

Confidential Filing

Visit by Dr. Fenech Adami, Leader of the
Maltese Nationalist Party.

MALTA

S
806

October 1979

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
15.10.79							
7.11.79							
1.6.81							
<p>PREM 19/522</p>							

SUBJECT

Copied to
master.



10 DOWNING STREET

From the Private Secretary

1 June 1981

Dear Francis,

CALL BY DR. FENECH ADAMI

Dr. Fenech Adami, the Leader of the Opposition Nationalist Party in Malta, called on the Prime Minister this afternoon. He was accompanied by Mr. Cachia-Caruana.

Dr. Fenech Adami told the Prime Minister that he was confident that the Nationalist Party would win the forthcoming election. Mr. Mintoff had recently lost ground politically in Malta. In reply to a question from the Prime Minister, Dr. Adami said that he believed that there would be a reasonably fair and free election. Mr. Mintoff would no doubt try to fiddle the results but he would not want to be seen to be doing so too blatantly. The Nationalist Party had made it plain that it was prepared to defend itself if attacked: since they did so (at the time when Dr. Adami's wife was attacked) they had experienced less trouble. The attitude of the police, in particular, was improving. They were evidently anticipating the possibility of a change of Government following the election.

Dr. Adami said that the Nationalist Party regarded Mr. Mintoff's agreement with Italy as sensible insofar as it improved Maltese links with Western Europe. However, they disagreed with Mr. Mintoff's efforts to secure the neutralisation of Malta. They did not agree that Malta's position should be equidistant from East and West.

Dr. Adami said that the Nationalist Party favoured membership of the European Community provided the terms were right. Mr. Mintoff did not appear to have made up his mind. He would shortly be sending a Minister to Brussels to renegotiate the terms of the EC/Malta Association Agreement which had expired at the end of 1980. Mr. Mintoff had recently claimed that he had been asked by the European Commission in 1979 whether he wanted membership of the Community and replied that he did not. Pressure should be put on him by the Community in the course of the renegotiation of the Association Agreement to make his position on the question of membership absolutely clear.

/ Dr. Adami

CONFIDENTIAL

Dr. Adami described the background to his visit earlier this year to Libya. He said that his impression was that relations between Colonel Gadhafi and Mr. Mintoff had completely broken down. Dr. Adami claimed the credit for Colonel Gadhafi's decision to lift the Libyan trade boycott against Malta. He said that Colonel Gadhafi had been very critical of Mr. Mintoff and had related a number of unflattering stories about him.

Of Mr. Mintoff's decision to allow Soviet ships to bunker in Malta, Dr. Adami said that Mr. Mintoff appeared indifferent to the fact that the decision was a breach of the spirit of his agreement with Italy. Mr. Mintoff's position was that it was no business of his what use the Soviet ships made of the oil they had taken on board once they left Malta's territorial waters.

Yours ever

Richard Alexander

Francis Richards, Esq.,
Foreign and Commonwealth Office.



Foreign and Commonwealth Office

London SW1A 2AH

27 May 1981

Dear Michael,

Malta

/ I enclose a brief for the Prime Minister's
// meeting with Dr Edward Fenech Adami, leader of the
Malta Nationalist opposition party, at 3.00 p.m. on
1 June (your letter of 29 April). I also enclose basic
statistics on Malta and a note on Dr Fenech Adami.
He will be seeing the Lord Privy Seal on 2 June and Mr Pattie
at the Ministry of Defence on 3 June. The Nationalist
Party representative in London is arranging additional
calls.

Dr Fenech Adami's visit is a private one but is
evidently made in the context of the elections which
must be held in Malta by February 1982 and are widely
expected this autumn. He will probably wish to
talk about political conditions in Malta. He may ask
for support over his ambition to bring Malta into
the European Community. With the Maltese-Italian neutrality
and aid agreement just ratified, he might if Signor
Forlani's visit is going ahead, ask the Prime Minister
to press him not to allow money to get through to
Mr Mintoff ahead of the elections.

I am copying this letter to N A Fuller (Private
Secretary to Mr Pattie, MOD).

Yours ever
Roderic Lyne

(R M J Lyne)
Private Secretary

M O D'B Alexander Esq
10 Downing Street
LONDON
SW1

PRIME MINISTER'S MEETING WITH THE LEADER OF THE MALTA OPPOSITION:
2 JUNE 1981

Points to Make

1. Timing of elections? What sort of campaign: main issues? Outcome?
2. What will be main planks of your own election programme? Hope Conservatives helping as much as proper and useful.
3. Perturbed at signs of increased Soviet influence in Malta. Serious if bunkering agreement used to service Soviet Mediterranean fleet.
4. Regret that Maltese side should have tried since 1979 to set conditions for a normal, cordial relationship. Not prepared to deal on that basis. Need to drop unreasonable demands and conditions and get our dealings back onto close, mutually beneficial basis.
5. [Defensive]. Unwise to give any commitments over seeking EC membership ahead of taking office.

Background

Foreign Policy

6. On 31 March 1979, the Military Facilities Agreement expired and the last of the British armed forces left. Italy has since taken the lead for the West in dealings with Malta. Malta remains strategically important but Mr Mintoff's declared foreign policy aim is to make the island a neutral and non-aligned focal point in a demilitarised Mediterranean. He also seeks aid to replace British military spending; and constantly tries to play off East and West, getting money from both. Malta developed an intense relationship with Libya in 1979/80; Libya built up a large commercial and military presence and gave substantial aid (including oil). The relationship collapsed in August 1980, when the Libyan Navy prevented exploration for oil in disputed waters.
7. Attempts from 1976 to involve Italy, France, Libya and Algeria in a five-way pact guaranteeing Malta's neutrality and giving aid petered out. But, immediately following the breach with Libya, Malta concluded with Italy alone a Neutrality Agreement, under which Malta declared her neutrality, which Italy agreed to respect, granting \$ 95 million aid over

/five

five years (Agreement signed 15 September 1980 and ratified on 8 May). Malta would like others to sign similar agreements but has found no takers so far.

8. Malta signed merchant shipping and bunkering agreements with the USSR in January. The bunkering agreement allows Soviet merchant ships to take on Soviet fuel stored in former NATO storage facilities. The fuel could, however, be used to bunker the Soviet Mediterranean squadron at sea. In May, Malta seemed close to trade and air services agreements (allowing Aeroflot flights to stage at Luqa).

9. Malta has an Association Agreement with the European Community and hopes both to secure agreement to disburse loans already offered, which are unspent because Malta imposes a 3% interest rate ceiling, and a further financial protocol. The Maltese are pressing for an early Association Council meeting at Ministerial level.

10. Nationalist Party policy is to strengthen links with Europe while retaining friendly links with neighbours (eg Libya). The policy of seeking full membership of the EC has been encouraged by EDU member parties out of power but is not supported by any EC member Government.

Malta Internal

11. Malta gained independence from Britain in 1964 and is a republic within the Commonwealth. General elections must take place by February 1982 and are widely expected this autumn. Mr Dom Mintoff's Labour Government, in power since 1971, holds 34 of 65 seats in the unicameral parliament.

12. Malta's foreign reserves are in good shape and there may be scope for an expansionary budget before the elections. But unemployment is rising; tourism is faltering and observers (including IMF) criticise lack of industrialisation. The Government's 'socialisation' of health and education, its attempts to reform the judicial process (to bring it more under Government control), and doubts over its intention to adhere to democratic norms, have disillusioned many Maltese. The Nationalist Party claim to have revitalised their image and organisation but Dr Adami lacks Mr Mintoff's persuasive personality; and their election strategy relies chiefly on criticising Mintoff.

/Anglo-



Anglo-Maltese Relations

13. Since the British military withdrawal in 1979 relations have been cool, although trade and tourism continue at reasonable levels. British tourists make up 70% of foreign visitors to Malta. There is a modest technical cooperation programme (about £100,000 p.a.)

14. Mr Mintoff insists that there can be no improvement in Anglo-Maltese relations, and periodically issues threats, until Britain:

- (i) clears the islet of Filfla of unexploded ordnance;
- (ii) clears bombs and wrecks from Maltese waters;
- (iii) concentrates the four War Graves cemeteries into one.

The Nationalists have been lending half-hearted support to Mr Mintoff's campaign, notably at the Council of Europe.

15. The British Government have resisted the demands, for which there is no legal basis. It is technically impossible to clear Filfla; an offer to consider help in the context of specific plans affected by bombs or wrecks has been made; the Maltese have been told to deal with the CWGC over the cemeteries - a number of nationalities are buried there - if there is urgent public need for the land (there is not).

CONFIDENTIAL

FENECH 'ADAMI, THE HON DR EDWARD (EDDIE) BA, LL.D

Leader of the Opposition Nationalist Party and Shadow Minister of the Interior.

Born 7 February 1934.

Educated St Aloysius College, Birkirkara. University of Malta 1951-55; BA Arts. 1958
Doctor of Law.

Entered politics in 1961 and became an MP in 1969. 1962-69 Editor of the Nationalist Party Newspaper "Il-Poplu". Failed to get a seat in 1962 and 1966 General Elections. In 1969 he was co-opted into Parliament following the death of another Nationalist MP. Assistant General Secretary of the Party for 12 years. 1974 appointed Chairman of both the General and Administrative Councils. Elected Leader in April 1977.

A quiet, thoughtful man of undisputed moral and financial integrity. He had been strongly tipped to be the compromise candidate to succeed Dr Borg Olivier despite having no Cabinet experience and emerged from the internal leadership struggle with his reputation as "a nice guy" in tact. Although somewhat lacking in political subtlety and aggressiveness his considerable strength of character and determination have enabled him to establish himself, in the face of considerable difficulties, as undisputed leader of the party with the support of its younger members. He leads the Party from the left of centre and appears to have deliberately adopted a cautious style in opposition seeking to avoid appearing unduly partisan or devious. For many this approach contrasts well with Mr Mintoff's political cunning and ruthlessness. His dignified and effective handling of the violent events of 15 October 1979, which included the ransacking of his house and the roughing up of his wife by Labour Party thugs, enhanced his personal standing in the Nationalist Party and in some degree more widely. His 3 years as Leader of the Opposition have established him as a credible potential Prime Minister.

Married with 5 children to a friendly, homely woman whose interests are fundamentally those of a fairly simple Maltese housewife, but who has recently gained in dignity and ability to converse.

MALTA: BASIC STATISTICS

1. Population and Land Area

(a) Land Area	316 Km ²
(b) Population	344,000
(c) Population Growth Rate (1975-1978)	1.2 % p.a.

2. Economic

(i) Gross National Product

1979

(a) Total	890	US\$million
(b) Growth Rate (GDP at constant prices) (1979/80)	8.2	% p.a.
(c) Position in Total GNP League Table	=126	(of 173)
(d) Per Capita	2640	(US\$)
(e) Position in Per Capita League Table	61	(of 173)

(ii) Overseas Finance

(a) Exchange Rates

1979

1980

Currency

£1 Sterling =	0.759	0.803	Maltese Pounds
US\$1 =	0.358	0.345	' '

(b) Balance of Payments

1979

1980

US\$ million

Exports	442.4	502.4
Imports	-679.7	-834.9
Invisibles & Transfers (net)	289.6	457.3

Current Account	52.3	124.8
Capital Account	-1.5	n.a.
Balancing Item	4.5	n.a.

Overall Balance 55.3 n.a.

(c) International Reserves

1979

1980

US\$ million

Total Reserves	1012.7	990.1
Months of Imports covered	13.2	10.9

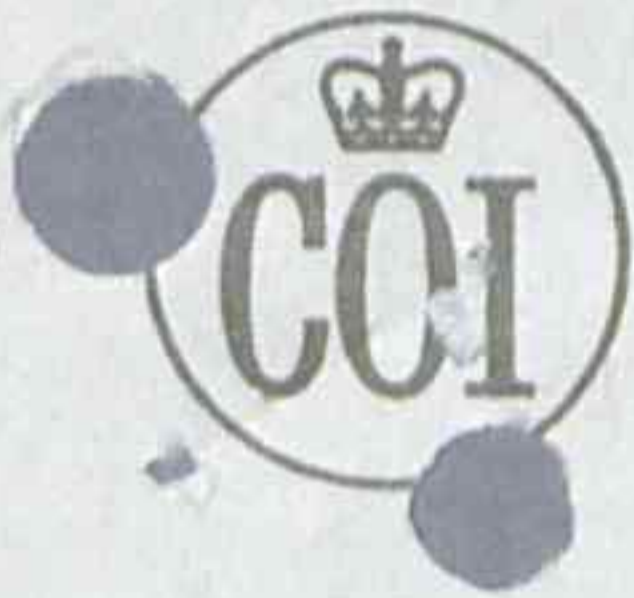
/(iii)

(iii) Foreign Trade

<u>Main Export Markets</u>	<u>1976</u>	<u>1979</u>	%
F R Germany	29.2	37.2	
UK	19.9	21.3	
Libya	11.3	7.5	
<u>Main Import Sources</u>	<u>1976</u>	<u>1979</u>	%
Italy	17.5	22.0	
UK	24.4	21.3	
F R Germany	10.4	14.2	
U S A	10.2	6.2	
<u>UK Trade with Malta</u>	<u>1975</u>	<u>1980</u>	
Total UK Exports	40.8	87.5	£ million
Real Growth of Exports (five years ending)	n.a.	2.0	% p.a.
Position in UK Export League Table	n.a.	65	(of 151)
(iv) <u>Inflation</u>	<u>1979</u>	<u>1980</u>	% p.a.
Consumer Price Index	7.2	15.7	
(v) <u>Overseas Debt</u>	<u>1979</u>	<u>1980</u>	%
(a) Debt Service Ratio	0.40	0.29	
(b) Overseas Debt/Exports	7.55	n.a.	
(c) Overseas Debt/GNP	7.4	7.7	

Division of seats in House of Representatives:

Malta Labour Party: 34
Malta Nationalist Party: 31



Central Office of Information

PAGE 4

With the compliments of

Kathleen Farley

Hercules Road, London SE1 7DU

Telephone 01 - 928 2345 Ext *480*



Malta

TR2/1220

Programme of arrangements made by the
Central Office of Information for the
Foreign and Commonwealth Office

The Hon Dr Edward FENECH ADAMI
Leader of the Nationalist Party and Shadow Minister for Labour and
Social Affairs

with

The Hon Dr Vincent TABONE
Nationalist Party Spokesman on Foreign Affairs

and

The Hon George BONELLO DUPUIS
Nationalist Party Spokesman for Trade, Industry and Tourism

Valletta

MALTA

4 - 9 November 1979

Accompanied by Mrs P D Ferguson, Central Office of Information

Sunday 4 November

ARRIVAL IN LONDON

18.10

Arrive London (Heathrow) Airport by British Airways flight BA 553 from Malta.

Welcomed in the De Havilland Suite by Col Hugh Docherty, OBE, representing the Foreign and Commonwealth Office; and Miss Kathleen Earley, Central Office of Information.

18.30

Leave the De Havilland Suite in car.

Later

Arrive at the Selfridge Hotel, Orchard Street, London W1 (Tel: 01-408 2080), where accommodation has been reserved.

Monday 5 November

PROGRAMME DISCUSSION
ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS
LECTURE BY DR FENECH ADAMI
TRADES UNION CONGRESS
RECEPTION

10.00 -
10.45

Joined in the hotel by Dr L K Carley, Head, Europe Group, Overseas Visitors and Information Studies Division, Central Office of Information.

Miss Kathleen Earley will discuss the programme.

Mr Malcolm Ives will represent the Foreign and Commonwealth Office.

12.30

Leave hotel in car accompanied by Mrs P D Ferguson, COI, who will accompany the visitors to their appointments.

13.00

Arrive Royal Institute of International Affairs, Chatham House, 10 St James's Square, SW1.

Met by Miss Heather Weeks, Deputy Meetings Secretary.

Attend a buffet lunch with senior members of the Institute's staff and specially invited guests.

13.30

Dr Fenech Adami will give the lunchtime talk: "Malta: Its place in Europe".

14.45

Leave Chatham House in car.

15.15

Arrive at the Trades Union Congress, Congress House, 23/28 Great Russell Street, WC2.

Received for discussions by Mr Norman Willis, Deputy General Secretary.

Monday 5 November cont'd

16.15 Leave Great Russell Street by car for return to hotel.

18.00 Leave hotel by car.

18.30 Arrive at 64 Avenue Road, St. John's Wood, NW8.

Attend a reception given by the Friends of Malta, G.C.

Welcomed by Capt. J R G Trechman, R.N, Chairman.
Hosts: Mr. Basil Lindsay-Fynn, President, and
Mrs. Lindsay-Fynn.

Later Leave Avenue Road by car for return to hotel.

Tuesday 6 November

CONSERVATIVE PARTY
ADVISORY, CONCILIATION AND ARBITRATION SERVICE
NATIONAL ECONOMIC DEVELOPMENT OFFICE

09.30 Arrive A.C.A.S. Cleland House, Page Street, SW1, for
discussions with Mr H Bainbridge and Mrs P H B Bailey,
Departmental Directors.

11.00 Arrive N.E.D.O, Millbank Tower, Millbank, SW1, for
discussions with Mr Homan, Assistant Industrial Director.

12.55 Arrive at the Dorchester Hotel, Park Lane, W1.

Met in the main reception area by Miss Rosemary
Spencer, Assistant Director, International Office,
Conservative and Unionist Party.

13.00 Attend a lunch as guests of the Conservative Party.

Host: Sir Anthony Royle, KCMG, MP, Chairman of the
International Office and Vice Chairman of the
Conservative and Unionist Party.

Later Return by car to the Conservative Central Office,
33 Smith Square, SW1.

Continue discussions with Mr John Bowis, Director
of Community Affairs, and members of the Press Office.

Later Leave Smith Square by car.

17.10 Arrive at the Palace of Westminster.

17.15 Met in the Central Lobby by Mr Peter Bottomley MP,
Honorary Secretary of the Conservative Party
Parliamentary Backbench Committee on Foreign and
Commonwealth Affairs.

Discussions will follow in Committee Room 10.

Later Leave Palace of Westminster by car.

20.00 Attend an orchestral concert given at the Royal Festival
Hall by the London Philharmonic Orchestra conducted by
Bernard Haitink.

Wednesday 7 November

SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS
CONFEDERATION OF BRITISH INDUSTRY
COMMONWEALTH PARLIAMENTARY ASSOCIATION LUNCH
MINISTER OF STATE FOR TRADE
THE PRIME MINISTER
"THE DAILY TELEGRAPH"

Leave hotel in car

09.55 Arrive Foreign and Commonwealth Office, King Charles Street, SW1.

10.00 Received by the Rt Hon The Lord Carrington, KCMG, MC, Secretary of State for Foreign and Commonwealth Affairs.

10.20 Leave King Charles Street in car.

11.30 Arrive at the Confederation of British Industry, 21 Tothill Street, SW1.

Received by Mr Hugo Herbert-Jones, Director, International Affairs, and Mr Graham Mason, Deputy Director, and Miss Jane Killick, Head of European Support Department.

12.30 Leave Tothill Street by car.

12.45 Arrive at the Houses of Parliament, St Stephen's Entrance.
for
13.00

Lunch as guests of the Commonwealth Parliamentary Association.

Host: Mr Peter Cobb, Secretary.

14.45 Leave Palace of Westminster by car.

14.55 Arrive at the Department of Trade, 1 Victoria Street, SW1.

15.00 Received by Mr Cecil Parkinson MP, Minister of State for Trade.

15.30 Leave Victoria Street by car.

16.10 Arrive at 10 Downing Street W1.

16.15 Received by the Rt. Hon. Margaret Thatcher, Prime Minister and First Lord of the Treasury.

Later Leave Downing Street by car.

18.30 Arrive at the office of "The Daily Telegraph", 135 Fleet Street, EC4.

Received by Mr William Deedes, Editor; Mr E H Marsh, Foreign Editor, will also be present for further discussions.

Later Leave Fleet Street by car for return to hotel.

Thursday 8 November

BRITISH BROADCASTING CORPORATION (BBC)
PALACE OF WESTMINSTER
LUNCH WITH MEMBERS OF PARLIAMENT
HOUSE OF COMMONS
OPPOSITION SPOKESMAN ON FOREIGN AFFAIRS

- 10.00 Leave hotel by car.
- 10.25 Arrive at the B.B.C., Broadcasting House, Portland Place, W1.

Met by Mr Stephen Kanocz, Senior Liaison Officer, International Relations.
- 10.30 Received by Mr Peter Hardiman Scott, Chief Assistant to the Director-General.
- 11.30 Leave Portland Place by car.
- 12.00 Arrive Palace of Westminster, SW1 (St Stephen's Entrance).

Met in the Central Lobby by Sir Nigel Fisher M.C., Conservative Member of Parliament for Kingston-upon-Thames, who will show the visitors around the Palace of Westminster.
- 12.45 Arrive the Harcourt Room for lunch with Members of
for Parliament representing the Government and Opposition
13.00 Parties.

Host: Sir Nigel Fisher M.P.
- 14.30 Attend Question Hour in the House of Commons from seats in the Strangers' Gallery.
- 16.15 Met in the Central Lobby of the House of Commons by the Right Hon Mr Peter Shore, M P, Principal Opposition Front Bench Spokesman for Foreign and Commonwealth Affairs.

Friday 9 November

DEPARTURE FROM BRITAIN

- 10.30 Leave hotel by car with luggage.
- 11.15 Arrive at the Kingsford Smith Suite, London (Heathrow) Airport.
- 12.15 Depart on Air Malta flight KM 101.

Programme Organiser: Miss Kathleen Earley
Central Office of Information
Hercules Road,
London SE1.

Tel: 01-928 2345 Ext. 480

TR2/1220

CENTRAL OFFICE OF INFORMATION

Revised background note on the visit of

THE HON DR EDWARD FENECH ADAMI, BA, LL.D

Leader of the Nationalist Party and Shadow Minister for Labour and Social Affairs
with

THE HON DR VINCENT TABONE

Nationalist Party Spokesman on Foreign Affairs

and

THE HON GEORGE BONELLO DUPUIS

Nationalist Party Spokesman for Trade, Industry and Tourism

Valletta

MALTA

4 - 8 November 1979

Accompanied by Mrs P D Ferguson, Central Office of Information

Dr Fenech Adami will be visiting London at the invitation of the Foreign and Commonwealth Office. He will be having meetings with the Prime Minister and with the Secretary of State for Foreign and Commonwealth Affairs. Dr Fenech Adami will, amongst other things, give the lunch-time lecture at Chatham House on 5 November.

Dr Fenech Adami is 45. He was educated at St Aloysius College, Birkirkara and from 1951-55 at the University of Malta, BA Arts, 1958. Doctor of Law. He entered politics in 1961, became an MP in 1969 and was elected Leader of the Nationalist Party in April 1977. From 1962-69 he was editor of the Nationalist Party's newspaper "Il-Poplu".

Hon Dr Vincent Tabone is 65. He was educated at St Aloysius College and from 1930-37 at the University of Malta (PhC 1933 MD 1937). Secretary-General Nationalist Party 1962-72. Deputy Leader 1972-77. Member of the Party's Executive Committee and MP since 1966. Minister of Labour, Employment and Welfare 1966-71. Represents his Party at Council of Europe

Dr Tabone is a leading eye surgeon and graduate of both London and Edinburgh Universities and has held appointments at both the Moorfields and Royal Eye Hospitals in London and Addenbrooke's Hospital in Cambridge. Member of various WHO Trachoma Committees; and President, Medical Officers' Union 1954-1962.

Hon George Bonello Dupuis is 50. He graduated from the University of Malta in 1952. LL.D. In 1962 he was elected as a Christian Workers Party Member of Parliament. In 1971 he stood for the Nationalist Party and was elected to Parliament. He is the Cashier of the Nationalist Party and on their Administrative Council and Press Board. He is a keen supporter of both Maltese and English football and has been Chairman of Sliema Wanderers Football Club since 1962.

Programme Organiser: Kathleen Earley
Overseas Visitors and Information Studies Division
Central Office of Information
Hercules Road, London SE1

Tel. 01-928 2345, Ext 480

CONFIDENTIAL



JHP
Co Master Set.
Malta

10 DOWNING STREET

From the Private Secretary

7 November 1979

CALL BY DR. FENECH ADAMI

Dr. Adami called on the Prime Minister this afternoon at the House of Commons as arranged. Much of the talk was about Party matters and I shall not be producing a formal note of the talk. This letter records two points which may be of interest.

Dr. Adami, who described in some detail the attack on his home and his wife, said that Mintoff's only chance of surviving the next election lay in intimidation and violence. The Nationalist Party was doing well and a recent rally following the incident on Dr. Adami's house had been enthusiastically attended. But Dr. Adami was concerned as to whether the results of an election would be respected. He feared that there might be some form of intervention. He referred in this connection to the fact that there were now between two and three thousand Libyan students in Malta. Dr. Adami initially implied that the students would need to keep Mr. Mintoff in power but later seemed to imply that they might even intervene against Mr. Mintoff if they did not think he was taking a sufficiently strong line.

The other point of interest made by Dr. Adami was that the Nationalist Party's commitment to Europe was becoming a political issue in Malta. They would like to see Malta join the EEC although the Labour Party in Malta were opposed to Malta's membership, the Nationalist Party were rallying support in other member countries. Dr. Adami said that he had recently had a sympathetic hearing in Germany. He did not think that Maltese membership would create any problems for the Community. Although given an opening to express a view, the Prime Minister gave no indication whatever of HMG's likely attitude to an application for membership from a Nationalist Government in Malta.

M. O'D. B. ALEXANDER

Paul Lever, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

SB

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

1 November 1979

Dear Michael,

Visit by Leader of the Maltese Nationalist Party

In your letter of 15 October you said that the Prime Minister would be prepared to see Dr Fenech Adami for ten minutes at 16.15 on 7 November. I enclose a brief for the call, together with a personality note.

Yours etc

Paul

(P Lever)
Private Secretary

M O'D B Alexander Esq
10 Downing Street
LONDON

CONFIDENTIAL



VISIT BY LEADER OF MALTESE NATIONALIST PARTY: 7 NOVEMBER 1979

POINTS TO MAKE

1. Concern at recent violence in Malta; sympathy over attack on Dr Fenech Adami's wife. Isolated, deplorable incident, or something more? Encouraged to see Times is still being printed.
2. How does Nationalist Party see Malta's position in the world following end of British military presence (31 March 1979)? How does this contrast with Mr Mintoff's view? How is the Libyan position viewed?

BACKGROUND

Visit to UK

3. Visit is at his own request under COI auspices. Other calls will include Foreign and Commonwealth Secretary, Ministry of Defence, Leader of Opposition, TUC and CBI, a Conservative Central Office lunch; an address at Chatham House. He met the Prime Minister during the EDU conference in July.

Political Situation

4. Malta became independent in 1964 and a Republic in 1974. Mr Dom Mintoff has been leader of the Malta Labour Party (MLP) for 30 years and Prime Minister since 1971. His style of government has become increasingly autocratic and he has gradually tightened control over the police, civil service and media. Nationalist Party opposition has been relatively ineffective but has become slightly more forceful since Dr Fenech Adami became party leader in 1977. The next general elections are due in 1981.

5. On the night of 15 October, the occasion of a large demonstration to mark Mr Mintoff's 30th anniversary as MLP leader, gangs of MLP extremists broke into and burned offices of the "Times" (formerly "Times of Malta", owned by Miss Mabel Stickland)

/ransacked



ransacked Dr Fenech Adami's house and attacked his wife. Nationalist Party have demanded an inquiry into lack of action by police and the punishment of those responsible. No arrests have been made although the identity of the attackers is known.

6. While not the first time Mintoff supporters have sought physically to intimidate the Opposition, these were the worst incidents in recent years. It is probable that Mr Mintoff condoned, even if he did not instigate, them. The Nationalist Party seem to have gained domestic support as a result. But, should present tendencies continue unchecked, 1981 election may not take place without interference.

7. Dr Fenech Adami may hope to attract funds from Britain for the Nationalist election campaign. None are available from official sources.

Foreign Affairs

8. Mr Mintoff has for years been trying to turn Malta away from its traditional position as part of Western Europe to a non-aligned and, more specifically, pro-Arab position. He has also flirted, so far inconclusively, with the Soviet Union. Aid from Arab sources, and in particular from the Libyans (Mr Mintoff has an intermittently close but stormy relationship with Colonel Gaddafi) has so far not been substantial. Meanwhile Mr Mintoff wishes to persuade the French and Italians to grant substantial aid in return for a guarantee by them and leading Arab states of Maltese neutrality which would exclude both super-powers from enjoying facilities in Malta. The Nationalist Party foreign policy line is more conventionally pro-Western and there has been talk of their seeking Maltese accession as a full member of the EEC.

Anglo/Maltese Relations

9. Relations with the UK have been easier since the British military withdrawal was completed on 31 March, although the

/British

CONFIDENTIAL



British Council offices were closed after harassment by Mr Mintoff during a dispute over textile exports to Britain. Disagreements over a number of bilateral issues remain; no significant improvement seems likely so long as Mr Mintoff remains in power.

10. British exports in 1978 accounted for 26% of total Maltese imports (£69.2m), and the UK is Malta's second largest export market (20.4% of total exports in 1978). 65% of tourists to Malta in 1978 were British, and tourism contributed over 35% of Malta's export earnings. Britain runs a small Technical Cooperation Programme totalling £1m, of which about half has been disbursed.

Southern European Department
Foreign and Commonwealth Office
31 October 1979

CONFIDENTIAL



MALTA: BASIC STATISTICS

Land Area: 316km²

Population (1978): 327,400

Exchange rate: £M1=£stg 1.31

	<u>£M</u>	
	<u>1978</u>	<u>1977</u>
Gross Domestic Produce:	277.7	
GDP per Capita (1977): US\$1700		(UK:US\$4,370)

Balance of Payments

Trade Balance:	-63.4m	-64.6m
Current Account:	31.5m	18.6m
Gross Official reserves:	339m	284m

Trade

Imports: Total	221.5m	
EEC countries	160.4m	
UK	69.2m	
FRG	28.4m	
Italy	43.8m	
Exports: Total	117.2m	
EEC countries	88.3m	
UK	26.2m	
FRG	42.8m	
Libya	8.2m	
Inflation:	4.7%	10%
Unemployment:	3.5%	4.2%

Division of seats in House of Representatives:

Malta Labour Party: 34

Malta Nationalist Party: 31.



CONFIDENTIAL

FENECH ADAMI, THE HON DR EDWARD (EDDIE) BA, LL.D

Leader of the Opposition Nationalist Party and Shadow Minister for Labour and Social Services.

Born 7 February 1934.

Educated St Aloysius College, Birkirkara. University of Malta 1951-55; BA Arts. 1958 Doctor of Law.

Entered politics in 1961. 1962-69 Editor of the Nationalist Party Newspaper "II-Poplu". Failed to get a seat in 1962 and 1966 General Elections. In 1969 he was co-opted into Parliament following the death of another Nationalist MP. Assistant General Secretary of the Party for 12 years. 1974 appointed Chairman of both the General and Administrative Councils. Elected Leader in April 1977.

A quiet thoughtful man whose lack of flamboyance does not stand him in good stead at the hustings; but he has few enemies in the Party. He emerged with his reputation as "a nice guy" intact from the internal struggle over the removal of and succession to Dr Borg Olivier. Though his unwillingness to put the boot in while the old leader clung on gave the impression of faint-heartedness, he has made a confident start amid the enthusiastic support of the younger Party members and may turn out to have more determination than his older colleagues gave him credit for.

Married with five children; his wife was beaten up by MLP thugs when they broke into the Fenech Adami house in mid-October.

CONFIDENTIAL

RESTRICTED

Malta
HS

BF ~~21.10.79~~
for briefing

15 October 1979

Visit by the Leader of the Maltese Nationalist Party

You wrote to me on 12 October about Dr. Fenech Adami's visit to London next month. The Prime Minister would be prepared to see Dr. Adami for ten minutes. She will be available to do so at 1615 on 7 November.

M. O'D. B. ALEXANDER

Paul Lever, Esq.,
Foreign and Commonwealth Office.

RESTRICTED

DSG

RESTRICTED

10 mins. net.



Foreign and Commonwealth Office

①

London S.W.1

12 October 1979

Prime Minister

It would be possible for you to see Dr Adami in this period. Because of the Mintoff point at X I am slightly against your seeing him. But there is very little in it one way or the other (Feb 1982 Dear Michael, is some way off) Decline?

Mintoff 12/10

Visit by Leader of Maltese Nationalist Party

Dr Fenech Adami, Leader of the Nationalist Party and of the Opposition in Malta, is to visit Britain from 5 to 8 November under the auspices of the Central Office of Information. The Foreign and Commonwealth Secretary has agreed to see him on 7 November. Dr Fenech Adami has now asked if he might make a brief courtesy call on the Prime Minister, who met him earlier this year during the EDU Conference in London.

A general election is due in Malta in February 1982; there is a reasonable chance that the Nationalists will win and Dr Fenech Adami take over as Prime Minister from Mr Mintoff. Dr Fenech Adami is generally friendly towards Britain; he would probably be less difficult to deal with than Mr Mintoff and his Malta Labour Party.

X The Foreign and Commonwealth Secretary does not think it necessary for the Prime Minister to receive Dr Fenech Adami but would see no objection should she wish to do so. Mr Mintoff, who has not yet met the Prime Minister, might react badly. But it would be entirely unexceptionable for the Prime Minister to receive the Leader of the Opposition from a Commonwealth country, who is also leader of a party which has close ties to the Conservative Party, eg through the EDU.

Yours etc

Paul

(P Lever)
Private Secretary

M O'D B Alexander Esq
10 Downing Street
LONDON

RESTRICTED