FONDATION ROBERT SCHUMAN

European **Elections monitor**

Parliamentary Elections in Belgium, a round up one week before the election

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On 13th June the Belgians are being called to ballot for the early parliamentary elections that appear to be turning into a real referendum on the country's future.

The election follows the decision of the Flemish Liberals and Democrats (Open VLD) to leave the government led by Prime Minister Yves Leterme (Flemish Christian Democratic Party, CD&V). Open VLD believed that the time given to negotiations over the electoral district of Brussels-Hal-Vilvorde had run out. Covering the border between the province of Brabant-Hal-Vilvorde and Brussels Capital, the district of Brussels-Hal-Vilvorde is home to 125,000 French speakers who enjoy certain (temporary) electoral (right to vote in Brussels for French speaking candidates in the parliamentary and European elections) and legal (right to use French to defend themselves in the courts of justice) privileges.

2,801 candidates from 132 lists are standing in the election for the Chamber of Representatives, the lower Chamber in Parliament and 620 candidates representing 21 lists are standing in the senatorial elections. Belgians living abroad had until 17th May to register on the electoral rolls. 43% chose to vote on the day of the parliamentary election at their embassy or consulate 35% will vote by post.

Some burgermeisters from the district of Brussels-Hal-Vilvorde are refusing to organise the election and will boycott it. Others such as those in Vilvorde, Merchtem, Steenokkerzel and Galmaarden will organise it but have chosen not to put any posters up for the French speaking parties. The Flemish Home Minister, Geert Bourgeois said he fully understood the Flemish burgermeisters who are refusing to organise the elections and said they would not be sanctioned.

The "small" parties were surprised by the organisation of these early elections and have had very little time to rally the number of signatures necessary to run. Around twenty will be present however, more in Wal-Ionia than in Flanders. The Labour Party of Belgium-Partij van de Arbeid van België (PTB-PVDA) is the only one to have lists in all of the country's constituencies.

It is the only one to put forward French speakers in Flanders and Flemish speakers in Wallonia thereby showing its determination to see Belgium become a federal constituency.

A debate bringing together all of the Belgian parties was due to be organised on 30th May and broadcast on two state TV channels: the RTBF and the VRT. However the organisers did not manage to agree on the place to give to the far right. Indeed the Vlaams Belang (VB) is never invited to the RTBF but it always takes part in VRT programmes. The debate was due to be prerecorded to avoid any xenophobic slips on the part of the Vlaams Belang. It is also reported that the French speaking parties would not debate with the far right. But the Reform Movement leader (MR), Didier Reynders refused this compromise. This debate was to be the first since 1981 and a chance for Belgians to compare the programmes of all of the parties since the country has not had a national party for the last 30 years.

The reform of the State features at the heart of the campaign. The Federal State manages social security but also public finances and the funding of the regions (90%), justice, defence and foreign affairs. It is also in charge of a major part of public health and transport 02

(except for regional transport and roads), the immigration policy and research. The regions for their part are responsible for culture, education, languages, civil engineering and also in part, employment. The Flemish parties support a confederation that would limit the competences of the Federal State and in which the regions would have economic power. The French parties are reticent but have understood over the last few years that they could not permanently impede negotiations. They say they are ready to speak with their Flemish counterparts on several conditions, notably with regard to the upkeep of national social security.

"The New Flemish Alliance (N-VA) has emerged at a time when there is need for a reform of the State, and is the only party that can really force this agreement," declared Jean-Benoît Pilet, a political scientist from the Free University of Brussels. Its leader, Bart de Wever believes, "federalism is just a euphemism for a country that is slowly collapsing." The N-VA supports a confederate model that transfers socio-economic policy over to federated entities, which also features in the programmes put forward by the CD&V and Open VLD. "The Flemish must refuse to form a federal government before being guaranteed Copernican reform," repeats Bart de Wever. He says he is also prepared to accept the appointment of a French speaking Prime Minister if a real reform of the State is guaranteed.

Bart de Wever has said that he is not standing for this post himself. "I am interested in the creation of new structures, not in the position of Head of Government," he said.

The N-VA wants to do away with the funding law which governs relations between the Federal State and the regions. "Brussels has to co-managed and have the competence of a town not that of a country. Brussels is over financed and is not effective." The party wants to turn the capital into a European town, without its own status and co-managed by the two communities. It is fighting to split the social security system, which is unacceptable for the French speakers and which the other Flemish speaking parties also do not agree with.

"If the N-VA is below 20% on 13th June we shall make an agreement without it but if it is the main winner then it will become inevitable," stresses Jean-Benoît Pilet. It has to be said that Bart de Wever has already won his wager by making the NV-A the central player in Belgian political life. An anti-establishment candidate he has succeeded in federating those disappointed by politics and the moderates who want to see progress on institutional issues. He has therefore managed to widen his base of independents without losing his traditional electorate. In addition to this and contrary to the Vlaams Belang leader (VB) he is not suspected of xenophobia and stands as a respectable man with whom it is possible to debate. "Without Bart de Wever, the N-VA would practically no longer exist," says Dave Sinardet, political scientist from the University of Anvers.

Former N-VA ally, the CD&V led by Yves Leterme is questioning the N-VA's real goals which he suspects of separatism. The CD&V also supports an in-depth reform of the State. "The person who wants Belgium to progress has to understand that the status quo is not good for our country," declared Yves Leterme. The outgoing Head of State believes it a victory that the French speaking parties now accept "in words at least" a reform of the State. "We want Flanders to have greater power in order to manage things better on a regional and federal level," he repeats. The CD&V is undertaking a campaign under the banner of "Nooit opgeven" (Never give up).

Open VLD also supports a confederate model and hopes that the regions will have greater competence and more financial responsibilities. "It is not logical that a region has no responsibility for example with regard to the pensions of its civil servants," declared their leader Alexander De Croo. "The reform of the State is a final point, not a stage to split the country as some Flemish parties would like to do. We do not want this. I want Belgium to continue to exist because it gives us prosperity but to do that the country has to work. For the time being we are in stalemate," he added. Mr De Croo would like to "transform the old factory of Belgium into three dynamic SME's that work for the same holding."

Alexander De Croo wants the next government to be formed rapidly after the elections. "In order not to make

the same mistakes as in 2007, a prior agreement on community issues is required before the establishment of the government," he said. Open VLD rejects accusations that blame it for the fall of the government. "Those really responsible for the collapse of the government are the parties at the table who made no effort to respect their commitments. We have been trying for three years in every possible manner to solve the problem of Brussels-Hal-Vilvorde, it is clear than another year was going to solve nothing," indicates Mr de Croo.

Elio di Rupio's socialists say they are ready to "make a step towards the north of the country" and wants to ask his Flemish colleagues "to make a step towards us". "We are ready for greater competence in the regions according to an idea of homogeneity and efficacy. We were not far from an agreement and the Flemish liberal leader failed completely. He put fuel into the N-VA and it took off," accuses the French-speaking socialist. "Naively I believe that Bart de Wever wants agreement, we have to know if he can sell it to his base," said Johan Vande Lanotte, former chair of the Flemish Socialist Party (SP.A) who also said that he was not running for Prime Minister.

"The guarantee of respect," this is the slogan chosen by the Reform Movement (MR) in this campaign. "I believe that we shall have a strong Belgium once again in the years to come if we accept political reform," declared its leader Didier Reynders. There are three reforms necessary to achieve this: a change over to a majority form of election, the grouping of elections (national and regional) and finally the establishment of a federal constituency. "This will prevent the nationalists campaigning in Flanders and who never have to explain what they want to Liege and Charleroi," declared Didier Reynders. The MR supports a transfer of competence from the State to the regions but on condition that a strong federal power is maintained. He says he does not know what a confederate model is. "If Bart de Wever has a separatist project in mind, it is his problem. But it will be without me," declared Didier Reynders who said he was ready to negotiate with the N-VA leader if the latter accepted the creation of a federal constituency.

The outgoing Development Minister Charles Michel (MR) sees the solution to the problem set by Brussels-Hal-

Vilvorde in the enlargement of Brussels. In his opinion Bart de Wever is "a naive dreamer and lacks realism," but he is also "very dangerous". "The Flemish must see that separatism is synonymous to suicide for Flanders on an economic and political level," he stressed. This is also the opinion of Paul de Grauwe, Professor of Economy at the University of Louvain who maintains that "the Flemish parties are deluding themselves if they think that by gaining greater autonomy they will have fantastic economic effects. The cost of the transaction may even be rather high," he stressed.

Charles Michel said he supported alternation between the Flemish and Walloons in the post of Prime Minister. "Linguistic alternation of the Head of State would be a good solution, respectful of both communities. It is not normal that since Edmond Leburton (1973-1974) there has not been one Belgian Prime Minister from Wallonia," he said. Increasingly the Flemish believe that a French speaking Head of Government may contribute to reforming the State.

The Greens are the only political force to stand together in the elections on 13th June. "Withdrawal into an identity shell has never been part of the ecologists' DNA" said Jean-Michel Javaux, co-chair of Ecolo with Sarah Turine. Groen in Flanders and Ecolo in Wallonia have been working together for nearly 30 years and together have delivered 156 joint proposals in the Chamber of Representatives.

Although the reform of the State is at the heart of the electoral campaign the Belgians cannot really forget their socio-economic problems. Belgium is undergoing a serious crisis; the country's public debt totals 333 billion € and will soon lie at 100% of the GDP; the budgetary deficit is due to total 20 billion € in 2010 and unemployment is increasing in Flanders where 6.7% of the working population is affected (it is declining in Wallonia where it still totals 13.7%). The latter region also has more foreign investments than the north notably because of the development plan of which it is the beneficiary.

The Socialist Party has made employment and investments its priority. It wants greater control over prices, the establishment of a Marshall Plan for SME's, 04

regulations on speculative funds and increased work towards the fight against tax fraud. The PS also wants to raise retirement pensions by 15% to reach $1,150 \in P$ per month for anyone who has worked full time (the amount is $1,004 \in P$ at present). "We shall raise a tax immediately on those whose fortune totals $1,250 \in P$ million e exterior to their home and any commercial activity," indicated the Socialist leader. For its part the Flemish Socialist leader led by Caroline Gennez supports the establishment of a tax on major fortunes.

The CD&V is putting forward a New Deal that is based on four pillars: reform of the State, rigorous economic management, a healthy budget and an effective government. It also wants to extend working time and "use the social security as a means for socio-economic recovery".

The Humanist Democratic Centre (CDH) led by Deputy Prime Minister and Employment and Equal Opportunities Minister, responsible for Migration and Asylum Policy, Joëlle Milquet supports the establishment of a national pact for employment and economic activity based on sustainable growth. The CDH wants to support green, white (professions providing help to people), intelligent (in sectors of innovation and research) employment. It is fighting for a modification of the tax system, exemption from tax on revenues of up to 950 € per month and an increase of fiscal pressure with regard to pollutant behaviour likewise on capital. The MR wants to decrease labour costs, for example by reducing costs of the first three work places in a company (abolition of employers' contributions). Charles Michel is also pleading in favour of a rise in retirement pensions that he wants to bring up to 60% to 70% of the total of the last salary (in comparison with 40% at present) and for an increase on the minimum taxable income. "Putting value on work rather than on unemployment this is what makes us different from the Socialist Party," stressed Didier Reynders. In his opinion "more than ever there is a choice between two parties, the Socialist Party and the Reform Movement. I say two because Ecolo and the Humanist Democratic Centre chose the Socialist Party over the last few years."

Open VLD is criticising the cheap promises made by the parties. "In Greece and Spain we can see how disastrous the artistic policy of the socialists has been. People should know what politicians intend to do with their taxes," says their leader Alexander de Croo. "Do we choose politicians who refuse to put the government on a diet and who continue to look for money in the pockets of those who work without counting, who have bought a house and who have little savings or do we choose the project of the future put forward by the Flemish Liberals and Democrats who are offering to revive a declining government?" he added. He then said "in the absence of State reform there will be no solution to economic and social problems." Alexander de Croo criticised the complicity which the Socialist and Christian Democrats have demonstrated. "Both men had to hold back in order not to kiss each other in the end," he declared commenting the debate in which Johan Vande Lanotte and Yves Leterme faced each other.

Groen wants to introduce a wealth tax that should bring in 7.5 billion €. The Greens say that this measure would increase the taxes of only 15% of the wealthiest tax payers. The party chaired by Wouter Van Besien is pleading in favour of a change over from costs that weigh heavily on labour to an environmental tax and says that this plan would create 125,000 jobs most of which would be the result of a reduction in costs. The ecologist party is promising a return to national budgetary balance in 2015.

Finally the N-VA wants to decrease taxes on the lowest salaries by around 2 billion \in , a measure that might bring in 14 to 15 billion \in by 2015 since it will lead to the creation of thousands of jobs.

The President of the European Commission José Manuel Barroso declared that he was confident in Belgium's ability to ensure the Presidency of the European Union as from 1st July next. "The European project is not determined by electoral dates of such and such a country. And also in Belgium we have had the opportunity of having a major consensus on Europe. There is maybe a different political pace domestically in Belgium but this cannot damage the demands made by the Presidency because if there is diplomacy, one administration and one political class that knows Europe well it is that of Belgium. I am totally confident," he said. "There cannot be any doubt about the Belgians ability to assume their responsibilities," indicated the outgoing Prime Minister Yves Leterme.

Nearly three quarters of the Belgians (79%) say they are ready to go to vote on 13th June. 10% say they will vote blank in Wallonia and Brussels, a much higher figure than the percentages traditionally recorded and which bear witness to the confusion of a great number of Belgians.

A recent poll by Professor Mark Hooghe showed that the end of obligatory voting, desired by 48% of Belgians according to the polls, would not change the struggle within the political classes. Some political parties would benefit more than others, notably the CDH and Ecolo in Wallonia and Open VLD and N-VA in Flanders. However Elio di Rupo's Socialist Party and the Vlaams Belang would be the main losers of such a measure.

One of the main stakes in the election on 13th June is to see whether the moderate Flemish parties will be able to prevent the N-VA from entering government.

The latest poll by TNS-Dimarso credits the N-VA with 25.2% of the vote followed by the CD&V 19%, Open VLD 13.9%, Vlaams Belang 11.5%, Groen 8.2% and the nationalist party led by Jean-Marie Dedecker 6.2% within the Dutch speaking electoral college. Within the French speaking college the PS is due to come out ahead with 33% followed by MR 20.4%, Ecolo 17.6% and the CDH 17%.

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