

BELGIAN POLITICS IN 1990
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Belgian Politics in 1990

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In 1990, Belgium's domestic political agenda was overshadowed by international events. Developments in Zaire, Rwanda and especially in the Gulf often forced Belgian political leaders to set aside their domestic preoccupations. On the pending constitutional reform issues no substantial progress was made. At the end of 1990, many bills dealing with economic issues awaited parliamentary approval. In the fall, labor and management reached a nationwide inter-industry collective bargaining agreement and a new pension bill was adopted by Parliament.

I. Constitutional reform

A. *Preparations for the third and final phase*

After Parliament had adopted the bill on the responsibilities of regions and communities (August 8, 1988 special act) and on the financing of regions and communities (January 16, 1989 special act), the cabinet tried to deal with the pending constitutional agenda. On January 8, a joint lower House-Senate committee announced agreement on the agenda for its consideration of phase three of constitutional reform; i.e. parliamentary reform, the treaty-making power for regions and communities and the allocation of the residual powers. At the outset of the talks, spokesmen for the Francophone majority parties said they wanted to grant Francophones living in Fourons and the Brussels periphery (both part of Flanders) the right to vote for candidates for the Francophone community and Walloon regional legislative councils. Vice Premier Dehaene (CVP) stated that his party favored the splitting of the Brussels-Halle-Vilvoorde district to deprive the francophones of the Brussels periphery of this possibility.

More issues were added to the agenda when the Francophone Socialists (PS) announced that they would seek devolution of the national agricultural policy and that the Francophone community government was running short of resources and would need a greater share of the national radio and tv tax receipts.

After the easter recess, the parliamentary committee made a last ditch effort at drafting proposals. However, hardly reconvened after a two month hiatus, the committee found itself stymied over the question of Senate reform. Following more non-productive meetings of the mixed parliamentary commission, on July 9 at a top-level conclave, the cabinet decided to charge the ministers dealing with institutional reform, Vice Premiers Philippe Moureaux (PS) and Jean-Luc Dehaene (CVP), with drafting a plan for dealing with the issues. Meanwhile, the majority

Flemish nationalist Volksunie kept insisting on a timely and complete realization of this third phase of constitutional reform. On September 21, the two Vice-Premiers submitted to the cabinet their scheme for implementation of the third phase. The ministers stated that a team of ministerial aides would first start to discuss the international treaty-making power issue, since, according to them, this was easier to solve than parliamentary reform. The ministers acknowledged that sharp differences existed over the question of granting special voting rights to francophones living in Flanders, adding that reapportionment of the Belgian seats in the European parliament and devolution of agriculture would not be on the agenda of these third phase negotiations.

Following Prime Minister Martens' public call for action, the Flemish majority party leaders met November 27. They spoke of a growing consensus among themselves on the pending issues. From their side, however, the Francophone majority parties showed less enthusiasm for the constitutional agenda.

B. *Turmoil in PS ranks*

Constitutional reform discussions in the majority were seriously hampered by internal divisions in the Francophone Socialist Party (PS). Former Fourons mayor José Happart, leader of the Walloon nationalist wing, openly attacked the constitutional reform plank of his party. He insisted on the transfer of Francophone community government responsibilities to the Walloon regional government. This plea for a stronger Walloon region – reducing the role of Brussels – vexed party leader Guy Spitaels and Vice Premier Moureaux, but was popular among the Walloon militants. Moureaux even threatened to resign were Happart's positions to become party policy. The party struck a deal over this thorny issue early 1991.

C. *Francophone teachers on strike*

In May, the Francophone teachers started strikes and demonstrations for higher pay. The teachers' unions demanded 6 percent spread over three years, i.e. what the Flemish teachers had obtained from the Flemish regional government. As a result of constitutional reform enacted in 1988, education had become the jurisdiction of the community governments. However, the Francophone community government did not have the required financial resources to meet these demands. The only way out for the Francophone community government was either to cut other spending dramatically or to demand additional budget grants from either the national and/or the Walloon regional government. The Flemish political parties strongly opposed allocation of new budget funds for the Francophone community. They argued that this would undermine the entire constitutional fabric and lead to renewed ethnic tension. It soon became clear that the teachers were caught in a political ball game. The strike was the occasion Walloon nationalists (headed by Socialist Euro-MP José Happart) had been waiting for to press for the transfer of responsibilities (including education) from the Francophone community to the

Walloon regional government. When in September 1990 the new school year started, it soon became clear that the teachers' unions were losing control over their affiliates. Schools were forced to close and send the pupils home.

In November a deal was struck. The teachers obtained a 4 percent wage and compensation rise spread over two years, and assurances that no teaching jobs would be lost. The teachers only went back to work after the presidents of the Francophone majority parties, Gérard Deprez for the Francophone Christian Democrats (PSC) and Guy Spitaels for the Francophone Socialists (PS) had formally endorsed the agreement and committed themselves to finding additional revenue for the Francophone community government.

One of the most controversial aspects in the deal struck between teachers and regional governments, both in Flanders and in the francophone part, was the payment of the end of the year bonus in the form of meal cheques. By paying the bonus this way, the regional governments did not have to pay social security taxes on these bonuses.

D. The German Community Council elections

On October 28, elections were held for the members of the legislative body (council) of the German community. This council has 25 members and, together with the executive, is responsible for cultural affairs and education in the German-speaking part of Belgium. The members of the council serve a four year term and elect a three-member executive.

In the election, the local Christian Democrats won 8 seats (-2), the Liberals won 5 seats (st. q.), the local Socialists won 4 seats (+1), the party of German-speaking Belgians 4 seats (-1), but the great winners were the local greens who won 4 seats (+3).

After negotiations, Christian Democrats, Liberals and Socialists decided to form a tripartite coalition government headed by incumbent Joseph Maraite (Christian Democrat).

II. The Budget and socio-economic issues

A. The 1990 Budget

Total public spending, excluding interest charges, represented nearly 50 percent of GNP in the early 1980s and fell to 40 percent in 1990, lower than EC average. At 120 percent of GNP, public debt stopped growing but remained too high compared to other industrialized countries. Expenditures for health and disability insurance, unemployment, pensions and early retirement did not decrease, and expenditures on family allowances only dropped marginally. Thanks to the growth

in GNP, lower unemployment and fewer children qualifying for family allowances, transfers to individuals, expressed as a percentage of GNP, decreased in 1990. The July 20 pension act re-introduced automatic linkage of pensions to the cost-of-living. Pensioners received the first increases ranging between 1 and 3 percent from October on, and because this adjustment was implemented only later during the year, its budgetary effect was marginal. Moreover, the introduction of the flexible pension system had no effect on the 1990 fiscal year at all since it came into force as of January 1, 1991.

Total public revenue, which ten years ago represented 46 percent of GNP, rose to a 49.2 percent peak in 1985 and dropped by 4 percentage points to a level one point lower than that of the 1979-81 period. This decline was the result of the tax burden which had deminished but also of a more extensive use made of deductions and tax exemptions by corporations. It was also noted that during the last decade the share of earned income – which constitutes the basis for the social security and personal income taxes – had declined to the benefit of other categories of income – income from financial assets and corporate profits – which are taxed at lower rates.

Expressed as a percentage of GNP, social security taxes underwent little change, the movement of earned incomes having been approximately parallel to that in GNP, while para-fiscal pressure on these incomes changed only marginally.

At the budget review conducted early 1991, the issue of tax tariffs applied on corporations was raised. The National Bank of Belgium had earlier reported that as a percentage of GNP, corporate tax receipts had dropped from 3 percent in 1989 to 2.8 percent in 1990 and this in the middle of an economic boom. The unions pleaded for a fixed minimum corporate tax tariff, and this demand was supported by Socialist politicians, but the cabinet took no action. It went for more traditional means, hoping that by cutting loopholes it would succeed in augmenting corporate tax receipts.

B. Labor and management reach inter-industry agreement

Prime Minister Martens announced June 16 that the cabinet had decided to tie the Belgian franc to the D-mark. The Prime Minister said the measure was aimed at strengthening foreign investor confidence and lowering interest rates. Business and political leaders welcomed the decision. Spokesmen pointed out that the Belgian government had set for itself a very ambitious goal, which would require discipline from the government as well as labor and management.

In the fall of 1990 negotiations on the 1991-92 nationwide collective bargaining agreement started. Such an inter-industry nationwide agreement is negotiated for a two year period and covers the 2.4 million workers of the private sector. It is negotiated by the leading unions, organizations representing shopkeepers and small businesses, the farmers union and the Belgian Business Federation (VBO/FEB). The 1991-92 agreement was the 11th concluded since 1960.

The Catholic and Socialist trade union confederations requested in a joint memorandum a higher monthly minimum wage, abolishment of the first waiting day before sickness benefits are paid to blue-collar workers, generalization of the 38 hours workweek, 16 weeks maternity leave, no amendments to the collective bargaining agreement on early pension at the age of 58, a greater employers' contribution to the employment programs and better protection of trade union delegates in the plants. The employers told the unions that in their opinion the nationwide agreement should give a clear signal to the various branches of industry that moderate wage increases were required since Belgium's position vis à vis its major competitors was deteriorating rapidly. The small businesses were strongly opposed to measures which would allow trade union delegates inside their businesses and to a generalization of the 38 hours workweek.

As soon as the Gulf crisis started and oil prices soared, the business community urged the government to start the assessment of Belgium's competitive position as required by the January 6, 1989 act, and talked about ways to ease the effect rising oil prices would have on wages because of their linkage to the cost-of-living.

The negotiations started September 5, and the government urged both employers and employees to consider including in the agreement a clause which would allow reversal of the terms of the agreement were the Gulf crisis to cause a major disruption of Belgium's economy. The government also announced that in order to make business feel more at ease it was going to suspend the compulsory hiring of young unemployed as trainees. After a suspension of the negotiations and pressure exercised by the government, talks resumed in November and an agreement was reached November 12. It was formally approved by all the organisations involved November 27.

The monthly minimum wage was raised by BF 900 (in two phases). The two sides also decided to set aside 0.25 percent of global wages for vocational training purposes. Moreover, the unemployed in the 50-55 age category would receive the same benefits as unemployed aged 55 and over. One additional 15th week maternity leave was awarded. The compromise on the annual vacation issue provided with an additional one day bonus but only payable in 1992. Moreover, recommendations were made, for example, one improving contacts between small businesses and trade unions, while the employers also promised to extend to higher wage categories the contribution they make for transportation costs incurred by wage and salary earners. The unions promised peaceful labor relations during the two years covered by the agreement.

The unions had failed on the generalization of the 38 hours workweek, on trade union delegations in small businesses and on lifting the waiting day for blue-collar workers in the event of sickness. Nevertheless, there were large majorities in the three trade union confederations in favor of the agreement. The employers were satisfied, the small business organization had managed to keep the unions out while the Belgian Business Federation (VBO/FEB) pointed out that the unions had recognized the need to preserve Belgium's competitive position.

C. *Social security issues*

1. Financial problems

Social security financing remained one of the most hotly discussed issues between the government, labor and management. Because of the booming economy and lower unemployment, the system had a surplus a second year running. For the fiscal year 1990 the government had simply confiscated the BF 10 billion surplus the system had. When the 1991 budget was drafted during the summer of 1990, the 1991 social security surplus was evaluated at BF 21 billion. Unions and employers were determined not to condone a second confiscation. Despite this pressure, the government again decided to deduct this surplus from the amount it contributes to the system, but under pressure from labor and business, it agreed to a system whereby this BF 21 billion would be identified as a special contribution kept in reserve for hardship years. For 1991, the government's contribution fell to BF 171 billion, the lowest ever, representing 16 percent of all social security revenue, a dramatic reduction from the 37 percent of 1983.

2. Social security transfers

Additional academic reports poored in on regional social security transfers. Like previous ones, they demonstrated that, contributions set against received benefits, Flanders and Brussels paid for Wallonia's social security deficit. Especially in the health insurance field marked differences in consumption patterns were identified. The issue was raised again from the fall of 1990 on, when the government started to discuss the third and final phase of its constitutional reform package. Each time Francophones tabled constitutional reform demands, Flemish politicians, on the majority and opposition benches alike, referred to the devolution of social security as a bargaining chip. Those more unitarian Flemings opposed to the devolution idea, including CVP party president Herman Van Rompuy, nevertheless called for adjustments where consumption patterns differed greatly, particularly in health insurance. The mentioned academic reports also revealed important differences in medical consumption according to the affiliation with the various mutual aid societies. For example, surveys demonstrated that medical consumption was higher among patients affiliated to the Socialist mutual aid society than for those affiliated to the Catholic organization. Spokesmen for the Flemish political parties regretted that when the bill on the mutual aid societies was amended, an occasion had been missed to make these organization more responsible for keeping global health insurance costs low.

3. Health insurance

Health insurance remained the social security branch facing the most expansive costs. Francophone Socialist Social Welfare Minister Philippe Busquin had in 1988 called a round table conference in an attempt to reach a consensus on a new health

insurance act, but the attempt had failed. In the summer of 1990, on the occasion of the drafting of the 1991 budget, Minister Busquin announced a major overhaul of the health insurance system which would give the minister, rather than the mutual aid societies and physicians, a greater control over expenditures. The minister also envisaged the possibility of direct intervention with respect to physicians' fees, but this attempt met stiff opposition from the physicians. The minister was, however, more successful with his bill on the mutual aid societies which was adopted by both Houses of Parliament. The bill came after fraud charges had been pressed against the societies. The bill centralized bookkeeping within each mutual aid society, and reinforced the position of the national headquarters vis à vis the regional branches. Moreover, it established a control commission similar to the one over-viewing the activities of banks.

Early 1991, the court ruled in the above mentioned fraud case which involved several leaders of mutual aid societies. They had been charged with channelling money from the compulsory health insurance to mutuality slush funds. The court ruled that such evidence had been found concerning Edmond Leburton, former president of the Socialist mutual aid society and former prime minister. The other defendants were acquitted.

Minister Busquin made hardly any progress on reviewing the physicians' professional order because the country's most powerful professional organization of physicians (the Federation of Doctor Wynen) was opposed to the draft bill. Moreover, there was disagreement inside the cabinet between Flemish and francophone ministers on giving to francophone physicians of the Brussels periphery (Flemish territory) the option of enlist with the francophone order.

The 1987 hospital act was amended to give nursing staff a greater say in management of the medical aspects of hospital life, which until then had been the exclusive domain of the head physician. Moreover, in 1990 wages of nurses were upgraded as a result of the nurses' strikes of the previous year.

D. *Retirement*

1. A new pension bill

In July 1990, the new pension bill was voted by the two houses of Parliament and it came into force as of January 1, 1991. Part of the political deal was that pensions would again be automatically adjusted to the cost-of-living.

Under the new bill, compulsory retirement was made flexible for men and women alike between ages 60 and 65, but no changes were made to way pension are computed: i.e. that men qualify for a full pension after a 45-year professional career and women after 40 years. The pension minister argued that this was not an infringement of the EC directives which imposes equal treatment of men and women under social security.

2. The cost of early pensions curtailed

When the pension system was reformed, the cabinet, labor and management had agreed to limit the souring costs of the various early pensions systems. Labor and management agreed to gradually phase out those collective bargaining agreements granting early pensions at ages 55, 56 and 57 and to take age 58 as a qualifying condition together with 25 years of service. Under the new system all beneficiaries obtained an unemployment compensation of 60 percent of a ceiled gross wage, to which was added a supplementary benefit paid by the employer. The government, employers and unions agreed to make this alignment not applicable to "enterprises facing serious difficulties", where the early pension from age 50 on remained in force.

In order to cut the costs of the early pension system, the employers were forced to pay an additional social security tax on top of what they already were contributing to the system.

E. *Employment policy*

1. Less new jobs

In 1990, some 36,000 new jobs were created which is less than the 45,000 of the previous year. As noted during previous years, most new jobs were created by the commercial services sector (approximately 24,000). Employment in the public sector remained at previous year's level.

The rise in the number of persons who accepted a job with shorter hours to avoid unemployment while in most cases receiving reduced compensation dropped from 23,000 in 1989 to 7,000 in 1990. This was in part due to stricter eligibility conditions imposed on this category of workers. In 1990, an increasing number of workers opted for temporary interruption of their professional career. Part-time unemployment – a system which allows employers to keep their workers on the payroll while reducing work supply – remained at a low level in 1990. Like during the previous year, in 1990 reduction of working hours and job sharing had a major impact on job supply.

There was in 1990 no significant decrease in productivity. It occurs that the shortage of skilled workers forced employers to press for increased productivity of the workforce.

Reviewing the past decade, it can be noted that during the second half of the eighties more jobs were created than were lost during the first half of the decade. Since 1985, some 200,000 were created in the services sector. This development and the rapid extension of part-time work has resulted in greater number of women on the labor market. In 1980 women represented 35 percent of the labor force and ten years later they accounted for 40 percent. Over the past ten years,

male employment had diminished, and this partially due the various early retirement schemes. In 1990, some 190,000 workers were under these schemes.

In 1990 the population of working age decreased further, the negative effect of the decline in the birth rate recorded since the beginning of the 1970s being greater than the positive effect resulting from a resurgence of net immigration. As is traditionally found in boom periods, the degree of participation by the population of working age tended to increase, as more non-working persons, especially women, entered the labor market. Furthermore, the effect of the measures enabling people to withdraw temporarily or finally from working life diminished. The increase both in the number of complete career interruptions (+ 3,800) and in the number of persons taking early retirement (+ 1,300) was less marked than in 1989. On the other hand, response to schemes for temporary or final withdrawal from unemployment revived again. As withdrawals of elderly unemployed stabilized, the increase was wholly attributable to unemployed who for social or family reasons request a temporary interruption of their registration as unemployed. In two years their number more than quadrupled, from 8,000 in 1988 to 36,000 in 1990. The persons in question – chiefly women – are freed from the requirement to register as job-seekers and the associated obligations, while at the same time they receive limited benefits.

The wide use made of the early retirement schemes largely explained the fact that the male activity rate in Belgium (72.5 percent of the population of working age in 1988) was lower than in any other OECD country (83.6 percent average). In 1990, Belgium was spending 0.8 percent of its GNP on financing early retirement schemes. This contrasted sharply with the more limited resources made available for vocational training.

2. Unemployment figures : no significant change

Since Belgium's labor market is rather rigid, the newly created jobs hardly had an effect on the number of registered unemployed. In 1990, there was an average of 403,000 unemployed ; i.e., 17,000 less than the previous year. Using EC standards, unemployment dropped from 8.5 percent in 1989 to 8.1 percent in 1990. The 5.2 percent male unemployment registered in 1990 was 1 percentage point below EC average, but the 12.8 percent female unemployment was well above EC average.

There was also drop in the number of long-time unemployed because of the many women who opted for part-time jobs.

The number of persons unemployed for less than a year increased. These are for the larger part school-leavers who apparently took longer to find a job.

For the authorities, organized labor and management, this slow unemployment decrease was a disappointment, especially since so many vacancies remained. Between 1987 and 1990 some 158,000 new jobs were created but the number of compensated full-time unemployed only decreased by only 92,600. This means

that in Belgium unemployed only take up a portion of the openings and that most new jobs go to newcomers of the labor market, especially women. The need for skilled workers was again urgent in 1990, particularly in the building trade, while surprisingly an equally great number of construction workers were registered as unemployed.

From September on until March 1991, unemployment started to rise again reaching over 440,000.

3. Regional aspects

A report from the labor ministry revealed that unemployment in Flanders follows the economic cycles, more than in Wallonia. Between 1974 and 1984, unemployment in Flanders rose from 50,000 to 300,000 and in Wallonia from 50,000 to 175,000. With the economic upturn during the 1985-90 period, the number of unemployed dropped by 150,000 in Flanders and only by 25,000 in Wallonia.

The extent to which regional employment reacts to economic cycles is also demonstrated in the table on the provincial and regional breakdown of wage and salary earners :

Provinces and regions	1979	1989	Pct. change 1979-1989
Antwerp	399,172	415,631	4.12
Brabant	586,106	590,826	0.80
West-Flanders	230,360	257,245	11.67
East-Flanders	248,629	262,571	5.60
Hainaut	234,122	196,916	- 15.89
Liège	208,181	180,404	- 13.34
Limburg	140,040	151,505	8.18
Luxembourg	25,740	28,245	9.73
Namur	63,717	58,027	- 8.93
Tot. Flanders	1,172,086	1,262,482	7.71
Tot. Wallonia	576,810	511,439	- 11.33
Brussels	387,171	367,450	- 5.09
Nationwide	2,136,067	2,141,371	0.24

4. The fate of long-time unemployed

The unions continued to campaign forcefully against the labor minister's discretionary power to deny compensation to those unemployed for an abnormally long period. (Abnormally long means more than double the average unemployment period of a given region). In March 1991, Labor Minister Van den Brande announced that after his services had reviewed some 260,000 cases, by the end of 1991 some 25,000 long-time unemployed would be denied compensation, reducing budgetary costs by BF 2.5 billion.

5. The cost of unemployment

The labor minister came also under attack for failing to reduce the costs of unemployed. Despite a smaller number of unemployed, in 1990 the budgetary cost of unemployment rose by BF 3 billion to attain a record BF 126.8 billion. The National Employment Office attributed this to the fact that the number of fully-compensated unemployed had not dropped significantly. Moreover, two cost-of-living adjustments were awarded in 1990. The National Employment Office also pointed out that a number of unemployed had preferred registration as fully compensated rather than staying on the part-time work/unemployment scheme. Moreover, the expensive early pension system greatly contributed to the rapidly rising costs.

Reviewing the employment situation and its budgetary impact over a longer period, Labor Minister Van Den Brande presented a report which showed that while between 1987 and 1990 the number of unemployed had dropped by 21.8 percent, the amount of money spent on unemployment compensation had only diminished by 9.1 percent. When the various employment programs were taken into consideration, the cost had dropped by a mere 6.6 percent.

In academic and political circles some pleaded for referring the category of long-time unemployed to the social welfare system which groups needy people who do not qualify for benefits under the social security system.

III. Abortion liberalization

On November 6, 1989, the Senate adopted the abortion liberalization bill. Under the provisions of the bill abortion remained a criminal act, but was allowed during the first twelve weeks of the pregnancy when the mother is in a state of distress. After the twelve weeks, abortion was possible only when the life of the mother is in danger, or when the physicians have determined that the child will suffer from an incurable illness. During the Senate discussion, the CVP had refused to submit counter-proposals and spoke of in menacing terms about the future of the cabinet.

When on February 23, 1990, the Chamber justice committee adopted the Socialist-Liberal sponsored bill, CVP party president Herman Van Rompuy said that this party had become the "moral opposition" of Belgium, but added that his party would not seek the fall of the cabinet over the issue.

The bill was adopted by the Chamber of Representatives in plenary session on March 29. Before the final vote, both Prime Minister Martens and CVP president Van Rompuy acknowledged defeat, but both also emphasized that the vote would have no consequences for the coalition. The two Christian Democratic parties voted against the bill together with the Flemish Bloc. The Volksunie was divided over the issue, while the Socialists, Liberals and greens voted in favor of the bill.

The political world was caught completely off guard when the King refused to sign the act. Although rumors about such a refusal had hit the press, the political world had discarded this possibility. In order to avoid a constitutional crisis, the cabinet noted in accordance with article 82 of the constitution that the King was "prevented from reigning".

Consequently, the abortion liberalization bill was promulgated by the council of ministers April 4, and the next day the Lower House and Senate in joint session reinstated the King.

This procedure was severely criticized by the opposition parties. With a constitutional crisis narrowly avoided, political leaders began looking at constitutional adjustments to avoid similar problems in the future. While most party leaders tended towards limiting the role of the King in the legislative process, CVP president Herman Van Rompuy said that his party would oppose any adjustment which reduced the King to a ceremonial role.

This view, however, was not shared by Van Rompuy's Francophone counterpart Gérard Deprez who said that the King had made an "error" when he refused to promulgate the abortion bill.

IV. Immigration

Following the first report of Paula D'Hondt, the Royal Commissioner on Immigration, the government and the various political parties took position but there was little evidence of generally accepted and implemented policy.

In June, Royal Commissioner D'Hondt presented her second report. In the report she acknowledged that some measures had been implemented, and made new proposals, particularly in the field of better housing.

One of the decisions of the Belgian government was to give third generation immigrants automatically Belgian nationality.

The Imam of the Brussels mosque called on all Muslims living in Belgium to register for the election of a Muslim Council. The government, however, told the Imam that it had not taken a final decision on the representativeness of this Muslim Council, and that making preparations was premature. The reservations of the Belgian government were due to the fact that the Francophone Socialists (PS) were opposed to one single council. The PS preferred councils at municipal level. The government later decided to set up a council of leading personalities from the migrant world and asked them to make suggestions as for the election of a new council.

There was political escalation on the immigration issue, when on October 21, in Antwerp an 80 year old man was knocked dead by a Moroccan youth during a march organized by the ultra-right Flemish Bloc.

V. Foreign affairs and defense

A. *Foreign affairs*

1. Zaire

On February 15, Belgium and Zaire reached new aid agreements. The two sides initiated a framework agreement which contained a human rights proviso, the assistance agreement, and separate protocols on the status of assistance personnel, the training of Zairian staff, and the counterpart fund. On March 1, the Belgian government ratified the agreements. On this occasion, Foreign Minister Eyskens announced that Zaire had agreed to a joint management of the new counterpart fund designed to allow partial forgiveness of the officially guaranteed commercial debt. The agreements were formally signed in Kinshasa, March 27.

By the end of May, reports reached Brussels of atrocities committed by Zairian elite troops at the university campus of Lubumbashi. When Foreign Minister Eyskens expressed concern about the student unrest, the Belgian ambassador in Kinshasa was summoned to the Zairian foreign ministry. The Belgian government requested an international investigation, a demand which, the Belgian government alleged, was supported by the EC and the United States. The Belgian government decided to suspend the state-to-state loans and preparations for the mixed Belgo-Zairian commission. On June 22, president Mobutu cancelled the agreements signed earlier during the year.

The 313 Belgian aid workers on the payroll of the Belgian development cooperation department, plus another 250 who worked for Belgian non-governmental organizations and 80 Belgian military personnel assigned in Zaire under the military cooperation program and all dependants returned to Belgium. The first group arrived in Belgium July 7.

2. Rwanda

On September 30, The Rwandan Patriotic Front (RPF) rebels invaded Rwanda. The Belgian government sent 600 paratroops to "protect Belgian aid workers". Soon after their departure, the Belgian press pointed at mounting differences inside the cabinet over the role of the Belgian troops. On October 10, SP party president Vandembroucke insisted on the immediate withdrawal of the paratroops. In order to forestall further division, Prime Minister Martens, Foreign Minister Eyskens and Defense Minister Coëme flew to Nairobi for a shuttle diplomacy mission to the countries involved in the dispute. This mission led to the October 17 Mwanza agreements. The belligerent parties accepted to lay down arms and to start negotiations. Despite violations of the agreement, the Belgian government immediately decided on pulling the troops out of the region. Later the press alleged that in a letter to Martens, the King had insisted on sending the troops to protect the regime of Rwandan president Habyarimana. While neither denying nor confirming

the existence of such a letter, Martens threatened that the minister responsible for leaking the story would have to resign, but the matter was not pursued.

3. War in the Gulf

On August 2, Iraq invaded Kuwait. The conflict escalated when Iraqi leader Saddam Hussein held western residents hostage. On August 6, the UN decided on a trade embargo against Iraq. The Belgian government was divided on how to respond to US demands for sea and airlift assets. First the cabinet decided on sending two C-130 aircraft to airlift Egyptian refugees from Jordan, and later two more aircraft were added. Foreign Minister Eyskens wanted to send F-16 fighters to the Gulf, but the Socialist coalition partners were opposed to the idea. Defense Minister Coëme said that the fighters did not have the necessary ECM equipment to operate in the Gulf, which made minister Eyskens wonder about the use of spending BF 100 billion on defense when Belgium was not capable of sending its fighters.

The government decided to send a flotilla to the Gulf for assistance, and BF 1 billion humanitarian aid within the EC framework.

On November 14, Belgian political parties decided to send to Iraq a parliamentary delegation on a humanitarian mission in an attempt to obtain the liberation of Belgians held in Iraq. They left for Baghdad, November 21, and in Iraq they signed a political declaration in which reference was made to the Palestine and Lebanese issues. The declaration also contained a reference to the King's address to the Algerian Parliament in which the Belgian Sovereign pleaded for solving the Palestine issue. Soon after, the Belgian hostages were set free and arrived in Belgium, December 2.

4. The Silco hostages

The "Silco" hostages affair had started in 1985 when a Belgian family was abducted off the Libyan coast. It was supposed that they were being held captive in Lebanon. On February 15, Foreign Minister Eyskens told the Chamber that he had sent a special envoy to Beirut. This special envoy was Jan Hollants van Loocke, the director of the political affairs department of the foreign ministry. The Belgian diplomat was in touch with Walid Khaled, spokesman for the Fatah Revolutionary Council. Libya offered to mediate, and in March the Libyan Finance Minister was in Belgium.

Following the talks Hollants van Loocke had in Beirut, it became known that Fatah was demanding the release of Nasser Said, a Palestinian convicted and imprisoned in Belgium for his part in a 1980 grenade attempt against an Antwerp Synagogue in which a 15-year-old was killed.

B. *Defense*

Minister of Defense Guy Coëme visited the USSR, February 7-12, where he addressed the foreign affairs and defense committees of the Supreme Soviet. The minister had also contacts with colleagues from other Eastern European countries.

At the traditional May Day celebrations, SP president Frank Vandembroucke called for cutting compulsory military service by 50 percent. He added that the SP opposed the deployment of Tactical Air to Surface Missiles (TASM) in Belgium, and that the party was for removal of all nuclear forces from countries that do not possess them.

On October 30, the two remaining German-based Nike missile squadrons were dismantled. The two squadrons had ceased to be operational as of June. As a result of the CSCE treaty, Belgium decided to scrap 25 M 41 tanks (no Leopard tanks), 56 pieces of heavy artillery and 183 armored vehicles.

By the end of the year, the outline of the armed forces reform plan of Lt.Gen. Charlier, chief of the general staff, became known. The military stationed in Germany would be reduced from 25,000 to about 3,500, and it provided with a reduction of the military service for conscripts to 8 months. SP president Vandembroucke said it was not enough.

At a press conference held November 15, Defense Minister Coëme confirmed that around 1950 a special stay-behind intelligence service was set up in Belgium. In the event of a Communist onslaught, it would have been the network's task to establish contact with a government in exile and prepare escape routes. The cabinet decided to abolish the secret network.

VI. **Other events**

A. *Legislation*

Parliament adopted a bill by which Belgians come of majority at 18. From that age on, Belgians are free to marry without parental consent, are allowed to do business transactions, make decisions about their own education and are responsible for the damage they cause. The act came into force on June 1.

B. *Government reshuffle*

On January 18, Flemish Socialist (SP) Secretary of State for Scientific Affairs Pierre Chevalier resigned. He was replaced by SP Deputy Eric Derycke. Chevalier resigned after the disciplinary council of the Ghent appeal court had suspended him for practising law because of financial irregularities.

On May 3, Gilbert Mottard (PS) became the new pension minister. He replaced Alain Van der Biest (PS) who had chosen to become minister in the Walloon regional government. Van der Biest replaced André Cools (PS) who had decided to

retire. Mottard was Governor of the Liège Province and in that capacity replaced by Paul Bolland (PS).

C. *High speed train*

On January 26, the cabinet approved the routes the high speed train will follow through Belgium. This issue had caused controversy between Flemish and Francophone political parties. Because Wallonia, unlike Flanders, opted for the construction of the more costly separate routes, it obtained from the national government compensation in the form of additional investment for its regular train network. Since the national government required the cooperation of the regional governments for the actual construction of the routes and his cooperation was slow to materialize, no further progress was made on the issue.

D. *Political parties*

On May 10, the executive board of the European People's Party (EPP – Christian Democrat) elected Prime Minister Martens as new EPP president.

Former Belgian Vice Premier and EC Commissioner Willy De Clercq was elected president of the European Federation of Liberal Parties, the organization which groups all the Liberal and related parties from the EC.

At the PS convention of September, one of the party's leading dissenters, Charleroi mayor Jean-Claude Van Cauwenberghe, made peace with party president Spitaels. Spitaels, in return, proposed Van Cauwenberghe as a member of the party's executive board.

In October, the SP executive decided to disband its Ostend party branch and to name new local party leaders. Troubles between the national leadership and the Ostend branch had started when Ostend deputy Alfons Laridon resigned from the party. He said that he had taken this decision because in his judgment the SP was too lenient toward Catholic education. As the local party leaders refused to dissociate from Laridon and accept the new parliamentary candidate, the local branch was disbanded.

In March, the Francophone wing of the Belgian Communist party decided to carry on under its old banner. At their convention, the Francophone Communists approved a resolution calling for the reorganization of the party so that it could become the cornerstone of a political movement encompassing the "Francophone left".

Summary: Belgian Politics in 1990

In 1990, Belgium's domestic political agenda was overshadowed by international events. Developments in Zaire, Rwanda and especially in the Gulf often forced Belgian political leaders to set aside their domestic preoccupations. On the pending constitutional reform issues no substantial progress was made. At

the end of 1990, many bills dealing with economic issues awaited parliamentary approval. In the fall, labor and management reached a nationwide inter-industry collective bargaining agreement and a new pension bill was adopted by Parliament.