

Belgian politics in 1993

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1993 was for Belgium the beginning of a new era. In the first place a very comprehensive revision of the Constitution changed the country into a genuine federal state. In the second place there was the death of King Baldwin I, who had been on the throne for more than 40 years, and his succession by his brother, becoming Albert II. The second half of the year was marked by the failure of the 'social pact' and the elaboration of a crisis plan containing drastic measures with respect to public finances, the competitiveness of the Belgian economy and employment.

I. The execution of the 'Saint-Michael-agreement'

A. The revision of the constitution

The Saint-Michael-agreement on the reform of the state had been concluded in September 1992 by the governing parties (CVP, PSC, SP, PS), and also received the support of the Volksunie and both Green parties Agalev and Ecolo. The latter had asked the introduction of an 'eco-tax' on polluting products and packings, but social unrest in (Walloon) plants producing pvc - one of the products to be taxed - led the PS and the PSC to ask for a renegotiation of the agreement. A compromise was reached on January 15. The introduction of the tax was to be postponed till July 1st.

The tension between the governing parties was to become even higher, when the Flemish prime-minister Luc Van den Brande declared in *La Libre Belgique* that the Saint-Michael-agreement was just one more step towards a more autonomous Flanders. He saw the future of the Belgian state as merely a go-between between the Communities and Europe. He furthermore defended a devolution of the social security, in particular of the health-insurance. And finally he suggested to give more fiscal autonomy to the Regions and the Communities.

The francophone parties were rather annoyed, especially about the idea to 'federalize' the social security. Vice-prime-minister Watheliet for instance declared that 'he had enough of those Christians defending solidarity with Bosnia and Somalia, but not accepting an elementary solidarity among the Belgian population'. Both the CVP-president, Herman Van Rompuy, and Luc Van den Brande were invited by King Baldwin to - as was accepted - explain what they exactly meant. While this is not the usual procedure, the Palace itself announced that there had been this meeting with the King.

This move by the King was then not at all appreciated in Flanders. The feeling was that the King was being quite more severe for Flemish than for Walloon politicians. In the Flemish Council Van den Brande declared that he still supported the Saint-Michael-agreement, but he also repeated the ideas of the interview in

La Libre Belgique, and he made clear that formally he was only accountable to the Flemish Council and not to the King.

Prime-minister Dehaene took the responsibility for the royal audience. He declared that the monarch regularly meets his ministers and the members of the governments of Regions and Communities. He said that it was a normal habit of the Palace to give information on the occurrence of these meetings. This was a very controversial statement indeed.

The incident went on, when vice-prime minister Philippe Moureaux (PS) called Luc Van den Brande the 'Gauleiter' of Flanders, referring to the regional leaders in Hitler's nazi-party. The prime-minister said that Moureaux had spoken as a member of the parliament, and not in the name of the government. But he added that this difference was so subtle that statements of that kind could better be 'prevented'.

On January 28 the VU-president Bert Anciaux said that he had reached an historical agreement with the prime-minister on the elimination of the unsubstantiated financial transfers from Flanders to Wallonia in the social security. Therefore his party would now be able to fully support the Saint-Michael-agreement. A commission - called Jadot Commission - within the renewed General Council of the Health Insurance Institute would investigate the differences in the implementation of the social security laws in the three regions. The first report of the Jadot Commission confirmed officially the existing differences in the cost of the health care in Flanders and Wallonia. A study by a group of economists of the Catholic University of Leuven demonstrated that annually 122 billion Franks was going from Flanders to the federal level and to both other Regions (Wallonia and Brussels). The reduction of the transfers without an objective explanation, was one of the ten items on the list with which the Flemish parties had started the dialogue between the Communities in 1992. The Flemish government commissioned a report by an academic team on these transfers to be completed by July 1994. The minister of Social Affairs Philippe Moureaux declared that he was not going to provide any help.

Meanwhile the House of Representatives and the Senate had started the plenary sessions on the revision of the constitution. The votes were expected to be very close, since the parties supporting the Saint-Michael-agreement had only three votes more than the 142 required for the two-third majority which is needed to change the constitution. Yet the first vote showed a majority of 144. Later votes also went well, because members of opposition parties (mainly belonging to the Rossem-group) supported the proposals. In the Senate the majority was even larger, and there wasn't any problem either.

The following debates in the House of Representatives were rather chaotic. The meeting of February 10 was especially dramatic. Before the vote on the article settling the transfer of competences from the French Community to the Brussels French Community Commission (COCOF), minister Philippe Moureaux said that the article was very important for the francophones, because it enables them to settle their affairs among themselves. It is rather unusual to see members of the government making this kind of declarations. The liberal opposition was outrageous, and asked the prime minister to account for this.

Joris Van Hauthem (Vlaams Blok) created a second incident, when he shouted 'La Belgique, qu'elle crève', thus imitating what Joris Van Severen did in 1928. The PRL-president Jean Gol asked to have this sentence struck out of the written account of the session. He refused to leave the speaker's platform unless his demand was met. The president of the House almost had Gol removed from of the

room, until he finally got the support of the majority and left. The prime minister declared the following day that Philippe Moureaux had actually spoken as an MP from Brussels and not as a member of the government. But he added that this difference was so subtle that statements of that kind could better be 'prevented'.

It was finally on April 23 that both the House and the Senate concluded, with a round of applause by the parties supporting it, the revision of the constitution. The new constitution was published on May 8. A total of 45 articles had been changed. The most important are:

- article 1, stating that Belgium is a federal state, composed of Regions and Communities, and settling the separation of the Province of Brabant into Flemish Brabant and Walloon Brabant;
- the articles 26, 27 and 41 reforming the bicameral system;
- article 36 introducing at the federal level the incompatibility between ministerial appointment and membership of the parliament;
- article 49 reducing the number of members of the House from 212 to 150;
- the articles 53, 54 and 55 on the composition of the Senate;
- the new article 59quater on the direct election of the Regional Councils;
- the articles 65 and 71 on the reduction of the number of federal ministers to 15, on the so-called 'legislature parliament' and 'legislature government';
- article 68 giving Regions and Communities the power to conclude treaties
- the new article 107ter-bis introducing the principle of federal loyalty.

The whole process of federalization had created among a part of the public opinion the fear that Belgium would collapse. This fear was further fed by declarations on both sides of the linguistic borderline that this would certainly not be the last reform. A self-declared independent group 'Against Separatism' organized a fairly impressive demonstration (100.000 participants according to them, 25.000 according to the police) on April 28. Well-known Belgians, among whom Eddy Merckx, Toots Thielemans, Jacky Ickx, Paul Van Himst and Dirk Frimout had called for participating in the demonstration. A majority of the participants were francophones.

B. The laws implementing the revision

From early June on the Parliament started the plenary discussions and the votes of a number of laws implementing the revision of the constitution. The last votes took place on July 14, again with a round of applause.

The Special Law of July 16 (published on July 20) deals with the competences of the Regions and Communities, the composition of the Councils of Regions and Communities and the functioning of their respective governments. The ordinary Law of July 16 (also published July 20) regulates the direct election of the Flemish and Walloon Regional Councils, adapts the electoral law to the reformed bicameral system, changes the law on the elections for the European Parliament and contains the articles on the eco-tax. These laws conclude the fourth constitutional revision since 1970 and turn Belgium clearly into a federal state.

The composition of the federal parliament and the division of tasks between the two Houses were deeply changed. The House has now 150 members (in stead of 212), directly elected in 22 constituencies (in stead of 30). The Senate has 71

members (184 before): 40 directly elected in three constituencies, 21 elected by the Community Councils and 10 to be coopted.

The House of Representatives alone controls the federal government. The Senate is to be a 'reflection' House, but has still control over the revision of the constitution and over laws dealing with the state institutions. The fifteen federal ministers will have to give up their parliamentary mandate, and the parliament can only send the government away by voting a so-called 'constructive motion of non-confidence', which at the same time proposes a new prime minister to the King.

The Regional Councils will be directly elected every five years. The Community Councils will be composed of members of the Regional Councils. The regions received additional competences with respect to (among others) agriculture, environment and export. Both Communities and Regions received additional financial means.

The French Community received the possibility to transfer parts of her competences to the Walloon region and to the French Community Commission in the Brussels Region. This reinforces the asymmetrical character of the Belgian federation: Flanders is primarily a Community, and integrates the Flemish Community of Brussels into that Flemish Community as a whole. The French Community stresses the importance of the Region. Brussels is clearly a third Region, in which the Flemish minority is protected.

Finally the reform has split the central province of Brabant into two unilingual provinces: Flemish Brabant and Walloon Brabant. Brussels does not belong to a province any more. The provincial elections have been connected to the local elections, which means a term of six years.

C. Further developments

In order to improve the coherence and readability of the constitution, the text has been completely reshuffled and renumbered. The new version of the constitution was accepted by the Parliament in February 1994.

In his speech on July 21, which was to become his political testament, King Baldwin called for tolerance and citizenship, and asked all those responsible to make the new federal institutions work. "An overwhelming majority of the Belgian citizens does not desire any kind of separatism", he said. He further called for a lasting peace between the Communities, in order to create the time to deal with problems such as unemployment, security and education.

On June 15 a first meeting took place between the Flemish prime minister Luc Van den Brande and Guy Spitaels, the prime minister of the Walloon Region. This 'top' was, according to Van den Brande, to be considered as the reflection of the new federal Belgium. On July 5 a meeting took place between Van den Brande, Spitaels and the Brussels prime minister Charles Picqué, who was accompanied by the Dutch-speaking Brussels regional minister Jos Chabert. They agreed to meet again at least once a year.

In November it became clear that the introduction of the eco-tax, that had been linked by the Green parties to the reform of the state, was going to be delayed. This delay was blamed on the lack of experience with these kinds of taxes and on a number of technical problems in the drafting of the texts. Agalev blamed the government for delaying the plans on purpose. In December the prime minister announced that the law would come into force on July 1 1994, but that the im-

plementation for some products might be slightly delayed. This debate was to be extended into 1994.

II. Albert II succeeds to the deceased Baldwin

A. *The unexpected death of King Baldwin*

On Sunday August 1 Belgium awoke with the tragic news that the King had died the night before, at the age of 62. He was head of state since August 10 1950, first as Royal Prince, then from July 17 1951 on as the fifth King of the Belgians. The King died in his 'Villa Astrida' in Motril (Spain), where he was on holiday.

Prime minister Dehaene had a few meetings with other members of the cabinet on the Saturday night, preparing the meeting of the cabinet on the Sunday. According to the Constitution it is the Council of ministers acting as head of state between the death of the King and the moment the new King is sworn in. After the cabinet meeting the prime minister flew to Spain, together with the minister of Justice Melchior Wathelet. Dehaene was actually going to Spain in order to meet Albert, the King's brother, as legally the first successor of Baldwin. In a televised speech on the Sunday night, Dehaene announced that Albert was to become the next King. This caused some surprise, since it was generally accepted that Albert's eldest son, Philip, was being prepared for the royal function. By choosing Albert, the government chose for stability and continuity in the first place, and also seemed to follow the wish of Baldwin to be succeeded by his brother in the case of a premature death.

Baldwin's body was flown to Belgium on Sunday August 1 and brought to the palace of Laken. It was brought to the palace in Brussels and laid in state on August 4. A huge crowd gathered in front of the palace to greet the King. The Belgian flag was seen on many private houses. Many considered this as a proof of the fact that the Belgian people do not want separatism, or maybe not even want federalism. But others simply linked this massive support to the very respected personality of the late King.

The funeral mass was a sober but impressive event. Queen Fabiola had insisted that the ceremony should be a sign of hope. Many political leaders from all over the world were present, among whom the Japanese emperor Akihito and the British Queen Elisabeth.

B. *The succession by Albert II*

On Monday August 9 Albert was sworn in as the sixth King of the Belgians in the Parliament. Members of both Houses were present, together with ministers of state, diplomats, the president of the European Parliament and the Belgian archbishop Danneels. While the president of the Senate, Frank Swaelen, was welcoming the prince, the libertarian Jean-Pierre Van Rossem shouted: "Long live the European republic, long live Julien Lahaut" (Julien Lahaut was a communist member of the House who had shouted "Long live the republic" when Baldwin was sworn in in 1950). Van Rossem was forced to leave the room.

In his speech the new King paid tribute to his brother and to queen Fabiola. Referring to King Baldwin's last speech, he asked everybody to respect the new political institutions of the country. He warned against individual and collective egoism. Like prime minister Dehaene had done before, he defended the idea of

a new social and economical consensus, like it had been realized shortly after the Second World War.

III. The budget

A. The changes in the 1993 budget

The minister of the Budget, Mieke Officiers, and the minister of Finance, Philippe Maystadt, announced on January 5 that the deficit on the federal budget for 1992 would be 382 billion, or 5.4% of the GNP. It was 5.5% in 1995. The deficit was 28 billion more than foreseen. The total deficit of all public authorities (federation, Regions, Communities, provinces, municipalities and social security) was 489 billion or 6.9% of the GNP (6.7% in 1992).

The prime minister had already declared that he wanted to stick to the goal of reaching a deficit of only 3% by January 1997. That is the limit imposed by the Maastricht Treaty for countries wanting to join the European Monetary Union in 1997. The prime minister therefore admitted that there was a problem and that initiatives had to be taken.

On February 25 the cabinet started its yearly budgetary control. It decided to follow the advice of the High Financial Council, which meant that 110 billion had to be found before the end of 1994. That would prove to be a very difficult exercise. The trade unions warned the government that they would not accept any policy that would make only the salaried workers pay the bill.

In the government the two major parties, CVP and PS, were defending different ideas. The CVP suggested to skip one indexation of the wages, and keep the 2% rise for the state finances. The PS did not want any change in the system of indexation of the wages, and rather defended some kind of tax rises. The SP could accept some softer change in the indexation system (in 'cents in stead of percentages'). The prime minister was not able to bring the partners closer to each other, and finally presented his resignation to the King on March 23. The king kept his answer in council. Dehaene warned for the huge problems that would occur if the crisis could not be solved. Furthermore the reform of the state had still to be finished by the parliament.

On March 29 the King appointed Dehaene as 'negotiator' and asked him to find a way out of the impasse. He started talks with the four party presidents of the majority. One day later they were able to find a solution, the King refused the resignation of the cabinet, and the cabinet approved the agreement reached among the party presidents. The House of Representatives and the Senate both confirmed their confidence in the cabinet, which then filled in the details of the agreement.

There would be 42 billion of new taxes, 42 billion of cuts (of which 25 billion would be in the social security) and 29 billion of other measures, among which the privatisation of the ASLK/CGER.

B. The 1994 budget and the speculation against the Belgian Frank

On June 29 the High Council of Finance stated that on top of the measures already taken, an effort of 65 billion would still be needed in order to reach the Maastricht norm of 3%. During the last week of July the cabinet worked on the 1994 budget. At that time the Belgian Frank stood under high pressure on the

financial markets. The Frank reached its lowest point against the German Mark since June 1990, when the two currencies had been officially linked.

On July 30 the budget for 1994 was presented. The measures taken were to a large extent a concretisation of the measures on which the cabinet had decided in April. In order to counter the deteriorating economic situation and its effect on the budget, the privatisation of the telephone company Belgacom and of the National Lottery were announced. Measures in the social security were postponed to the Autumn, where they could be integrated in the negotiations for a new 'social pact'. The cabinet finally submitted a budget with a deficit of 315 billion, being 4.2% of the GNP.

IV. From social pact to crisis plan

A. The social pact is not working

After the summer holiday the cabinet's attempt to negotiate a new social pact came very much in the focus. Social security, competitiveness of the Belgian economy and unemployment were high on the agenda.

The Central Economic Council, in which both the trade unions and the employers are represented, had published its yearly report in March. It stated that the competitiveness of the Belgian enterprises was deteriorating. For the first time since the law of 1989 the trade unions had accepted that this was indeed the case. Yet they blamed it more to the weak position of the Frank than to the excessive wages of the workers. According to the law the social partners have one month to agree on measures to improve the situation. The deadline was postponed to May 18. But the organisations of workers and employers were not able to reach an agreement. The cabinet therefore decided to act alone. On May 19 it agreed on the introduction of an energy tax on car fuel, domestic fuel, electricity and natural gas. This was to produce a total tax income of 9.5 billion Frank, of which then 8.5 billion would be used to improve the competitiveness of the export-oriented sectors by reducing the employers' contribution for social security. The remaining one billion would be used to finance an employment plan. This was agreed on by the social partners on June 18. The plan contained - among others - a reduction of the employers' contribution for social security for newly employed workers under 26 years.

On July 11, coming back from the G7-top Tokyo, where he had participated as the president of the European Community, prime minister Dehaene told journalists of *Le Soir* and *De Standaard* that there was an urgent need for a debate on the reform of the social security. The existing system, he said, has unsocial effects, produces unemployment, and has become much too expensive. Both workers and employers organizations welcomed the idea of a debate on the system, but the trade unions denied that the system created unemployment.

On July 30 the government asked six experts to prepare the negotiation round for a new social pact. This commission was chaired by Fons Verplaetse, the governor of the National Bank. On August 9 the new King, Albert II, supported the idea of the new social pact in his speech to the Parliament. All social partners signed a declaration in which they then agreed to follow the King's idea (actually the prime minister's idea). And while the commission Verplaetse prepared the talks, the prime minister had discrete bilateral contacts with the social partners.

The commission Verplaetse presented its report on October 19. It contained a diagnosis of the current situation, and a number of suggestions for remedies. It

proposed to reduce the employers' contribution to social security and to replace it by 'other elements'. It also suggested a list of cuts in social security expenses, like for instance a rise of the contributions for pensions, and a reduction of the child benefit for higher incomes. To be able to reduce the deficit in social security, there would furthermore be the need for a CO₂-tax and a rise of the taxes on savings. In order to restore the competitiveness of the enterprises, the commission suggested a spreading of the wage rises for 1994 over three years, and a 'slowing down of the index mechanism'.

One day later already the prime minister produced a note for the social partners, being a personal summary of the commission's report and of his talks with the social partners and with the parties of the coalition. One day later the socialist trade union ABVV/FGTB rejected the note, mainly because it could not accept the idea to spread the wage rises for 1994 (on which there had already been formal agreements) over the three following years. The negotiations for a new social pact were effectively finished, even before they had really started. Therefore the cabinet decided on October 24 to produce itself a 'global plan' on the basis of which it could later have contacts with the social partners. The Parti Socialiste, although it is very close to the ABVV/FGTB, supported this decision.

B. The global plan survives the trade union protest

While the top ministers worked on the global plan or crisis plan, the ABVV/FGTB organized protest actions. There was a demonstration in Brussels on October 29, and on that same day the ACOD/CGSP (the socialist union of the public sector) organized a one day strike. The Christian trade union did not participate, and urged the cabinet to continue talks with the social partners.

When the cabinet showed clearly that it did not want to talk any more and that it was producing its own crisis plan, both Christian and socialist trade unions decided to organize national and provincial 24-hour strikes. The first national strike was on November 15. Two days later the prime minister presented the cabinet's plan. He called it the most difficult operation of his political career.

In order to promote employment, employers and trade unions were asked to draft 'company plans' for the redistribution of jobs through part-time work, career interruption, reduction of the working time and the introduction of a four-day week. For each additional job the employer's contributions for social security would be reduced with 100.000 Frank per year. The crisis plan also provided - among others - a reduction with 50% of the social security contributions for workers with the minimal salary (42.000 Frank). The state itself would provide jobs for long term unemployed in the social sector and in environmental protection.

The wages for 1995 and 1996 would be frozen. The social partners were urged to turn the wage rises on which they had agreed for 1994 into more employment. Wages and salaries would in the future be linked to a so-called 'health index', in which the prices of tobacco, alcohol and fuel would be excluded. Cuts were announced in the health insurance, the pensions and the unemployment insurance. To finance the whole plan, the normal VAT-rate went up from 19.5% to 20.5%, while taxes on fuel and tobacco were also increased. Together with some other measures, this meant a total tax increase of 55 billion.

Both the House of Representatives (November 20) and the Senate (November 23) confirmed their confidence in the government.

The financial markets had a very positive reaction. The Brussels stock market reached a historical height and the Belgian Frank came again closer to the Ger-

man Mark in the European Monetary System. Elsewhere the plan received rather negative reactions. The employers organizations considered the plan to be insufficient to restore the competitiveness of the Belgian enterprises. The Christian trade union announced immediately that its actions would go on. Surprisingly the socialist union wanted to stop, but its rank and file pressed the top to change its mind. Like it had been agreed on before, there was a strike on November 22 in three provinces and on November 24 in the six other provinces. On November 26 a general and national strike merely paralysed the public life, for the first time since 1936. By blocking the entrance roads to zones of industrial activity - a new tactic - the unions were able to make the strike very successful.

Prime minister Dehaene explained the plan on radio and on television on November 29, and tried to convince the population that the plan was necessary, 'because we all together have to take one step back'. As a result of the pressure produced by the unions, the cabinet received the social partners on November 30. They suggested changes, but the cabinet told them that no fundamental changes would be possible, although the implementation of the plan could be discussed. This strategy actually divided the trade unions. The Christian union wanted to wait for the result of these talks before engaging into new actions. The ABVV/FGTB however organized a new demonstration in Brussels on December 10. It was less successful than the previous one.

On December 14 the cabinet proposed some changes in the crisis plan to the unions, like for instance a rise of 1% of the minimal wages. The cabinet also announced to take some time for further negotiations. It was agreed that the National Labour Council would produce in January 1994 an advice on the 'company plans' and on the reduction of the social security contributions for the lowest salaries. Both unions then decided to stop the actions and to concentrate on the talks with the employers.

Between the federal cabinet and the Regions' and Communities' governments there were some discussions on the question whether the federal endowments to Regions and Communities would be linked to the old index or to the new 'health index'. It was finally decided that the old index would be used, but the profit then going to Regions and Communities (since their civil servants would be paid less according to the new index) would be compensated by reducing federal subsidies for employment plans.

V. International relations and defense policy

A. *International relations*

Zaire. Belgium could not contribute to the settlement of the ongoing conflict between Mobutu and the opposition headed by Etienne Tshisekedi and monseigneur Laurent Monsengwo. Belgium had chosen the side of the opposition, and did not invite the ambassador of Zaire to the traditional new year's reception in the Royal Palace and to the funeral of King Baldwin.

On January 28 a mutiny broke out in the Zairian army. Hundreds of people, among whom the French ambassador, were killed in Kinshasa. The Belgian cabinet sent 500 para troops to Brazzaville (Congo) in order to evacuate the Belgians. Yet Mobutu did not give the Belgians the permission to cross the Zairian border.

While the international community increased its pressure on Mobutu, Belgium refused to recognize the cabinet headed by Faustin Birindwa. He had been

nominated by Mobutu after having fired Tshisekedi on February 5. The situation remained completely blocked.

UN missions. Belgium participated in 1993 in humanitarian UN-Missions in former Yugoslavia, Somalia and Ruanda. In former Yugoslavia, where Belgian troops had been present since the spring of 1992, the Belgian lieutenant-general Francis Briquemont took over the command over the UN troops from Philippe Morillon from France. The troops mainly delivered and distributed food and medical help to the Bosnian population. One month after his arrival Briquemont had a serious quarrel with the USA, after he had openly criticized the idea of NATO-bombings of Serbian troops and material. Belgian troops were also present in the Baranja.

On February 5 the Belgian government decided to send 250 extra soldiers to Somalia to participate, together with the 600 soldiers already there, in the operation Restore Hope. The human rights organization African Rights accused the Belgian soldiers of beating and killing unarmed Somali citizens, with racism as the only motive. The defense minister Delcroix said that he had no information about these activities, but when a few soldiers back in Belgium admitted in radio interviews that indeed some nasty things had happened, the defense department started an investigation. The conclusion was that the whole story was very much exaggerated, and that the Belgian soldiers were actually only defending themselves.

In November the Belgian government sent 450 soldiers to Ruanda as part of the UN peace mission that had to control the implementation of the Arusha Agreement between the government of Ruanda and the rebels of the FPR. Belgium had tried before to convince the government of Ruanda to stick to the agreement and to respect human rights. This was not appreciated in Ruanda.

European Union. Belgium assumed the presidency of the European Community in the second half of 1993. According to the Maastricht Treaty the EC was to become the 'European Union' from November 1 on. During a special meeting of heads of state and heads of government in October, the Belgian presidency was able to settle the very delicate question of the location of a number of new EU institutions.

Water treaties. On March 18 the Dutch minister of waterways Maij-Weggen said that she did not believe any more in the conclusion of a Belgian-Dutch treaty on the Schelde and the Meuse. This agreement had to include a guarantee on the Belgian side on the quality of the Meuse water. But the Walloon authorities had not undertaken any activity to purify the Meuse water, and therefore the Water Treaties had been blocked. Maij-Weggen believed that an agreement with Flanders on the deepening of the Schelde and on the quality of the Schelde water would be possible. Yet the negotiations for this Dutch-Flemish treaty got stuck in October, when The Hague wanted to include an agreement on the tracé of the high speed train between Antwerp and Rotterdam.

The Kahn case. On October 18 Amullah Khan, the leader of the 'Jammu and Kashmir Liberation Front' (JKLF) was arrested in Brussels. He had been invited by the socialist group in the European Parliament. India asked for his extradition, but he was extradited to Pakistan. This led to a severe incident between the Belgian minister of Foreign Affairs Willy Claes and the Belgian ambassador in Pakistan. Although Kahn was internationally wanted, he had received a visa from the Belgian embassy. Claes called the ambassador back and blamed him for this mistake. Yet articles in *De Standaard* suggested that the ambassador was not in Islamabad when the visa was given. This affair was to continue in 1994.

B Defense policy

The cabinet accepted on January 29 the plan by Leo Delcroix to reform the army. This reform was necessary after the decision of July 3 1992 to abolish the military service from 1994 on and to freeze the defense budget on exactly 99 billion during five years. The plan meant a serious reduction of the army forces, the material, the buildings and the domains. It included the reduction of the armed forces by 700 officers and 6000 NCOS. to maintain a maximum of 40.000 military.

The cabinet decided on June 25 to integrate almost the complete army into the Eurocorps, the military wing of the West European Union that had to be operational on October 1 1995. France and Germany had earlier already promised troops for the Eurocorps. On the inauguration day of the Eurocorps, on November 5 in Strasbourg, minister Delcroix requested that Dutch be one of the official languages of the organization. France and Germany hesitated to accept this, and Delcroix threatened not to pay the Belgian contribution to the Eurocorps. The minister received quite some support in Flanders, while the French speaking press reacted in a rather disdainful way. Finally Germany and France accepted to use Dutch during ceremonies and in documents of the Eurocorps.

VI. Other facts and evolutions

This paragraph gives an overview of a few important facts and evolutions in 1993 that were not yet discussed earlier in the text.

Cabinet reshuffles. Philippe Moureaux (PS), the Minister of Social Affairs, left the government on May 4. He was succeeded by Bernard Anselme, who was previously heading the government of the French Community.

On September 5 the minister of the Budget, Mieke Offeciers, was replaced by the CVP-president Herman Van Rompuy (who then had to resign as party president).

Administrative reforms. The government approved on July 29 a plan by the Minister of Internal Affairs Louis Tobback to reform the federal administration. The number of departments would be reduced to eleven, one of which would be a 'horizontal' department of 'General Affairs'. A number of services would be abolished. The civil servants would receive more competences and would have to be more flexible. This reform should be finished by the end of 1996.

Women's trade. On January 11 a commission of the House of Representatives started an investigation into the problem of the international trade of women. This had come on the public agenda after the publication of a book by the journalist Chris De Stoop: "Ze zijn zo lief, meneer" (They are so cute, sir). An intermediate report (July 1) provided concrete proofs of the involvement of eight members of the police forces and of the administration of the city of Gent. A second intermediate report contained the suggestion to introduce human trade as an explicit item in the criminal law and to introduce more severe sanctions for women's trade.

The André Cools and Agusta case. Several indications suggested that the unsolved murder of André Cools (PS) in July 1991 could be linked to the payment of slush money to (members of) the Parti Socialiste by the Italian helicopter factory Agusta. Agusta had sold 46 helicopters to the Belgian army in 1988. In February Georges Cywie was arrested. He was in charge of Agusta in Belgium, and he confirmed that slush money had been paid. Several PS-members were named:

Guy Coëme (Minister of Defense in 1988) and Guy Mathot. On December 14 it was announced that the judge in charge of the case - Véronique Ancia - wanted to lift the parliamentary immunity of Guy Coëme, Guy Mathot and Guy Spitaels. Spitaels was PS-president at the time of the facts. All three said that they were absolutely innocent. This Agusta case was to be discussed further in 1994 and 1995.

VII. Evolutions in the political parties

The reform of the parties in Flanders, that had started after the elections of December 1991, was continued in 1993.

On January 20 the first issue of the 'Burgerkrant' was published, the new monthly journal for the members of the VLD (Vlaamse Liberalen en Democraten). The VLD had replaced the old liberal party PVV on November 15 1992. In March 1993 the new party had its new statutes approved. These included a number of striking new procedures: the introduction of 'registered voters' who can participate in the drafting of electoral lists without being a party member, the organization of a public vote (labelled 'primary') among members and registered voters for the drafting of electoral lists, the direct election by the members of the party bureau and of the party president. This election for president and bureau were organized on June 19. 36.000 out of the 82.000 members participated. Guy Verhofstadt was elected president against Herman de Croo. A party congress in October decided to defend the direct election of the federal and regional prime ministers and of the mayors.

The Volksunie, that had seen its former president Jaak Gabriëls and other members leaving the party to join the renewed VLD, reacted with a campaign labelled 'Ik blijf' (I stay). In order to find a new profile for the party, president Bert Anciaux presented a new political project on June 24. It was criticized by VU-members who believed the programme was too red and too green, and by VU members who wanted the party to focus more on its regionalist programme. In September the party congress accepted the main ideas of the new project. One day later senator Herman Candries announced that he went to the CVP, and the members of a group called 'Vlaanderen vandaag' (Flanders today) left the party to create a new one: Vlaamse Volkspartij (Flemish People's Party). Hugo Schiltz, the 'éminence grise' of the Volksunie was rather sceptical about the survival chances of the party, but he stayed.

The christian-democratic CVP organized a 'renewal congress' in June, at which it accepted a new ideological manifesto and a number of radical changes in the party structures. It approved the direct election by the members of the party president, the drastic reduction of the influence of the 'standen' in the party and the abolishing of all quota in the statutes (which made the representatives of the women's organizations leave the room). Even before the new statutes were definitely approved, the party president Herman Van Rompuy resigned to become a member of the federal cabinet. The party bureau choose, on the advice of the parliamentary groups, Johan Van Hecke as the new president, and decided to have this approved by the 125.000 members. Van Hecke was elected with 91% of the 44.000 participants.

The SP had its 'renewal congress' in December. It had been prepared with an internal 'referendum' among the members in which they could evaluate the propositions laid down in the document 'Hope for an other future'. Almost 44.000 members participated and clearly supported the proposals. The congress defended the idea of local referenda and asked for a more drastic policy against fiscal fraud.

During an administrative congress in April the party president Frank Vandembroucke was reelected with two third of the votes. For the first time this election was a secret vote.

Mieke Vogels and Jos Geysels, two members of the Parliament for Agalev, replied with their book 'Politieke herbebossing' to the 'Burgermanisfest' of Guy Verhofstadt (president of the VLD). They rejected the old political cleavages and suggested a change of the political landscape according to completely new definitions of politics and democracy.

The congress of Agalev in June maintained the principle of the rotation rule, saying that no mandate can be hold for more than two consecutive terms. The congress also accepted the idea of opening up the lists for candidates not being a member of the party. In order to increase the membership numbers, the membership fee was reduced from 600 Frank to 365 Frank per year.

Gerolf Annemans and Filip Dewinter, both elected in the Parliament for the Vlaams Blok, were suspended for three meetings of the Flemish Council. When that Council had refused to discuss one of their proposals, they had caused quite some trouble, ending in the breaking of a glass door.

The Francophone liberals PRL and the Brussels francophone party FDF announced in September that they were forming a federation and that they would present common lists at the elections. This led to some tensions in the Brussels region, where the FDF is part of the majority, while the PRL is in the opposition. The FDF nevertheless said that it would be loyal to the governmental majority in Brussels.

The Parliament changed, after long discussions, the 1989 law on party financing. The new rules raise the total amount of state money given to the parties from 100 to 500 million, but bans all gifts by companies and organizations.