

**Ideological and Strategic Shifts
from Old Labour to New Labour In Malta**

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Declaration

I hereby declare that the work in the dissertation entitled “Ideological and Strategic Shifts from Old Labour to New Labour In Malta”, presented to the Faculty of Arts at the University of Malta for the degree of Master of Arts in Sociology, during October 2001, is my own original work.

Michael Briguglio

To Penelope Zammit whose love helped me move on.

Preface

On emerging victors in the general elections held on October 26th, 1996, the Malta Labour Party gave the impression that it was going to create a modern Malta, which would once and for all do away with patronage and partisan politics. New Prime Minister Alfred Sant had previously managed to cleanse his Party of its violent imagery, transforming the Malta Labour Party from one which was associated with arrogant governments lead by an authoritarian yet charismatic leader, Dom Mintoff, to a modernised party led by a relatively young and modern leader who accepted to work with all those who wanted to modernise Malta. Labour gave the impression that it was ready to work for the *Citizen* and not only for *Labourites*.

New Labour only managed to stay in power for twenty-two months.

Sant's government, which had a one-seat parliamentary majority, faced an imminent problem: unsustainable national debt. His government tackled this problem by means of austerity measures, and this, together with a parliamentary rebellion by Dom Mintoff himself, as well as other factors, led to the downfall of the New Labour government in 1998. Dom Mintoff, the symbol of the Malta Labour Party for around half a century, no longer remained 'the saviour' for Labourites. He became a traitor. At the same time, Alfred Sant's hold on the Party remained as strong as ever.

When New Labour lost the general elections on September 5th, 1998, I was looking for a research topic for the main part of my Masters Degree in Sociology. New Labour was a temptation I could not resist.

Hence, I decided to compare the Malta Labour Party under Sant with that under Dom Mintoff and his successor Karmenu Mifsud Bonnici. I wanted to carry out a sociological analysis, free as much as possible from myth and propaganda, to analyse the similarities and the contrasts between 'Old' and 'New' Labour. I thought that the best way to do this was to analyse the ideological and strategic shifts from the one (Old Labour) to the other (New Labour).

It has taken me three long years to carry out this study, and I had never assumed that there would be so many complexities on the issue. I found out that, as far as the Malta Labour Party from 1971 to 1998 is concerned, change is neither a simple question of shifts nor a mere evolutionary process. *It could include elements of both.*

Indeed, in this thesis it will be argued that various strategic and ideological shifts have taken place from Old Labour to New Labour. These include ideological shifts in economic policy and the role of the state as well as strategic shifts in political strategy and class and party interests.

It will also be argued that on the other hand, Old Labour and New Labour shared common evolutionary features such as the ideological emphasis on the primacy of (industrial) economy, nationalism and the welfare state, and in the degree of power of the leader within the Party.

In this thesis I have given much importance to the political and economic changes which took place in Malta between the 1970s and the 1990s, as well as to the value-systems in Malta during these years.

I feel that this study not only puts forward an analysis of one of the most interesting political topics of late twentieth century Malta, but also makes an interesting reading because the phenomenon of modernisation of Social Democratic parties is global, ranging from Britain to New Zealand, and from Brazil to South Africa. Indeed, I hope that the study can prove itself useful to those analysing social change both within Malta as well as for comparative purposes with processes of change in other societies.

Acknowledgements

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In the first stage of this study we discussed the theoretical background and the general scope of the dissertation, enabling me to take time to think in more depth about the issue in question. When I started putting my ideas on paper, we were able to communicate constantly thanks to the use of emails. In this way, a ‘hands on’ approach was adopted, enabling me to benefit from the guidance of Rev. Dr. Inguanez as much as possible.

Special thanks also go to my father Prof. Lino Briguglio, my mother Marie Briguglio (Snr.), and my sister Marie Briguglio (Jr.) for their help and encouragement and for being of such great influence throughout my life.

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Chapter 1

Introduction

“We remain essentially a politically illiterate nation. Quite possibly, just because we take it so personally, and our obsession with it so much for granted, we seldom pause to take a step out of our immersed state and reflect about this thing called politics, ask how it really works and why it works or idles the way it does. We have hardly produced a single work that defines, never mind theories, about politics in this country, and what makes it peculiarly ours” (Dominic Fenech, in Spiteri, 1998: xi).

This thesis deals with what I consider to be one of the most interesting political topics of the latter part of twentieth century Malta: *the ideological and strategic shifts within the Malta Labour Party between the 1970s and the 1990s*. The Malta Labour Party (MLP) is one of the two dominant political parties in Malta¹, and has been the subject of endless controversy and debate within Malta’s political history. Much has been written about the Party, but to date there has only been one specific and published analysis which compares what is known as ‘Old Labour’ with

¹ The other dominant political party is the *Partit Nazzjonalista* (PN) (Tr. from Maltese: Nationalist Party).

what is known as ‘New Labour’². The analysis, carried out by Joseph Muscat, himself a member of the National Executive of the Malta Labour Party, offers interesting insights, but does not cater for certain social, political, economic and ideological aspects which this thesis considers to be important³. Muscat’s analysis will form part of the starting point of this thesis, together with a hypothesis that puts my study into focus.

Explanation of the Issue

In his benchmarking exercise Joseph Muscat compares Old Labour, which he considers to pertain to the era from 1971 to 1987, to New Labour, which he considers to have been in existence as from 1992⁴ (Muscat, J., 2000: 10). The author identifies Old Labour with Dom Mintoff, and New Labour with Alfred Sant. Muscat aims to find out the “true” identity of New Labour by comparing and contrasting it with Old Labour. He starts his exercise by saying that by definition the name ‘New Labour’ implies change from ‘Old Labour’.

Muscat carries out his analysis by comparing many variables under Old and New Labour - namely economic (mainly industrial) policy, leadership style and electoral base.

² In this thesis, the New Labour era is being considered to commence in 1992, when Alfred Sant was elected leader of the Malta Labour Party. All references to New Labour are being made within the context of the years from 1992 to 1998 - when the Party was voted out of government in Malta’s general elections.

³ Another study, the unpublished dissertation by Karl Schembri entitled *‘Privatisation and the Social Construction of New Labour’* puts forward a Foucauldian analysis of discourse revolving around privatisation in Malta. Schembri argues that Old Labour belongs to the ‘discourse of the public’ while New Labour belongs to the ‘discourse of the private’, which came to being in reaction to the ‘public’ discourse within which Mintoff’s Old Labour was situated. The discourse of the private is considered by Schembri to delegitimise Old Labour and institutionalise New Labour. Schembri dismisses ideological shifts from Old Labour to New Labour, as the Party is considered to fit within the discourses in question.

Given its theoretical framework, I consider Schembri’s study to use an alternative approach to the issue in question, which goes beyond the aim of this thesis.

With regards to economic policy, Muscat defines Old Labour as having been the main catalyst of the development of capitalism in Malta following the country's independence. He argues that this was done by means of a pragmatic industrial policy that aimed to attract foreign owned export-based industrial investment. Muscat adds that investment was enhanced due to price/wage freezes and import substitution. In the process, he adds, a strong welfare state was constructed.

The author considers New Labour to be just as pragmatic in its economic policies, seeking to "redefine Malta's competitive advantage.... [by making it]..... one of a handful of countries which have free access to the [European] Union's market without adopting all the EU's regulations" (2000: 12). He states that that time around the New Labour Government was once again committed to social welfare, adding that this was also shown in New Labour's harsh decisions to tackle the Government's financial problems. Thus, Muscat argues, that although New Labour imposed new taxes, it refused to cut down on social welfare and even increased funds for education and welfare.

On the leadership variable, Muscat states that both Old and New Labour experienced a number of internal rows, and both were perceived to be "one-man shows" . The only difference, according to Muscat, is that "Mintoff was too strong to be contradicted and had surrounded himself only with people whom he knew he could keep under his control....[while]... Sant does not have that authority....[and]... he does not seem to want it" (2000: 15). With regards to the significant defections from New Labour during its two years in office, Muscat states that similar problems also occurred in Social Democratic Parties all over Europe. To strengthen his argument, Muscat states that within the Italian *Ulivo*, Prodi and D'Alema could not stick together; within the

⁴ Muscat's article was published in 2000.

German Social Democrats, Lafontaine quit after a few months in office, and Britain's New Labour has suffered numerous defections.

As to electoral base, Muscat states that while Old Labour appealed essentially to the working class, its policies brought about a larger middle class, which "soon could not identify itself anymore with Labour's values and way of acting and started grazing in other electoral fields" (2000: 16). On the other hand, he argues, New Labour took account of the changes in Maltese society and replaced the political term 'worker' with 'citizen'. He observes that New Labour pointed out that it was to protect the interest 'of all the working people' (rather than of the working class), and thus started giving importance to the middle-class, "that is the self-employed, with which Old Labour severely antagonised" (2000: 16). Besides, Muscat states that New Labour's business-like approach attracted unprecedented support from people occupying middle and top management posts. However, he continues, once in government, various grassroots Labourites felt alienated from the Party, as they considered Labour's austere decisions to be tougher on the working class and part of the middle class.

Therefore, Muscat's main argument is the following:

"Basically the results indicate that New Labour is a modern Social Democratic movement that like its predecessor is ready to take pragmatic actions so as to enhance the advancement of all working people. It is ready to go against popular currents in order to safeguard the most vulnerable sectors of society" (2000: 17-18).

In order to analyse the ideological and strategic shifts from Old Labour to New Labour in Malta, I will take account of the variables analysed by Muscat. Besides, other variables will be analysed, supported by theoretical backing that gives much importance to the social context within which Old and New Labour have operated. The variables are placed within four categories, namely *Overdetermination and Conjuncture*, *Political Ideology and Strategy*, *Hegemony and State Power*, and *Crisis of Hegemony*, each comprising economic, political and/or ideological variables.

Hypothesis

Therefore the hypothesis of this thesis is essentially as follows:

Various strategic and ideological shifts took place from Old Labour to New Labour in Malta. However Old Labour and New Labour also shared common evolutionary features.

The shifts and evolutions from Old Labour to New Labour, as well as the respective degree of political success were directly related to economic, political and ideological factors arising from the social contexts within which Old and New Labour operated.

The questions asked in the thesis will include the following:

- Have ideological and strategic shifts taken place within the Malta Labour Party?
- Has the Malta Labour Party evolved in the ideological and strategic spheres?

- Can a general assumption be made regarding ideological and strategic shifts within the Malta Labour Party?

Theoretical and Methodological Foundations

The theoretical infrastructure of this thesis is taken from the ideas of Gramsci and Althusser, as well as other authors using similar theoretical approaches. Concepts such as those revolving around hegemony and overdetermination will be utilised in order to analyse the ideological and strategic variables involved.

Given that this thesis compares various phases of the Malta Labour Party, a historical and comparative methodological perspective⁵ has been adopted in order to analyse the various political stages of the Party. As E.H. Carr puts it “the more sociological history becomes and the more historical sociology becomes, the better for both. Let the frontier between them be kept open for two-way traffic” (quoted in Bulmer, 1984: 155).

Hence I will use the documentary research method - considered by Giddens to be frequently essential in such studies (Giddens, 1993: 695). The underlying discourse within such documents will be taken into consideration, enabling the historical analysis to compare the variables involved, and singling out determining factors. Besides this, empirical evidence based on surveys and statistics will also be taken into consideration, especially in the analysis of social contexts.

⁵ In no way does this mean ‘historicism’, which explains social change in terms of teleology and essentialism.

Organisation of the Thesis

Chapter 2 introduces the reader to the theoretical background and the methodological foundations of the thesis. The chapter will also explain how the thesis applies these to analyse the subject in question. Chapter 3 and 4 present a brief history of the Malta Labour Party, from the Party's birth in 1920 up to 1987, and the latter from 1987 to 1998. Given the issue in question, emphasis will be made on the period from 1971 to 1998. Chapter 5 analyses literature that deals with New Labour and the Third Way in Britain and Europe, paying particular attention to the shifts from Old Labour and traditional social democracy. In Chapter 6, 7 and 8 the theoretical framework of the thesis is used to analyse the ideological and strategic characteristics of Malta's Old Labour and New Labour, as well as the transitory period from one to another. This analysis will deal with Old Labour (1971-87) in Chapter 6, the construction of New Labour (1987-96, with special emphasis on the period from 1992 to 1996) in Chapter 7, and New Labour in Government (1996-98) in Chapter 8. The concluding chapter, Chapter 9, will present the findings of the study. Besides, suggestions for further study in this area of study will also be put forward.