

Malta Mark II

19th December 2019

It has been two years since investigative journalist Daphne Caruana Galizia was killed by a car bomb after exposing the ties of Malta's rich and powerful to offshore companies in Panama. Her expose had significant impact at the time, acting as catalyst for a general election, but her tragic death did not have the same immediate impact beyond calls for investigation and a warning that dark corruption lurked beneath Malta's surface. Now though, it seems that everything could be about to change.



In recent weeks, another individual has been arrested on suspicion of involvement in Galizia's murder, two cabinet ministers have resigned, and the economy minister has been voluntarily suspended. And pressure is mounting on the prime minister, Joseph Muscat, to remove himself and his administration from the political arena while the investigation continues. Street protests have been growing in number and volume and there is international concern – not least from the EU – about the degree to which political and economic elites in Malta may be attempting to suppress the investigation and, by extension, the concept of journalistic exposure and holding the powerful to account.

The latest revelation concerns the noted businessman Yorgen Fenech, confirmed as the owner of a Dubai firm which sat at the centre of the web exposed by Galizia, and which bore connections to highly-placed Maltese politicians. (For legal reasons, Fenech and all others involved thus far maintain their innocence). Whether the resigned and suspended Cabinet ministers are implicated or not, the insinuation is clear that at some level in Maltese politics, there is at best use of highly suspicious shell companies, and at worst potential engagement with money laundering and organised criminal gangs. Set in a context of Malta being considered the 'tax haven' of Europe, and, increasingly a bolt-hole for Russian money, it is easily understood that when the climate is conducive and the interests are selfish, what starts small can quickly spiral out of control.

The web of what happens when financial self-interest enjoins with criminal intent can be as convoluted as the backstreets of Valletta. Irrespective of the innocence or guilt of any targeted individual thus far, what is alleged in Malta is replicated all over the world. Shell firms are used to hide and divert cash, political interests both create and feed the climate by which corruption can flourish, and any attempt at penetrating the web (as far as this is possible, given the convoluted transaction histories and the code of *omerta* that creates a silence) is discouraged. It is tragic, but not wholly unexpected, that Galizia's death was an endpoint.

Essentially, this is what happens when – if war is politics by other means – then politics is crime by other means. Those who have positions of extraordinary power and influence, but who abuse these to line their own pockets or further criminal interests, are not as uncommon as hoped for and the longer they are in place, the greater the risks and threats become. No longer (if indeed it was ever the case) can crime be considered separate from wider political and state-sponsored motivations and abetments, and no longer can the socio-political climate be judged in isolation from networks of crime that may feed those in power.

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