

Belgian Politics in 1983 : Communitarian Struggles Despite the Economic Crisis *

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After the parliamentary elections of 8 November 1981 and the formation of the Christian Democrat - Liberal government, Martens V (17 December 1981), the socio-economic debate dominated the political agenda. The center-right cabinet determined that absolute priority would be assigned to the social, economic, and budgetary problems of the country after communitarian oppositions had dominated political agenda formation since the mid-seventies resulting in a rapid succession of governmental crises. In 1982, the Martens V government achieved its objective. The communitarian problems were able to be virtually neutralized, while attention shifted to socio-economic policy by the devaluation and the special powers policy (1). Not only in its priority program but also in other areas, the coalition partners, at the formation of the Martens V government, announced that the policy would be revised. According to the Liberal parties and certain factions of the Christian Democrat parties, the primary causes of political instability and the severe socio-economic difficulties of the country had to be sought in the baneful influences of the parties and the unions on political decision making and the administration of the country. Not the party chairmen and the trade union leaders, but the government will again make the decisions and be responsible for them to the Parliament. The return to the « normal » democratic political rules of the game would also be applied analogously to the field of communitarian

* Some of the information given in this paper is taken from M. Deweerdt, « Overzicht van het Belgisch politiek gebeuren in 1983 », which is also published in this edition of *Res Publica*.

(1) See J. SMITS, « Belgian Politics in 1982 : Less Democracy for a Better Economy », in *Res Publica*, 1983, n° 2-3, pp. 181-217.

tensions. An end would be made to the economic compensation policy between Flanders and Wallonia (particularly with regard to national economic sectors and government purchases), so that here, too, a policy could also be formed on the basis of the laws and rules of the economic market.

As regards the first point — the restraining of the influence of the political parties and the trade unions on political decision making and the recovery of political stability — the Martens V cabinet could boast of some success in its first year. The center-right cabinet is already more than two years in power, and one must go back to the Tindemans I government (25 April 1974 - 18 April 1977) to find a coalition that has done better (2). The explicit desire of the coalition partners to last out the entire term of the legislature is certainly not the most important explanatory factor for this longevity, but there is the fact that the most important politicians of the governmental parties were included in the cabinet so that the internal opposition with which previous governments always had to deal with was excluded (3). That the trade unions have not succeeded in bringing the Martens V government into difficulty is primarily due to the lack of a common union front. The Christian union, the ACV-CSC, adopted a wait-and-see attitude toward the socio-economic crisis policy from the very outset, and the Socialist union, the ABVV-FGTB, realized that it could not succeed in creating an opposition movement without the cooperation of the ACV-CSC. Moreover, the trade unions had to cope with how the government determined and defined the contents and the limits of social consultation by the devaluation and its special powers policy. Since World War II, this area had traditionally belonged to their authority and that of the employers.

The second point — the termination of the economic compensation policy between Flanders and Wallonia — was a more delicate task for the Martens V government because this economic objective manifested communitarian elements. The difficulties of the Walloon steel company,

(2) Between 1974 and 1981, Belgium had seven governments with an average governmental duration of about six months. For the course of these governmental crises, see: F. DELPEREE, *Chroniques de crise 1977-1982*, Brussels, 1983, 288 pages and the articles by M. PLATEL in *Res Publica*.

(3) J. CLAEYS, « En deux ans, Martens a tué la participation et l'opposition », in *Le Soir*, 16 December 1983. The chairmen of the CVP (L. Tindemans), the PVV (W. Declercq), and the PRL (J. Gol) all joined the Martens V government. Their positions as party chairmen were filled by relatively young and less experienced politicians: F. Swaelen (CVP), G. Verhofstadt (PVV), and L. Michel (PRL). The influential Brussels politician, P. Vanden Boeynants resigned as chairman of the PSC after the parliamentary elections of 8 November 1981 and was replaced also by a young politician, G. Deprez.

Cockerill-Sambre, and the related problem of the regionalization of the five national economic sectors could not be evaded by the government. But it did try to neutralize this communitarian problem, as well as the other communitarian problems. J. Gandois, a French business leader, was charged by the government with the task of working out a new and, according to the government, definitive industrial plan for Cockerill-Sambre, while the regionalization of the five national economic sectors was being « studied » in a governmental committee.

On the occasion of the second anniversary of his government, Prime Minister W. Martens (CVP) drew up an assessment of the policy and also sketched an outline for the government's work for the second half of the parliamentary term. The Prime Minister looked with satisfaction on the accomplishments of the government in the economic recovery policy and announced that this policy would be continued. According to Martens, there could be no retraction or dismantling of this recovery policy or admission of an alternative crisis program. From this, one could get the impression that the socio-economic questions also dominated the political agenda in 1983. Nevertheless, this was not the case. For the government could not stop communitarian problems from flaring up again in 1983, and, at a certain point, they even threatened the continued existence of the cabinet (specifically with the Happart Affair and Cockerill-Sambre). Moreover, the government seemed to be searching in 1983 for a new *élan*, particularly with regard to its socio-economic policy. The speed with which the Martens V cabinet implemented its special powers decrees in the most diverse sectors required it to actualize and concretize its socio-economic program (4). The discussions on the subject among the coalition partners proceeded with particular difficulty, and the drafting of the proposed budget for 1984 was no easier. Both in the actualization of the governmental program and in the drafting of the 1984 budget, conflicts repeatedly arose between the coalition partners to which the party chairmen did not remain passive. And also in the dealing with other problems, major differences of opinion arose between the Christian Democrats and the Liberals so that observers could not avoid the impression that it was more difficult to find compromises than in the first year of the government (e.g., on the occasion of the reform of the social security system, the new rental law,

(4) The government issued 192 law decrees in 1982 on the basis of the special powers law of 2 February 1982. That the government was a bit too hasty with its special powers in a number of cases is shown by the fact that 22 of the 192 decrees were corrections of decrees that had been issued a few weeks previously. See J. SMITS, *op. cit.*, pp. 183-184.

and the law on aliens). Moreover, the Martens V government had to cope with a significant strike movement for the first time. On 9 September, there was a spontaneous strike of railway workers in Wallonia, which was soon recognized by the unions and which spread throughout the entire public services sector. The government's work was also hindered and delayed more than once by the incomplete state reform of 1980 and the problems that flowed from it. The defective distribution of jurisdiction and the failure to install the Court of Arbitration, which was conceived as the institution to resolve conflicts of jurisdiction, were the most important causes of disputes between the national government and the communities, on the one hand, and among the communities themselves, on the other. In the fall, attention was focused primarily on the attitude of the government toward the installation of 48 Cruise missiles on Belgian territory. This subject, which has been continually under discussion in recent years, though with varying degrees of intensity, generated protest demonstrations and political tensions also in 1983.

1. The communitarian disputes: Happart, Cockerill-Sambre, and the Galle bill.

In his New Year's message to the public bodies, King Baudouin warned against a new escalation in communitarian strife that would again make the country ungovernable, and he urged the political parties to give priority to combating the socio-economic crisis (5). The royal message corresponded to the objectives set by Martens V government. Nevertheless, the government devoted its energies during the entire month of January to the com-

(5) The King, who, under Art. 64 of the Constitution, always acts under ministerial responsibility, even in periods of political crisis, reflects the opinion of the government in official speeches, which has given rise to negative reactions from the opposition parties on more than one occasion. Particularly the passage in the King's New Year's address on the relationships between the national and the regional institutions and the danger of an intensification of communitarian tensions because of a new « acceleration » in the state reform was resented by the opposition parties, and particularly the VU and the PS. On the occasion of the National Feastday, the King reiterated the concern of the government to continue giving complete priority to the economic and budgetary problems of the country and to put aside for the moment the communitarian problems. In his address, the Head of State urged « with insistence all those who hold responsibilities in public life and in the media, as well as each of you, not to exacerbate the differences, the rivalries, the oppositions between the communities and the regions that constitute our country. I ask you all not to get lost in destructive conflicts that would prevent us from mobilizing to respond to the immense challenges of the present world. » That the Martens V government had to spend so much time on communitarian problems in the first half of 1983 was doubtless one of the reasons for this appeal by the Head of State.

munitarian problem of Voeren, which caused the remaining work of the government to come to a halt. Voeren is a rural municipality belonging to the Dutch-speaking region with facilities for French-speakers and has barely 4,300 residents. That problems in such municipalities assume national proportions can be most astonishing for outsiders, but Voeren, since the beginning of the sixties, has been one of the typical Belgian communitarian problems that has brought more than one government into difficulties (6). The problem this time concerned the appointment of the burgomaster in this linguistic-border municipality. After the municipal elections of 10 October 1982, the French-speaking J. Happart was submitted as candidate-burgomaster by the majority list « Return to Liège » (*Retour à Liège*). In Flanders, the candidacy of J. Happart was rejected unanimously because of his ignorance of Dutch and also because he had been accused of using violence in the past so that there was the fear that he could not maintain order (7). On the French-speaking side, the democratic election was cited in the defense of the candidature of J. Happart. Although in principle the presentation to the King of appointments to the office of burgomaster is solely a matter for the Minister of Interior Affairs, the Happart Affair rapidly became a governmental matter. At the end of January, the Minister of Interior Affairs, C.-F. Nothomb (PSC) attempted to achieve a breakthrough in the matter, which had completely paralyzed the operation of the government since the beginning of January, by presenting the government with a choice : either appoint Happart or not appoint him, but then to alter the lin-

(6) In 1963, the linguistic-border municipality of Voeren was transferred from the Walloon Province of Liège to the Flemish Province of Limburg with a special linguistic status that provided facilities for the French-speaking residents. That the transfer of Voeren was accepted by the French-speaking parties at the time was primarily due to there being a Catholic majority in Voeren while the Socialist Party dominated the Province of Liège. The French-speaking Socialists, therefore, raised little objection to the transfer of the Voer region. Since then, however, Voeren has remained a matter of political interest. The transfer was later considered by French-speakers as just one more defeat of Wallonia by Flanders, and Voeren gradually became one of the symbols for Walloon federalists in their struggle against *P'état belgo-flamand* (« the Belgo-Flemish state » : the notion by which they wanted to make clear that the State of Belgium was dominated by the Flemish). From this point of view, the political support of the Walloon Socialists for J. Happart is less remarkable than would appear at first sight. Under pressure from the Walloon wing of the Socialist thade union, the ABVV-FGTB, the Walloon wing of the Socialist Party (and later the PS) began to adopt a federalist course. J. Happart was also included on the PS list for the European elections. The fourth (and electable) place that J. Happart was assigned by the national leadership of the PS on the Eurolist was not approved by all of the federations of the party.

(7) J. Happart was, until shortly before the municipal elections, the chairman of *Action Fouronnaise*, a group that strove for the transfer of Voeren to the Province of Liège. *Action Fouronnaise* was regularly involved in incidents and disturbances that occurred at demonstrations in the Voer region by Flemish, generally extreme right-wing groups.

guistic statute of the municipality of Voeren so that it would no longer belong to the Dutch-language region. Nothomb's proposals were rejected by the governmental partners for divergent reasons. During the weekend of 29-30 January, the government worked out a compromise in closed meetings. The proposal involved the transfer of the municipality of Voeren to the bilingual Province of Brabant (Arrondissement of Halle-Vilvoorde) with the maintenance of the existing linguistic statute of the linguistic-border municipality while the appointment of J. Happart to burgomaster would not take effect before 1 January 1985 (8). Further, the government decided to establish a study center with the assigned task of making an evaluation of and drafting proposals for « the possible continuation, adaptation, improvement, and/or revision of the state reform » by 1 January 1985. The government also proposed to the majority groups that, while waiting for the decisions of the center, initiatives would be taken or supported that intend an alteration in the state reform « only by mutual agreement ». The intention of the government was clear: the establishment of the study center was an attempt to freeze the communitarian problem further so that priority could again be given to the economic recovery policy. This turned out to be impossible because the compromise proposal of the government regarding Voeren was immediately and unanimously rejected in Flanders. The transfer of Voeren to the Province of Brabant was only possible by means of a revision of the law, so the government had to have the support of the majority parties. Because of the strongly negative reactions in Flanders, the Flemish governmental parties soon informed the government that they were not prepared to support such a bill. Thus, the cabinet was forced to do its « homework » over again (9).

On 4 February, the government reached a new compromise. Happart would be appointed burgomaster of Voeren on 31 December 1983 together with a Flemish adjunct-commissioner, who would exercise a kind of supervisory function over Happart, and thus protect the interests of the Flemish

(8) The postponement of the appointment was, in fact, a purely formal decision since J. Happart, as the first alderman, had been the acting burgomaster since 1 January 1983.

(9) The working out of the compromise proposal and its rejection by the Flemish majority and opposition parties manifested some similarities with the Egmont period. The global proposal on the state reform that was then worked out by the party chairmen after long and closed negotiations was also negatively received by the Flemish political commentators and pressure groups. The Flemish majority groups at the time defended the Egmont Pact for a long time until the opposition became too strong. But this was paralleled with strong internal oppositions and conflicts in the Flemish majority parties. Apparently, those in the majority wanted to avoid a repetition of such conflicts by quickly rejecting the government's proposal in the Happart Affair after the negative reactions of the Flemish press and pressure groups.

residents. The new compromise met with no enthusiasm among the French-speakers or among the Flemish, but it was still considered a better agreement. The governmental parties thus voted for it.

The communitarian difficulties did not disappear with the resolution of the Happart Affair, however. The Happart Affair had pushed into the background for the time being the problems related to the financing of the Walloon steel company Cockerill-Sambre and the related regionalization problems of the five national economic sectors. But the government was aware that it could not avoid dealing with these matters in 1983. Prime Minister Martens himself generated a great deal of stir by declaring in a radio interview in the beginning of January that the governmental advisor, J. Gandois, took account of a decrease in the production capacity of Cockerill-Sambre to less than 5 million tons, which would lead to the redundancy of 7,000 to 10,000 personnel. Martens' declaration met with negative reactions on the part of the Walloon ministers and particularly the Walloon opposition parties and steel trade unions. The unions announced that they could not conclude a social pact with the management of Cockerill-Sambre as long as they had not been informed of the social implications of the steel plan that the Belgian government had to present to the EC commission on 31 March at the latest (10). Moreover, the parliamentary commission for the amendment of the constitution and institutional reforms had decided on 11 January to give priority to the Van den Brande (CVP) bill for the regionalization of the five national economic sectors. In the state reform implemented in 1980, five economic sectors — steel, coal, textiles, shipbuilding, and hollow glassware — were recognized as sectors over which only the national government had authority. The Van den Brande proposal envisions the « regionalization » of these sectors so that the regions could provide the assistance policy and particularly the financing of these economic sectors, which were experiencing difficulties. In Flanders, this regionalization was supported

(10) The government had decided at the end of 1982 that the management of Cockerill-Sambre had to conclude a social agreement with the trade unions before 1 February 1983 in which such things as a decrease in wage costs would be included. This social agreement was not achieved in 1983 in spite of the successive « deadlines » set by the government. After no agreement seemed possible in the beginning of February, the government, as the largest shareholder in Cockerill-Sambre, imposed wage cuts. In the so-called steel agreement of 26 July (cf. above), it was stated that the employees of Cockerill-Sambre would be able to pronounce on the social phase of the global restructuring plan by means of a referendum. At the end of July, Prime Minister Martens declared that the referendum would take place « as soon as possible before September » and that the results would be determinative for the execution of the entire plan. But this referendum, too, was not held in 1983, which caused a great deal of dissatisfaction among the Flemish parties because a number of Flemish companies in difficulties had closed down after negative referendums and also by political decision even without a referendum.

by all the parties, with the exception of Agalev, the green party. In Wallonia, however, it was unanimously rejected. According to political observers, it was possible that the sharp Flemish-Walloon opposition with respect to this bill, which was already obvious in the debate in the parliamentary commission, would lead to a political crisis. The danger for this faded after the majority parties, at the request of the government, decided in the parliamentary commission to adjourn the discussion until the end of May. By that time, it was expected that the conclusions of the Gandois Report would be available and that they would be significant for the debate.

The plan of the French manager was already known at the beginning of May. A viable Cockerill-Sambre, according to Gandois, would have to be based on a production capacity of 4.45 billion tons, which implied the closure of two of the four existing steel plants, one in the Liège basin and one in that of Charleroi. On the social level, this meant a reduction of 7,900 of the 22,000 personnel, which would be accomplished largely by early retirements, natural attrition, and a shortening of the working time with decrease of wages. The cost of the restructuring was estimated by Gandois at 95 billion francs, as much as the cost of a bankruptcy.

The conclusions of the Gandois Report were a hard blow for Wallonia. The trade unions immediately organized a number of protests, particularly demonstrations and strikes, but they were characterized more for the lack of unanimity between the Socialist and the Christian steel unions and between the two basins of Liège and Charleroi than by their force. The government had to resolve the problem of the financing of the restructuring operation. The Flemish and the Walloon positions in this regard were in diametric opposition. In Flanders, the political parties pushed for the regionalization of the five national economic sectors so that the operation would have to be carried out with Walloon financial resources, while a national solution (thus financing) was defended in Wallonia. On 21 June, Prime Minister Martens revealed the major outlines for the financing of the restructuring. According to Martens, two principles would have to be followed: 1° the financing of the obligations and expenses incurred in the past would be a national matter; 2° the financing of new obligations would be carried out with « resources charged to the region ». But it took a few weeks before the government achieved an agreement on the concrete working out of this declaration of principle, because the governmental parties interpreted the declaration in different ways. In particular, what was to be understood precisely by « resources charged to the region » was interpreted very differently by the Flemish and the French-speaking majority parties. According to the CVP and the PVV,

the financing of Cockerill-Sambre must henceforth be completely borne by Wallonia ; according to the PSC and the PRL, however, it remained a national matter. In the middle of July, a breakthrough was reached in the negotiations when it was agreed in the government to link the financing of Cockerill-Sambre to other communitarian problems (e.g., the past debts of the regions, Brussels, the Van den Brande bill, the natural gas terminal at Zeebrugge, and the jurisdiction of the regions regarding industrial policy). On 26 July the cabinet ratified the complicated compromise, which had been reached two days previously. As soon as agreement on the financing of Cockerill-Sambre was reached, the government could begin to implement the Gandois Plan. But few concrete results were registered in the fall of 1983, even though Gandois had stipulated that the rapid execution of his plan was essential for its success. The financial implications of the plan are also very unclear (11).

The steel problem had dragged on through successive governments for seven years. Four major plans (the Claes I Plan of 1978, the Claes II Plan of 1981, the Vandestruck Plan of November 1982, and the Gandois Plan of May 1983) have been produced since then to reorganize the steel sector. They virtually always incorporated the same policy objectives : industrial structural reforms, new investment, additional reconversion, and a drastic reduction in the personnel. It is difficult to predict whether or not the Gandois Plan will lead to a definitive solution of the steel problem. The history of the problem and the delays and the difficulties in the implementation of the first phase of the plan cause one to be sceptical at first sight. On the positive side is that the Gandois Plan is the first economic and thus non-political reorganization scheme, which increases the chances that it will succeed.

In the fall, new communitarian tensions developed, this time on the use of languages in the linguistic border and Brussels satellite municipalities with facilities for the two language groups. From the Flemish side, it was argued that the facilities must be organized exclusively for those who are administered and not for the administrators. The latter, according to the

(11) Thus, in the steel compromise of 26 July, there is mention of 29 billion BF of « fresh » money for Cockerill-Sambre, while Gandois estimated the total costs at 95 billion BF (12 billion BF in social costs for the reduction of personnel not included). The government issued the following explanation for this. The private sector would have to provide 11 billion BF so that 84 billion BF remained for the public authorities. This 84 billion BF was divided as follows : 20.1 billion BF for cash drain, 8.3 billion BF for investment, 51.2 billion BF for conversion of debts, 4.5 billion BF for interest subsidies. Of the 51.2 billion BF for the conversion of debts, 22 billion BF had already been provided, according to the government, in the previous steel plans. Of the sum set in May 1981 for interest subsidies, there still remained 6.1 billion BF. This amount is to be used to clear the debts of the past so that 29 billion BF of « fresh » money would still be necessary.

Flemish position, are obliged to use the official language of the linguistic area to which the municipality belongs. That is to say, the administrators of Flemish municipalities with facilities for French-speakers must use Dutch in the exercise of their duties. The French-speakers did not agree. On 23 June, M. Galle (SP) introduced a bill to parliament that would make the knowledge of Dutch obligatory for officials in the Flemish facility municipalities. The bill stipulated, among other things, that the knowledge of the languages must be demonstrated by a diploma or certificate or, failing that, by an examination. The Galle bill was supported by all the Flemish parties and opposed by all the French-speaking parties. Political difficulties could be avoided in 1983 because the Chairman of the Chamber, J. Defraigne (PRL), referred the Galle bill to the Council of State for advice (12). This advice was released only in the beginning of 1984. Earlier in the year, the Council of State had itself brought the problem of language use to the fore by annulling, on 24 May 1983, a letter of the Governor of the Province of Brabant in which the language use was referred to as being optional in the municipal councils of the Brussels satellite municipalities with facilities for French-speakers. At the end of December, the Council of State annulled the election of a number of members of the public welfare council of the Brussels satellite municipality of Wezembeek-Oppem because they did not respond to the invitation to demonstrate their knowledge of Dutch before the Council.

2. The social policy.

In its governmental declaration, the Martens V government placed the recovery of the competitiveness of Belgian firms central to its program. In order to achieve this objective, the government devalued the Belgian franc and altered the existing mechanism of wage indexation, which, according to the employers, was the most important cause of the strong increase in wage costs in Belgium. There was little social consultation in 1982. By the devaluation, the indexation change, and the special powers, the social consultation took the form of consultation of employee and employer organizations by the government instead of discussion in concert by the three parties. The government determined the content and the limits of the subjects to be discussed and ruled itself because no consensus was reached between the employers and the trade unions. The employers

(12) The Council of State is the highest administrative legal body. It has the task of advising parliament and the government on legislative and regulatory matters, to pronounce on certain disputes, and to resolve conflicts between laws and decrees and between decrees themselves.

were not very dissatisfied with this course of events. The government leaned towards the positions of the employers with these measures. The trade unions took it differently. The elimination of social consultation and the government's measures displeased them, it is true, but the ACV-CSC was not prepared to organize actions that could endanger the government, and the ABVV-FGTB alone was not able to.

In the beginning of 1983, it appeared initially that the ACV-CSC would change its wait-and-see attitude. And particularly within the Walloon branch of the Christian trade union, dissatisfaction grew with the lack of results of the government's employment policy. This dissatisfaction had led already in the fall of 1982 to common actions of the ACV-CSC and the ABVV-FGTB, which had, up until then, fought the battle separately (13). But there was still no common trade-union front, rather there was talk of rapprochement. In the beginning of January, the ABVV-FGTB and the ACV-CSC examined ways in which they could promote employment. On 20 January, a common statement was issued in which the employment policy of the government was criticized. The ACV-CSC and the ABVV-FGTB stressed that the forfeiture of wages must be converted into additional jobs. The impression that a common trade-union front was again in the making was strengthened by the announcement of a joint demonstration for 26 February. But the stress was placed differently by the respective leadership: according to the Socialist union, the demonstration was against the employers and against the government: according to the Christian union, it was for more jobs and to issue a warning to the government (13). This demonstration organized by the unions together was not followed by other common actions.

The themes that dominated the rare social consultation in 1982 were still on the agenda in 1983: the competitiveness of Belgian firms and the related problem of indexation, the reduction of the working time, the redistribution of work, the reform of the social security system, and the introduction of the new technologies.

As regards the competitiveness of Belgian industry, the government, in the Law of 11 April 1983, stipulated that it was for the government to take all « useful » measures for this purpose between 1 January 1983 and 31 December 1984. As the norm, the government stated in this law that labor costs in Belgium may not increase more rapidly than the weighted average of the increase of the labor costs of Belgium's seven most important trading partners (the Federal Republic of Germany, the

(13) G. DE SWERT, « Van overleg naar onderleg », in *De Nieuwe Maand*, 1983, no. 6, pp. 355-356.

Netherlands, France, Great Britain, Italy, Japan, and the United States). With this law, the government determined the wage negotiations for the next few years. This measure was criticized particularly in trade union circles because wage negotiations were traditionally conducted between the employers and the employees without the intervention of the government. The trade unions also did not agree with the norm set by the government for the determination of competitiveness. According to the unions, it is not just the labor costs that influence the competitive position of trade and industry but also the managerial and organizational methods, the commercial policy, the capacity for innovation, and so on. The Socialist union also insisted on the reinstatement of the mechanism for linking wages to the index that was applied before the devaluation. The ABVV-FGTB argued that the competitiveness of Belgian firms had recovered sufficiently in 1982 and 1983 and that there was therefore no reason to further restrict purchasing power by the foregoing indexation, which had been done since September 1983.

The shortening of the working time and the redistribution of labor were other points of discussion in the social consultation. They came up on the occasion of the new collective bargaining agreements that had to be concluded at the end of 1982 and the beginning of 1983. The negotiation framework was the 3-3-5 formula proposed by the government, i.e., 3 % wage forfeiture for 3 % hiring and 5 % working time reduction. The purpose of these agreements was to counter the loss of jobs in the private sector or at least to slow it down. On the national level, the government could not achieve agreement from the social partners on this formula, so the negotiations were transferred to the sectors and to individual companies. The original deadlines for the conclusion of these agreements were 15 February for the sectors and 15 March for the companies. They were ultimately extended to 30 April because the negotiations proceeded with great difficulty. Finally, 77 sectoral and 1,238 company agreements were concluded with formulas that often deviated from the one proposed by the government. What these agreements will yield as far as additional jobs is not very clear. According to the Minister of Employment and Labor, M. Hansenne (PSC), they ought to create 32,000 to 44,000 additional jobs ; Prime Minister Martens, however, talked of 50,000 to 60,000 jobs ; the ACV-CSC estimated 50,000 jobs, and the ABVV-FGTB 16,000 to 25,000 additional jobs (14). Further, the government stipulated by special-powers decree that the employees, through the works councils or the union delegation, had to determine whether or not the employers used the wage

(14) G. DE SWERT, *loc. cit.*, p. 356.

reductions for new hiring. The companies in which no agreement was reached had to deposit what they gained from wage forfeitures into a « Job Fund » (*Tewerkstellingsfonds*).

Moreover, unemployment continued to increase in 1983, although, as the government stressed, at a slower rate. At the end of 1983, Belgium had 507,633 completely unemployed and 51,918 partially unemployed (15) (together 12.1 % of the active population as opposed to 11 % at the end of 1982 and 9.4 % at the end of 1981). Of the employment systems established by the government, the « The Third Work Circuit » (*Derde Arbeidscircuit*, a scheme for resolving the problem of long-term unemployment) only began in earnest this year, while this should normally have happened in 1982. At the end of 1983, 97,451 were employed in these job programs, which was 14,862 more than in 1982. Two criticisms were generally leveled at these programs: first, their poor continuity and, second, their disadvantageous social statutes relative to those for « normal » employees.

In the governmental declaration, the Martens cabinet announced a reform of the social security system. In June 1983, the Minister of Social Affairs, J.L. Dehaene (CVP) made known this proposals. A thoroughgoing reform of the social security system was not envisioned by the Dehaene Plan. The proposals are largely oriented to making the system more manageable and particularly to restore financial balance between the various systems. Minister Dehaene offered three solutions in his plan: an increase of the contributions, greater parafiscality, and greater solidarity between the active and the non-active population. That the proposals and solutions of Minister Dehaene are more classic than revolutionary is not surprising when one realizes that the pillar organizations are closely involved in the management and execution of social security. A thoroughgoing reform would certainly have repercussions on the power of the Christian and Socialist pillar organizations in particular.

Both the employers and the Flemish Liberal coalition party, the PVV, had reservations about the Dehaene proposals. The criticisms of the employers federation, the VBO-FEB, and the PVV are largely identical. Both oppose an increase in the social contributions, which are now already among the highest in Western Europe. An increase of the social contributions would thus have a harmful effect on the competitiveness of Belgian industry and, according to the PVV, increase the parafiscal pressure. Moreover, the VBO-FEB did not see the need to have a redistribution function

(15) Nationaal Instituut voor de Statistiek, *Statistisch Tijdschrift*, 1984, nr. 1-2, p. 105. Those employed in special job schemes by public authorities are not included in these figures.

assigned to social security. The PVV offered an alternative to the Dehaene Plan, which generated a considerable amount of displeasure among the Christian Democratic coalition partner. The PVV proposed a three-step system : 1° a minimum guaranteed income resting on solidarity and paid for by tax money and after a social and fiscal investigation of the beneficiary ; 2° a system of obligatory social insurances (sickness, on-the-job accidents, pensions, etc.) financed by obligatory contributions ; and 3° a system of voluntary insurance. The Liberal alternative found not favor with the trade unions, whose vision of social security was better reflected in the Dehaene proposals. For the ABVV-FGTB, the Liberal proposals implied a return from a system of insurance to one of assistance and would lead to privatization of social security. The principles of solidarity and insurance must be and must remain the two basic principles of social security, according to the ACV-CSC. For the Christian trade unions, the financial problems with which the social security system has had to contend for the last few years cannot justify discarding the entire system. The financial problems can, according to the ACV-CSC, be resolved by an active employment policy via a redistribution of labor and a greater solidarity between the active and the non-active population. In November began the negotiations between the government, the employers, and the trade unions on the reform of the social security system. The discussions got no further in 1983 than the exploratory stage.

Another theme for discussion in the social consultation concerned the absorption of the social effects deriving from the introduction of new technologies. In 1983, an agreement on this subject was able to be achieved between the employers and the employees, though after laborious negotiations and under the pressure of a special-powers decree that had already been prepared. The agreement specified that an employer who invests in new technologies has to inform his employees in advance and must consult with the trade unions regarding such things as the effects on employment, work organization, and work conditions. If this does not occur, the employer has to pay supplementary compensation upon the dismissal of an employee. The agreement did not depart from other existing agreements on economic matters : the trade unions received the right to information but not the right to make the decision.

The strike of the public services in September was a great surprise for the government and also for the trade unions. For the first time, the Martens V government was confronted with an important strike movement that began spontaneously while the official actions of the trade unions, particularly those of the Socialist unions, had generated little enthusiasm among the employees up to then. Noteworthy in this strike was also the

attitude of the sectorial committees of the Christian trade union, which, often more so than the Socialist leaders, would decide to strike or to continue to strike. The strike orders were followed almost as strictly in Flanders as in Wallonia. Nevertheless, this strike, like all other major strikes in Belgium, also began in Wallonia, and more specifically in the Charleroi region. On 9 September, a spontaneous strike occurred among the railway workers against the new-wage-forfeiture measures for public employees that the government had included in its draft budget for 1984. On the same day, the strike spread to other important Walloon centers, and it was recognized by the obviously surprised trade unions. In the subsequent days, the railway personnel in Flanders also stopped working so that railway traffic was completely paralyzed. The government did not react immediately, but this changed when other public services also went out on strike, and the Socialist trade union called for an extension of the strike to the private sector. On 15 September, the strike in the public services (except for education) was general in Flanders and Wallonia. On the next day, the government, under the leadership of the Acting Prime Minister, J. Gol (PRL) (16) began negotiations with the trade unions. The first discussions encountered extreme difficulty. Only after the government cancelled the return-to-work order for the Antwerp harbor personnel was any headway made in the negotiations. The first proposal of the government was rejected by the trade unions, and this led to an intensification of the actions. On 21 September, the government presented new proposals with which the unions of public personnel could agree. In this second series of proposals, a number of the measures originally foreseen were dropped (e.g., the cancellation of the biannual salary increases). The Christian and Liberal trade unions approved the new proposals on 22 September. The ABVV-FGTB, which was isolated by these decisions, followed suit a day later, in spite of a proposal from its Walloon branch to start an interprofessional strike. All this caused a considerable amount of confusion. Among the Walloon Socialist union leaders, there was considerable displeasure about the position of the national leadership of the Christian trade union in this conflict. For the FGTB, the strike was not only aimed against the government's measures in the public sector but also against the government's policy as a whole. The illusion that a common union front would still be possible was destroyed by the decision of the Christian trade union to stop the strike. Moreover, after the strike, there was some question of whether the new measures would yield the

(16) Vice-Premier and Minister of Justice and of Institutional Reforms, the Walloon Liberal J. Gol replaced W. Martens as prime minister from August to October. Martens had had open-heart surgery on 5 August.

same economic gains as the original measures. On the one hand, the government contended that the new measures were financially advantageous for the public officials while, on the other hand, the original objective of saving 8.4 billion BF in the public sector could still be achieved in full. Moreover, observers agreed that the government could have avoided this conflict if it had explained its proposals better and had consulted with the trade unions in advance.

In the quadri-annual social elections that took place this year, the ACV-CSC lost ground to the ABVV-FGTB and the small Liberal union, the ACLVB-CGSLB. This marked an end to the continual growth that had been achieved by the Christian trade union since 1971 and whereby it had gained a slight lead over the ABVV-FGTB, overcoming an initial lag. The ACV-CSC losses in 1983 put the two major trade unions in positions of almost equal electoral strength.

The trade unions have not yet succeeded in converting their strategy for a welfare state into a strategy for a society with high structural unemployment, little or no economic growth, and high inflation. The shifting of social objectives that dominated in a prosperous society to economic objectives, the maintenance of full employment, is not an easy matter. The union struggle for the preservation of jobs divides the labor movement between those who are prepared to take radical actions because their jobs are threatened and those who are hesitant to act because they still have work ; between strong economic sectors in which social advantages can still be granted and weak economic sectors in which this is no longer possible ; between the Flemish who believe in private initiative and the Walloons who have high expectations with regard to economic initiatives from the authorities. The employers, who could recognize many of their priorities in the socio-economic policy of the Martens V government in 1982, were less content with the second year of the government's term. They opposed the new indexation mechanism that went into effect on 1 September and that would, according to the employers, again endanger the competitiveness that had been regained in 1982. Moreover, the government, to their mind, had achieved little in its attempts to decrease the deficit in public finances, which decreased the chances of a strong and durable economic recovery.

3. The financial and economic policy.

In its governmental declaration, the Martens cabinet presented three major financial and economic objectives : recovery of competitiveness of business, the resolution of the imbalance on the balance of payments, and

the reorganization of public finances. The government obtained positive results in two of these three objectives in 1983. In the previous year, wage costs per employee had risen in the processing industry by 5.2 % as opposed to 10.5 % in Belgium's seven most important trading partners. The balance of payments also evolved favorably. The running deficit of the Belgo-Luxemburg Union with respect to foreign countries decreased to 40 billion BF in 1983. The favorable trends that were already visible in the balance of payments and the wage-cost increases in 1982 were thus continued last year. The reorganization of public finances appeared to be a much more difficult task. The intention of the government to reduce the deficit in public finances by 1985 to the European average of 7 % of the GNP seemed to be virtually unattainable at the beginning of 1983. With its measures, the Martens V government did not succeed in reducing this deficit significantly: the net balance to be financed declined by 0.7 % in 1982 to 15.5 % of the GNP, too small a decrease to be able to arrive at a net financing requirement of 7 % of the GNP in 1985 (17).

Because of the meagre results of the governmental policy regarding the reorganization of its finances and because the government had already implemented a large part of its economic program with its special powers in 1982, Prime Minister Martens announced an « actualization and concretization » of the governmental program at the beginning of 1983. The Prime Minister also let it be understood that the government would again request special, though « limited » powers from the Parliament for the execution of this actualized program. A committee composed of the top ministers was appointed in January and charged with working out this supplementary governmental program. It was two months before the ministers completed their work. That this took so much time was due in the first place to the communitarian problems that dominated political concerns in the spring and made other governmental work almost impossible. In addition, the working out of the agreement complicated because the concepts of the Christian Democrats and those of the Liberals about the new options and measures diverged considerably. On 16 March, Prime Minister Martens presented the declaration of his government to Parliament. After an assessment of the policy that was implemented in 1982 by means of the special powers, he explained the supplementary governmental agreement. No fundamentally new options appeared in the actualized agreement. The options, as established in the governmental declaration of 1981 were preserved, and the supplementary governmental agreement in fact contained little more than a series of new economy

(17) Nationale Bank van België, *Verslagen 1983*, p. 121.

measures. These were necessary because the implementation of the 1983 budget had not proceeded according to plan : an amount of 52 billion BF in supplementary credits and decreased fiscal receipts had to be compensated for by a decrease in the expenditures of 39.4 billion BF, an increase in the social contributions of 6 billion BF, and supplementary fiscal receipts to the amount of 5.3 billion BF. At the same time, Martens requested new special powers from Parliament that would only concern a « limited number of matters and especially matters that are related to reorganizing public finances and safeguarding employment ». For the decrees concerning the state financial budget and the related measures to restore financial equilibrium to the social security system, the government asked in its draft law for « the granting of certain special powers to the King » to be in force until 31 March 1984. In contrast with the special powers of 1982, this bill stipulated that the special powers decrees that were not ratified by Parliament before the end of 1984 would be annulled. The bill whereby the government received new special powers from Parliament was approved by the Chamber on 13 June and by the Senate on 4 July. The granting of the special powers introduced a phase of intensified governmental activity. In 1983, 75 special-powers decrees were issued, a large part of them relating to social security. That the government interpreted as broadly as possible the special powers granted to it and wished to make use of them in the same manner naturally generated protests from the opposition parties. The special powers were necessary, in their opinion, to obscure the conflicts between the Christian Democratic and the Liberal parliamentary groups. But the Council of State also objected to certain decrees because the government, according to the Council, exceeded the limits of the assigned special powers. It is certain that the application of this special legislative technique primarily with regard to social security gave legislation an ever more complex and rapidly changing character. Moreover, one may ask whether the administration can cope with all these amendments and new regulations properly and whether the power of the bureaucracy over the beneficiaries is not again being strengthened.

New economy measures were also included in the draft budget of 1984, which the government presented on 1 August. The economies would, as in the previous economizing plans of this government, be achieved primarily in the social sector. In addition, significant wage-forfeiture measures were provided in the public sector, which would give rise to the September strike in the public services (cf. above). The most striking proposals in the 1984 draft budget were, however, those for fiscal amnesty and the

elimination of the advance levy on income derived from securities (18). These proposals had been insisted upon by the Liberal coalition partners, and they generated considerable discussion between, among others, the chairmen of the Christian Democratic and the Liberal parties. F. Swalen, the CVP chairman, declared that he was personally against the proposed fiscal amnesty « for moral reasons » and that the question would have to be discussed again. The fiscal amnesty was an absolute necessity for the Liberal Party chairmen. Nevertheless, new negotiations took place in the government that led eventually to some weakening of the original proposals. The consensus thus reached in the government was then threatened by the majority groups. The CVP members of parliament belonging to the ACW wing, which were under severe pressure from their constituencies, announced amendments to the bill that went against the grain of the Liberals. Finally, the coalition parties agreed to submit amendments to the bill only by mutual consent. After being amended on a few points, the bill was approved without too much difficulty.

4. The foreign policy.

The subject of the installation of nuclear missiles on Belgian territory and the arms race in general has been a matter of intense concern both to the politically concerned and the public in general for some years. The question of whether the Belgian government, in accordance with the NATO double decision of 12 December 1979, would proceed to the installation of 48 Cruise missiles also gave rise to divergent positions, political tension, and protests in 1983.

The high point of the protests was undoubtedly the anti-missile demonstration of 23 October in Brussels organized by action committees outside of the traditional parties and organizations: the Flemish Action Committee against Atomic Weapons (*Vlaams Actiecomité tegen Atoomwapens*), the Consultative Center for Peace (*Overlegcentrum voor de vrede*), and the National Action Center for Peace and Development (*Centre national d'action pour la paix et le développement*). Nevertheless these action committees alone would not have succeeded

(18) The intention of the fiscal amnesty — « fiscal security » according to the Liberals — is to mobilize financial resources for investment in Belgium. The origin of the financial resources used for this purpose would not have to be fiscally justified in any way by the taxpayer. The government hoped thereby to bring « black money » into the economic circuit. The « liberating » levy on securities income means that the taxpayer whose income derived from bonds or shares had been subject to the advance levy would no longer have to report it. At the same time, the advance levy was increased from 20 % to 25 %.

in organizing such a mass demonstration if they had not received the indirect support of certain traditional parties and organizations. Concern for this problem is very great in the Flemish Socialist Party, the SP and in the Flemish Christian worker's movement, the ACW. In addition, the Flemish seem to be more sensitive to the question of nuclear missiles than the French-speakers. Observers noted that the Flemish constituted the greater majority of the demonstrators. The organizers stressed that the demonstration was not for one or another vague ideal of peace but for eight concrete demands: no new atomic weapons in Belgium and Europe; no to the Pershing II and the Cruise missile and the neutron bomb; dismantling of the SS-20; dismantling of all existing nuclear weapons; for a nuclear-free Europe; an independent and active peace policy in Belgium; a freeze in the nuclear arms race by the United States and the Soviet Union; and peace through and for development. The demonstration was undeniably a success. Over hundred thousand demonstrators (400,000 according to the organizers, 120,000 according to the gendarmerie) came to Brussels. However, one cannot avoid the impression that the reasons for demonstrating were very divergent and that people participated in order to express their desire for peace as well as to demand the withdrawal of Belgium from NATO.

The demonstration had no immediate effect in the sense of leading to an alternation of the position of the government. But the success of the demonstration was indisputably one of the factors that led the government to hold a debate on the subject in Parliament, even though it had little desire to do so initially.

The debate in Parliament dealt with three questions: the authority to decide, the desirability of installing Cruise missiles, and concrete proposals to prohibit their installation in Belgium. With many juridical arguments, the opposition attempted to demonstrate that a decision on the installation of the nuclear missiles had to be made by Parliament and not by the government. The majority also presented juridical arguments to support its position that the government has the full power to make the decision itself and that thereafter it is for the Parliament to approve or reject the decision. It was also regretted that the consensus that previously existed across party boundaries regarding the problems of defense and foreign security had disappeared.

The positions that the parties expounded about the desirability or not of installing the nuclear missiles can be summarized as follows. The SP argued for a postponement of the decision for installation as a preliminary step toward a complete halting of the arms race. The SP, like the green

parties, Agalev and Ecolo, and the KPB-PCB, is resolutely opposed to the installation of nuclear missiles in Belgium. The VU backed non-installation as a limited step toward no further armament, on the condition that the Soviet Union would match it by removing the SS-20 missiles. The PS requested a postponement of the decision by six months in order to give the negotiations a new chance, but it went on to defend the NATO double decision (installation of the nuclear missiles if the disarmament negotiations failed). The CVP sided with this resolution, but argued for a postponement of the decision as long as there was a chance for a favorable outcome of the disarmament discussions. The FDF argued that, since these negotiations had yet to yield any results, one could proceed with the installation of the nuclear missiles as long as this decision was reversible.

The third part of the debate concerned the Agalev proposal for the prohibition of new nuclear weapons in Belgium. The motions or bills of the opposition were generally rejected by the majority over the opposition. The position of the CVP members of parliament who had participated in the demonstration of 23 October and voted for the government was sharply criticized by the opposition. The preparations for the installation of the 48 Cruise missiles continued in the meantime although the government refrained from stating clearly that the missiles would be installed. This caution was apparent in such things as the statement of Prime Minister Martens that Belgium, unlike the Federal Republic of Germany, Great Britain, and Italy, did not need to install the missiles at the end of 1983. It looked as though Belgium would follow the position of the Netherlands, which would make its decision only in the middle of 1984.

In the context of foreign policy, we must note here the memorandum that the Minister of Foreign Affairs, L. Tindemans (CVP), presented in March on a new African policy. This memorandum is the first to employ a global approach to the political, economic, and developmental relations of Belgium with Africa. Noteworthy for this memorandum is the relativization of Belgian relations with Zaïre. Zaïre may occupy an important but no longer a dominating position, according to the memorandum. The policy of Belgium with respect to Africa must be based on two principles: first, it must extend to the entire continent, thus also to the Arabian world, and second, the relations must abandon the colonial framework. According to the memorandum, this means that the principle of non-interference in the domestic matters of a sovereign state must be respected absolutely.

5. The evolution in the political parties.

The sharpened polarization in areas of socio-economic controversy due to the economic crisis did not leave the political parties unaffected. Most of the political parties devoted their attention primarily to their socio-economic programs since the formation of the Martens V government. This is particularly the case for the Socialists and the Liberals. These parties intend to attract the left and right wings, respectively, of the Christian Democrats, which as the center and *standen* parties (those that cover all social classes) traditionally have difficulties in periods of economic crisis. Up to the present, this strategy has not led to a fundamental restructuring of the relationships of political power. On the French-speaking side, nevertheless, there is more movement in the parties than on the Flemish side. This is primarily due to the crisis in the Walloon federalist parties, which look like they will be absorbed by the Socialists, and also to the discrete but as yet only slightly successful attempts to establish a new center party.

The Flemish Christian Democratic Party, the CVP, repeatedly confirmed its support of the government and rejected collaboration with the Socialists in the medium term. Nevertheless, it cannot be denied that the socio-economic policy of the Martens V government is difficult for the workers' wing of the CVP to accept. This discontent was expressed primarily with the inclusion in the 1984 draft budget of fiscal amnesty and the elimination of the advance levy on securities, the Liberal alternative to the Dehaene proposals for the reform of the social security system, and the bills of the Liberal Minister of Justice, J. Gol, regarding the rental law and the law on aliens. A number of these Liberal proposals could be weakened somewhat in their practical application, but that did not prevent the negative reaction in the ACW to « their » CVP members of parliament when they voted for the Budget Law (in which the fiscal amnesty and the elimination for the advance levy on securities was included) and other bills. The internal resolution of one of the sectoral committees of the Christian trade union during the September strike in the public services in which the members were asked « no longer to vote for the CVP in the future » was one of the striking expressions of this growing discontent. The relationship of the ACW to the CVP, which was under strain since the parliamentary elections of 8 November 1981 and the formation of the center-right Martens V government, was being called into question increasingly by the Christian workers' movement. This growing criticism led the leadership of the ACW to organize a survey of its members in 1984 on the ACW-CVP relationship. Another point of conflict that

is problematical within the CVP concerns the possible installation of nuclear missiles on Belgian territory. The party is caught between the position of the government (unconditional fidelity to the NATO double decision) and the rejection of the installation of nuclear missiles by a broad segment of its members and the Christian organizations. Thus, the party has refrained from taking a clear standpoint in this question. The party council, on the occasion of the anti-nuclear missile demonstration, took a nuanced position backing postponement of installation as long as there was hope for a disarmament agreement. The CVP, as a party, did not participate in the demonstration of 23 October, but about 30 CVP members of parliament, virtually all of them from the workers' wing, did march. When these same members of parliament voted their confidence in the government after the missile debate in Parliament, they were sharply criticized by the opposition.

The Walloon Christian Democratic Party, the PSC, has to contend with the same kind of problems as its Flemish sister party. G. Deprez, who was chosen chairman of the PSC after the parliamentary elections of 8 November 1981, considered the ending of the sharp conflicts between the left wing formed by the *Démocratie chrétienne* and the right wing formed by the CEPIC as his most important task and as a necessary condition for the survival of his party. In 1982, Deprez achieved his first success in his struggle against excessive *standen* representation by getting the PSC members of parliament belonging to the CEPIC to resign from this organization. He has not yet succeeded in getting the workers' wing, the *Démocrate chrétienne*, to yield its structure. The chances seem slimmer than ever that the Walloon Christian workers movement, the MOC, will yield its political pluralism and entrust the political expression of its demands exclusively to the *Démocratie chrétienne* in the PSC, as was the case before 1972. The political movement in the MOC *Solidarité et Participation*, established after the severe defeat of the PSC in the parliamentary elections of 8 November 1981, decided at the end of 1983 to transform itself into a « pluralistic, progressive, and federalist party », that would be formed at the end of 1984.

In 1983, the CVP and the PSC worked further on the redefinition of their Christian-Democratic identity. The CVP did this by means of discussions in its divisions and Christian organizations based on a discussion text entitled « With Christian Democratic Conviction » in which a renewed vision on Christian Democracy was sketched. Central to this vision are four values : personalism, solidarity, a sense of responsibility, and trusteeship. The PSC gave priority to its socio-economic program at its ideological congress in April. Deprez stressed there the centrist character of his party

with a doctrine that must be based on two principles : freedom of initiative on the one hand and solidarity on the other. The concrete application of these liberal and socialist principles led to intense discussions between the different wings in the party on such matters as the role of the government in the economy. Nor could unanimity be achieved on a number of moral questions such as abortion.

The Liberal parties, who have prospered since 8 November 1981, continued their offensive in 1983. Particularly the Flemish Liberal Party, the PVV, with its young chairman, G. Verhofstadt, succeeded in attracting attention at regular intervals with proposals to the vexation of the workers' wing of its Christian Democratic coalition partner. According to the PVV, three guidelines must determine the crisis policy of the government : defiscalization, denationalization, and deregulation. The PVV is of the opinion that labor is too heavily burdened in Belgium to the point that entrepreneurship is discouraged. A decrease in the fiscal pressure is only possible if the expenditures of the government are decreased and the state apparatus is « slimmed down ». Denationalization means that all the activities that can be carried out by the private sector are to be withdrawn from the government, and deregulation implies the decrease in the laws, decrees, regulations, and prescriptions that hinder socio-economic activity. After the public-sector strike, the PVV, together with its Walloon sister party, the PRL, announced with great ado a series of proposed laws designed to make an end to « union excesses ». This initiative was ill received in the Liberal union, which led to a cooling of the relationship between the party and the union. However, the elders of the party, too, were not very happy with the radicalization of the socio-economic ideology of the party.

The PRL situated itself around the same themes as its Flemish sister party. In its strategy to create a strong right wing against the dominant Socialist Party in Wallonia, the PRL achieved success by the entry of the christian liberal party (*Parti libéral chrétien*), which was created from the CEPIC in 1982.

The Flemish Socialists, the SP, presented on 26 April its socio-economic alternative « Together Strong for Peace and Work ». After thorough discussion in the divisions and the federations of the party, it was accepted in a radically amended form by the party congress in December. With it, the SP attempted to work out a coherent socialist strategy against the economic crisis and against the « neo-liberal » policy with which the Martens V government is attempting to resolve it. Central to the SP alternative is an active employment policy by means of a drastic working time decrease (20 % to 25 % over 4 to 5 years) with obligatory replace-

ment hiring (10 %). For the financing of this operation, the SP proposed a wealth tax, a contribution by the employee, and a partial revaluation of the gold reserves. In addition, the SP would conduct an aggressive industrial policy by means of selective revival with the government serving as the motor. Further, in the alternative, the Socialists argued for a recovery of purchasing power, a more just distribution of income and wealth, and a democratization of the economy. By the publication of the alternative, it was the intention of the SP to generate a mobilization campaign around its renewed socio-economic program. But in the same way that its parliamentary opposition against the « neo-Liberal and special-powers policy » of the Martens V government had the appearance of being rather sterile, so, too, the SP seemed to have difficulty in achieving significant mobilization for its socio-economic alternative. The strategy of the SP to break the Christian workers' movement away from the CVP, which would cause a thoroughgoing reallocation of political power in Flanders, seems to have had little effect up to the present. Observers have also noted that the SP, under the leadership of its chairman, K. Van Miert, is also setting a strongly Flemish course. The last unitary residues in the party leadership seem to have disappeared, as is demonstrated by such things as the SP positions in the Happart Affair, Cockerill-Sambre, regionalization of the five national economic sectors, and the Galle bill. The change of course on communitarian matters was not accepted by all the members of the party. This is shown by such things as the establishment by young militants and middle-management people of a new party called the Belgian Progressist Socialists (*Belgische Progressieve Socialisten*) that rejects dual federalism and wants devote itself to better understanding between the Flemish and the Walloons in the Socialist movement. Indeed, the new Flemish orientation of the SP was the occasion of a few sharp conflicts with the French-speaking Socialists.

In contrast to the Flemish Socialists, who radicalized their socio-economic program and also assumed a sharper profile with respect to other controversial issues (e.g., regarding the installation of nuclear missiles and the armament problem), the French-speaking Socialists, under the leadership of G. Spitaels, took a more pragmatic than doctrinaire course. Spitaels, who was re-elected in 1983 by a strong majority, astonished political observers with his declaration that the PS is prepared to participate in a government without clear statements about the policy to be followed and the coalition partners. Perhaps, this lack of clarity is related to the dissension in the party on fundamental policy matters and on the strategy to be followed. Particularly in the powerful Liège federation of the party, the oppositions are considerable. Thus, the ex-chairman A. Cools is

certainly not enthusiastic about the great influence of the Socialist trade union in the party. Cools' proposal at the party congress of 11 June to only admit observers of the trade union or the insurance foundations to party congresses on the condition that these ancillary organizations also accept representatives of the party as observers was the occasion of a sharp exchange with the other Liège leaders, G. Mathot and J.M. Dehousse. In addition, the coalition that the PS formed in Liège with the ecologists after the municipal elections of 10 October 1982 was not accepted favorably by everyone in the party. One awaited with a great deal of interest the congress of 2 October at which the PS member of parliament and regional minister P. Busquin argued for maximum Walloon autonomy in the name of the Charleroi federation (the second largest). Since the CVP dominated the Belgian state and since it is impossible to build a common union front with the ACV, Busquin argued it is obvious that the PS should surrender its national aspirations and turn its attentions fully to Wallonia. Chairman Spitaels opposed this proposal, however, and ultimately a less radical resolution was adopted in which it was argued for a « far-reaching federalization, regionalization, and communitization » of the Belgian state, though what this meant in the concrete was not precisely specified.

The FDF also was not spared internal difficulties. This Brussels federalist party, which seems to have passed its electoral zenith, chose in the beginning of January a new chairman, L. Outers, to succeed A. Spaak. The election of L. Outers was not without problems. Only after the two most important rivals, the Liberal B. Risopoulos and the left-oriented L. Defosset withdrew (under pressure), was the way to the chairmanship open for L. Outers, and an ideological schism in the congress could be avoided. In his maiden address, Outers posed three objectives to be striven for : the recruitment of young party workers, the working out of a center-left economic program, and cooperation with Wallonia. Under Outers' chairmanship, however, the FDF devoted itself primarily to Brussels itself in the last year, and it seems that the « Wallo-brux » idea has been put aside. The distancing from the RW and the return to Brussels, however, did not mean that the FDF abandoned all contacts with Wallonia. In February, it was leaked that there were discussions between the leadership of the PSC and the FDF in view of establishing a political « think-club » and possibly cartel formation for the 1984 European elections. The FDF members of parliament, however, rejected the idea, and there was also considerable suspicion about this idea within the PSC.

In the French-language press, there was also considerable coverage given to the establishment of a new Walloon party, the Democratic and Pluralist Front (*Front démocratique et pluraliste*), which would become a

satellite of the FDF in Wallonia. In the beginning of May, indeed, a movement was started to work for the formation of a new political power in Wallonia, but nothing came of the announced party before the end of the year.

The RW, the Walloon federalist party, also elected a new chairman. F. Massart was chosen to succeed H. Mordant. Massart appealed to the RPW and the FIW, which has split off from the RW in 1981, to search for reconciliation. This appeal, with which the chairman attempted to shift his party from its marginal position (the RW has only two seats left in the Chamber), met with only limited success when it was announced in December that the FIW would join the RW. The split between the RW and the FDF was sealed by the withdrawal of two RW members of parliament from the FDF-RW parliamentary group.

The VU, the Flemish federalist party, worked in 1983 on its socio-economic profile in spite of the considerable amount of communitarian tension that developed in the year and the actions that it conducted in their regard. In its socio-economic program, the VU proposed a « third way », alongside the Liberal and the Socialist viewpoints. The VU backs a socially-corrected free market economy in which the company occupies the central role and a vertical redistribution of income via fiscal measures. A great deal of reaction was generated by a speech by ex-chairman and community minister H. Schiltz in which he argued for economic separatism.

The Communist Party, KPB-PCB, finally, decided to renew relationships with the Chinese Communist Party after a twenty-year break. The rupture was the result of split between the Chinese People's Republic and the Soviet Union in which the KPB-PCB backed Moscow. In the second half of the seventies, the KPB-PCB had taken a more independent course. The federalization of the party, which was decided in 1982, took form in the congresses of the Walloon and French-language wing and of the Brussels federation.

6. The reform of the state.

The incomplete reform of the state of 1980 is undoubtedly one of the most important causes of the defective operation of the Belgian state apparatus. Among other things, the change of the statute of the German-language community, the establishment of the Court of Arbitration, the reform of the Senate, and a definitive settlement for Brussels had yet to be accomplished by the end of 1982. In 1983, the first two points were accomplished, but the other two remained unresolved due to a lack of consensus.

The many conflicts between national and regional institutions and between the regional institutions among themselves originate in the unclear division of jurisdiction stipulated in the state reform of 1980. The amended constitution provided for the establishment of a Court of Arbitration with responsibility of settling conflicts of jurisdiction. The Law of 28 June 1983 established this Court, but it was not yet installed in 1983. As noted, the Court would have the job of settling conflicts of jurisdiction between the State, the Communities, and the Regions. It would pronounce on appeals for the total or partial annulment of a law or a decree that violated the rules set by or in virtue of the Constitution for the determination of the specific jurisdiction of the State, the Communities, and the Regions. At the same time, the Court would rule on conflicts between laws and decrees and between decrees that proceed from the various legislative institutions. Whether the Court of Arbitration will be able to realize the role assigned to it in law is very much a question. The composition of and the decision making structure in the Court are one series of factors that makes its task difficult. It is not only composed of magistrates but also of politicians while the decisions must be taken by majority vote. The question is whether the politicians are the proper persons to rule on points of law and what their position would be if the party to which they belong does not agree with the decision taken. This last aspect is related to another reservation about the role assigned to the Court of Arbitration. The rulings of the court will, in many cases, have political consequences. The decrees of the Council of State in 1983 on the use of languages in linguistic border and facility municipalities have already demonstrated that the referee function given to the Council is contested by the political parties and politicians. The chances that the same will happen with the decisions of the Court of Arbitration are not small.

Another matter that was settled in 1983 was the amendment and fixing of the statute of the German-language community. The existing authorities of the German-language community were extended: the advisory power in cultural matters was converted by the Law of 31 December 1983 into autonomous jurisdiction for cultural and person-related matters. The German-language community has now the same authority in this regard as do the Flemish and French-language communities. The legislative body is the Council of the German-Speaking Community (*Rat der deutschsprachigen Gemeinschaft*), which has 25 members that are elected for four years by the electors of the German language area. The executive organ has three members chosen by the Council, not necessarily from among its members. Like the other communities, the German-language community is dependent for its finances on its own non-fiscal

means, a subsidy, rebates on national taxes, and its own fiscal measures and loans.

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The Christian-Democrat-Liberal Martens V government did not succeed in 1983 as it did in 1982 of giving complete priority to its socio-economic policy. Communitarian problems interfered more than once in the work of the government : in the spring, there was the Happart Affair, then came the problems with the Walloon steel company, Cockerill-Sambre, and in the fall there were the difficulties surrounding language use in the facility municipalities. After often long and difficult negotiations, the government either reached an agreement, as for Cockerill-Sambre, or postponed the matter, as for Happart and language use in the facility municipalities. In between the communitarian problems, the government worked further on its socio-economic recovery program for which the major objectives remained, namely the recovery of the competitiveness of Belgian business and the reorganization of public finances. The results the government achieved were unequal : the competitiveness of Belgian business which was already obtained in 1982 was maintained, but no fundamental progress was made in the reorganization of public finances. The continuing growth of unemployment remained the problem child of the government. Consequently, additional wage-forfeiture mechanisms were required, but reaching compromises regarding them between the Christian Democrats and the Liberal coalition parties was sometimes extremely difficult, e.g., in the 1984 draft budget.

As in 1982, the government made use last year of « limited » special powers to the displeasure of the opposition, which was not capable of endangering the continued existence of the government. Thus, political events in 1983 proceeded somewhat predictably with a government that, as it had stated in its governmental declaration, governed and an opposition that did not succeed in creating a significant mobilization against the government's policy. Nor did the trade unions succeed in this respect. Although not everyone in the ACV-CSC agreed with the recovery and wage-forfeiture policy of the Martens V government, the national leadership maintained its position of tacit consent. The Socialist trade union, ABVV-FGTB, which rejected the « neo-Liberal » governmental policy from the very outset, was too weak in Flanders to initiate successful actions on the national level. The divisions between the two major trade unions remained large, in spite of the attempts to achieve rapprochement in the spring that led to some common positions and actions, which, however, resulted in nothing later on.

That the wage-forfeiture policy has its limits was shown by the September strike in the public services, which began spontaneously and ended in considerable confusion. Political events became spirited on the occasion of the demonstration in October against the installation of nuclear missiles in Belgium. Alongside the success of this demonstration, it also showed that the post-World War II consensus between the political parties on foreign policy and defense problems has come to an end.

Abbreviations.

ABVV-FGTB	Algemeen Belgisch Vakverbond van België — Fédération générale du Travail de Belgique : General Belgian Trade Union
ACLVB-CGSLB	Algemene Centrale der Liberale Vakbonden van België — Centrale générale des Syndicats libéraux de Belgique : General Federation of Belgian Liberal Trade Unions
ACV-CSC	Algemeen Christelijk Vakverbond van België — Confédération des Syndicats chrétiens de Belgique : General Christian Trade Union
ACW-MOC	Algemeen Christelijk Werkersverbond — Mouvement ouvrier chrétien : General Christian Workers Association
AGALEV	Anders gaan leven : Green party (Flemish)
CEPIC	Centre politique des Indépendants et Cadres chrétiens : Political Center of Christian Self-employed and Middle Management
CVP	Christelijke Volkspartij : Christian Democratic Party (Flemish)
ECOLO	Green party (French-speaking)
DFD	Front démocratique des Bruxellois francophones : Brussels French-speaking Democratic Front
FIW	Front indépendant wallon — The Walloon Independent Front
KPB-PCB	Kommunistische Partij van België — Parti communiste de Belgique : Belgian Communist Party
PRL	Parti réformateur libéral : Liberal Reform Party (Liberals, French-speaking)
PS	Parti socialiste : Socialist party (French-speaking)
PSC	Parti social chrétien : Christian Democratic Party (French-speaking)
PVV	Partij voor Vrijheid en Vooruitgang : Party for Freedom and Progress (Liberals, Flemish)
RPW	Rassemblement populaire wallon : Popular Walloon Rally
RW	Rassemblement wallon : Walloon Rally
SP	Socialistische Partij : Socialist party (Flemish)
VBO-FEB	Verbond van Belgische Ondernemingen — Fédération des Entreprises de Belgique : Federation of Belgian Industries
VU	Volksunie : The People's Union (Flemish nationalists)

