediately strengthened and this gave Mintoff strength in his bargaining on the new defence agreement of 1972. The U. S. was prominent in this defence agreement; in fact, Dominic Fenech points out that it even advised the UK to give out more money to make sure Malta remained part of the western hemisphere[20].

Eventually in the revised defence agreement of 1972 it was made clear that the Maltese base could only be used by the British and that it couldn’t be used against any Arab State. By this agreement Mintoff had closed the door completely for the USA and it is no wonder that relations soured[21].

The Maltese desk officer to the U. S., Maria Depasquale pointed out that bilateral relations between the two countries during this period were quite ‘ strained’. It was in this period that Prime Minister Mintoff removed Malta from NATO. In 1973 Malta became a member of the Non-Aligned Movement, furthering U. S. suspicions that the island could become a Libyan or even a USSR base[22].

Maria Depasquale explained that ‘ tension between the two countries was also due to Mintoff’s repeated requests to meet the U. S. President and the Secretary of State being all turned down flat; while requests from Malta to obtain loans were also refused[23].

Victor Gauchi mentions an interesting example which brings to light the tensed relations between Malta and the U. S. at the time: Gauchi himself was participating in the UN Committee on the Inalienable Rights of the Palestinian people. A report he represented to the General Assembly regarding these rights (1976) was not received well by the U. S. In fact, a U. S. member had approached Gauchi and told him: ‘ You have done us a great disservice!’ as the report was so well balanced that the pro-Israeli U. S. couldn’t ignore it[24].

The U. S. also opposed Malta’s application to get elected in the UN Security Council in the late 1970s. In fact, Malta was not elected in this Council until 1982 after years of setbacks and opposition[25].

Mintoff’s policy was clearly realist as he was bringing the national interest first and foremost, even before the democratic principles of the West. One can also see it through the liberal side as the Maltese government sought to trade with any partner (including pro-USSR countries like North Korea) which was willing to deal with it. Therefore, one can say that because of this new direction in its foreign policy Malta had little to fear from Arab countries and other anti-West nations. However, Dominic Fenech points out that ‘ believing that Malta had nothing to fear from the adversaries of the West was only one step from believing that it had something to fear from the West itself[26].’ In fact, although Malta made agreements with countries like Libya and North Korea, it was still ‘ geopolitically within the Western hemisphere and its external security ultimately relied on the good will of the West, irrespective of which foreign policy Malta opted for[27].’

Maria Depasquale pointed out that ‘ bilateral relations between Malta and U. S. in the early 1980s were quite tensed up with the Maltese PM even refusing to receive the U. S. Ambassador to Malta[28].’ In 1981 an agreement was signed between Malta and USSR with the Soviet Union recognizing Malta’s neutrality and promising to substantiate it[29]. This did not go down well with the U. S. declaring that it could not offer guarantee for Malta’s neutrality, though it respected it (the U. S. were sceptical of Malta’s neutrality especially due to the military agreement it had signed with Libya[30].

Nevertheless Dominic Fenech points out that the treaty which Malta signed with Italy in 1980 calmed down U. S.’ fears about Malta’s foreign policy as Italy was an integral part of the Western hemisphere[31].

When the Nationalists were elected in 1987 bilateral relations with the U. S. improved with Malta’s PM – Dr. Fenech Adami – even meeting President Ronald Reagan in July 1988[32]. Another positive event was the hosting by Malta of the Bush-Gorbachev Summit between 2-3 December 1989. Malta was agreed upon by both superpowers because it was neutral, non-aligned and not a NATO Member[33]. President Bush promised that the U. S. Commerce Department would bring Malta’s investment opportunities to the attention of potential American investors.

This drastic change in Malta’s foreign policy was needed. By 1987, it was clear that the U. S. had gained the upper hand in the Cold War. The Nationalists maintained Malta’s neutrality, yet, they didn’t want it to be caught on the wrong side of the game. This was a realist policy as they were bringing national interest to the forefront. It can also be regarded as a step forward in having a greater role in the Western hemisphere which was the leader of globalisation around the world.

Maria Depasquale recalled that ‘ relations between Malta and the U. S. plummeted in 1993, when the Maltese Government, acting on a presidential pardon, released the Palestinian hijacker Omar Mohammed Ali Rezaq in February that year[34].’ Due to this development, the U. S. House of Representatives voted a unanimous resolution calling for a review in Malta-U. S. Relations[35].

Prof. Guido De Marco – who at the time held the post of foreign minister and deputy PM – points out that ‘ the U. S. government was very sensitive about Malta’s relations with its neighbouring countries[36]‘. This is because although Malta applied sanctions against Libya, it still sought a working relationship with its southern neighbour. Prof. De Marco even mentions a case where the U. S. Permanent Representative at the Waldorf Towers even threatened to impose sanctions on Malta as it had long been in breach of the sanctions against Libya[37]. Therefore, although Malta had bettered its relations with America, bilateral relations could still turn tense especially as the Nationalist government kept on insisting that Malta was neutral first and foremost. Relations became very positive, especially in terms of trade and investment, only at the start of the new millennium.

## Closer Cooperation

In 1997 a Commonwealth Secretariat report on small states pointed out that ‘ for small states, particularly those that are remote from the major markets and commercial and financial centers, the communications revolution has created the possibility of reducing traditional barriers and opened up new opportunities[38]‘. However, barriers between Malta and the U. S. in trade still existed and that is why the Labour government between 1996-1998 brought up the issue of the lack of U. S. investment in Malta. This had always been a sore point between the two countries as there has not been any significant economic assistance to Malta by the U. S.[39].

Trade missions to the U. S. were organized with one of the first trade delegations of Maltese businessmen to the USA leaving on a 10 day business trip in 1999[40]. Maria Depasquale points out that a visit from a delegation of the George Washington University Medical Centre in April 2002 ‘ discussed the possibilities of collaboration with the medical and educational institutions in Malta[41]‘. Relations between Malta and USA continued to strengthen when PM Gonzi met President Bush in October 2005 where International Terrorism was discussed amongst other things. In May 2006 Malta and the U. S. signed the Extradition Treaty and the Treaty on Certain Aspects of Mutual Legal Assistance in Criminal Matters, while in September of the same year the Maltese deputy PM Tonio Borg visited Washington DC to discuss illegal immigration and the Visa waiver programme[42].

On the issue of illegal migration the U. S. was certainly the country which helped Malta most especially with its resettlement program. In fact, in April 2008, some 15 Somali refugees departed to the U. S. and by December of 2009 the total number of departures were up to 391 immigrants. Maria Depasquale confirmed that ‘ this programme is expected to continue over the coming months[43]‘.

On 8th August 2008 the Double Taxation Agreement was signed with the U. S. This is expected to facilitate growth in bilateral trade and services. In fact, Malta exported 240 million Euros worth of goods and services to the U. S. in 2008. Through this new agreement Malta will also be seen as a favourable base for the USA companies in North Africa[44]. In December of the same year Malta officially became a member of the U. S. Visa Waiver programme. As a result of this, Maltese nationals wishing to visit USA for a period not exceeding 90 days would not require a visa but would only have to fill in the online Electronic System for Travel Authorization (ESTA). Malta is the 22nd member state of the EU to join the VWP[45].

## Other Social and Economic Aspects

In an interview I conducted with Lisa Mifsud, the difference in the standard of living between Malta and the U. S. in the late 1980s was quite evident. Lisa, who was born and lived in the U. S. between 1975-1986, couldn’t understand why they didn’t have colour TV and other commodities in Malta. ‘ Being a child these things were what mattered most for me,’ she insisted[46].

However, life in Malta progressed rapidly from 1987 onwards and Lisa even confirms that ‘ life in Malta was even more tranquil than in the States’. In the U. S. there are greater problems of crime, security and poverty than in Malta. An interesting factor which came out from this interview is that ‘ many Maltese living in America choose to come to Malta just for healthcare’ (Lisa’s aunt being one such Maltese). This shows that the biggest problem in the U. S. is the medical. The irony is that a great power like the U. S. is unable to provide its citizens a decent, government supported health service[47].

In an address he made in 2007, the Finance Minister Tonio Fenech (who at the time was Parliamentary Secretary in the Ministry of Finance) pointed out that U. S. tourism increased by 27% in 2007[48](see Table 1 below). On the social level, Fenech confirmed that ‘ we are inextricable linked through social ties created by Maltese migrants over the years[49]‘.

If one takes a look at Tables 2 & 3 (below), it is evident that the U. S. is prominent for Maltese exports. In fact, Malta exports more products than it imports from the U. S. Table 4 (below) is a further indication of how successful the economic agreements between the two countries were. It shows the rapid increase in Ship Repairs on American vessels in Malta (particularly in the Dry Docks).

Fenech also pointed out that in 2007, one in fifty Maltese employees work for a U. S. owned organisation in Malta. Apart from that in terms of FDI, Malta managed to attract U. S. $1. 8 billion to its shores[50].

Tables

## Table 1[51]:

## Table 2[52]:

## Table 3[53]:

## Table 4[54]:

## Conclusion

This assignment has shown that although sometimes they faced difficulties, Malta-U. S. Relations were on the whole cordial and stable. The rapid rise in investment in the last decade has strengthened the bond between the two countries. The new U. S. Ambassador to Malta, Douglas Kmiec, has even spoken of promoting green technology in Malta[55].

The neutrality status entrenched in Malta’s Constitution is an aspect which the U. S. has never really liked. In fact, the recent Kmiec’s declaration, that Malta should change its constitution to do away with its neutrality, is a clear evidence of this[56]. Theoretically we can describe the current relations between the two countries as realistic (especially from Malta’s point of view as it is in Malta’s national interest to increase economic and political relations with the U. S.) and also rational due to the recent bilateral agreements.