GROUP COUDENBERG

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"THE NEW BELGIAN INSTITUTIONAL FRAMEWORK"

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THE NEW BELGIAN INSTITUTIONAL FRAMEWORK

INTRODUCTION

I. The background

- 1. The geopolitical and historical background
- 2. The sociological and cultural background

II. The constitutional issues : the restructuring of Belgium along language lines

- 1) The four language regions
- 2) The three Communities
- 3) The three Regions
- 4) The institutional framework
- 5) General principles of the competence attribution
- 6) The competences of the Communities
 - a) Cultural matters
 - b) Education
 - c) Cultural cooperation
 - d) Use of language
- 7) The competences of the Regions
 - a) Economic policy
 - b) Regional aspects of credit policy
 - c) Foreign trade
 - d) Natural resources
 - e) Energy
 - f) Employment policy
 - g) Public works and transport
 - h) Urban planning
 - i) Housing

- j) Environment and protection of nature
- k) Water distribution
- I) Provincial and municipal institutions
- m) Scientific research
- n) Monuments and sites

III. Special problems

- 1) The special status of Brussels
- 2) The Arbitration Court
- 3) The protection of language minority groups
- 4) The financing of Regions and Communities

IV. Conclusions

INTRODUCTION

Belgian Parliament has recently approved major institutional reforms.

The following constitutional and legislative changes have thus far been approved.

- 1) Articles 17, 47, 48, 59bis, 107ter, 108 & 115 of the Constitution have been modified (July 7 and 15, 1988);
- 2) Law of August 8, 1988 modifying the law of August 8, 1980 : new competences of Regions and Communities;
- 3) Law of August 9, 1988 : linguistic capabilities of elected persons in the "facility" municipalities;
- 4) Law of January 6, 1989 modifying the law of June 28, 1983 : Arbitration Court;
- 5) Law of January 12, 1989 : Brussels institutions;
- 6) Law of January 16, 1989 modifying the law of August 9, 1980: financing of Regions and Communities.

The purpose of this study is to describe briefly the institutional framework as it presently stands after the first two phases of the reform.

The governmental program calls in addition for a third phase of the Reform, which will cover three additional areas: 1) delegation of treaty-making power to the Regions 2) Reform of the Senate and abolition of the socalled "double mandate", i.e. a combined elected mandate in the national Parliament and the Councils of Communities and Regions, and 3) transfer of the residual competences to the Communities and Regions.

I. THE BACKGROUND

During the past eighteen years, Belgium has evolved rapidly from a centralized and unitary state in which language patterns had no particular political significance in terms of institutional framework to a state comprised of formally recognized language regions (since 1970).

Belgium went through three major constitutional reforms: a first reform in 1970 was followed by the constitutional reform of 1980. As indicated above, a new reform has been approved before Parliament in 1988-1989.

In order to understand this rapid evolution, one should first look at facts and figures and analyze briefly the geopolitical, historical, sociological and cultural background of Belgium. This paper analyzes then briefly the constitutional changes brought about in these reforms transforming a centralized state into a federal state. Finally, it attempts to evaluate the general framework of the new federal structure.

1. The geopolitical and historical background

Belgium is the geographical center of Europe. If on a map one draws around Brussels a circle of 200 miles (300 km), it will show a geographical area which includes the London and Paris area, the Dutch Randstad, the Ruhr area in Germany, the French Lorraine, and the Luxembourg industrial belt. It includes three of the world's largest ports and probably one of the world's highest human concentrations of about 150 million Europeans. This geographical area concentrates today the world's greatest wealth, economic activity, culture and infrastructure (road, railroad and waterways).

Belgium is in the midst of that geopolitical area but is also at a crossroads of the two major cultures which have formed Europe over the last 20 centuries. It is located at the intersection of the Latin and the German cultural families.

Surrounded by three countries all three of which were at one point in history world powers (France, England and Germany), Belgium and the Netherlands, which for centuries have had a common history, were never confounded with these three former superpowers, except for 20 years of French occupation after the outbreak of the French Revolution and by Germany during the two world wars of the 20th Century.

Belgium, which has existed as a state only since 1830 is, with the Netherlands and the Grand-Duchy of Luxembourg, by and large the remainder of one of the most prestigious "states" of the European Middle Ages. The Dukes of Burgundy ruled over what became known as the "Seventeen Provinces". During part of the XIVth and the XVth centuries, the various provinces were considered to be the most powerful and most prosperous part of Europe, overshadowing the weak kingdoms of France and England.

The Dukes of Burgundy ruled from Bruges, Ghent and later Brussels, which were rich cities, jealous of their independence and dominated by a rich middle-class of merchants.

The City of Ghent had in the middle of the 15th century more inhabitants than both London and Paris.

The Seventeen Provinces were part of an institutional system which in many respects can be called prefederal. The various autonomous provinces had delegated to a number of common institutions parts of their sovereignty. A "parliament" where provinces were represented, a "supreme court" organized in Mechelen and Lille, and a common monetary system were all elements of a federal structure "avant la lettre".

It is noteworthy that in 1579 the "Union of Utrecht", which grouped the Northern seven provinces out of the seventeen (roughly The Netherlands), which had split from the ten Southern Provinces during the religious war is today often referred to as the first prefederal constitution. The founding fathers of the American Constitution refer on a number of occasions to the Union of Utrecht in The Federalist Papers.

The Southern Provinces (roughly Belgium of today) and the Principality of Liège were all bilingual states: Flanders, Hainaut, Brabant, the Principality of Liège were all composed of a Dutch speaking and a French speaking population divided along a linguistic border which has remained practically unchanged for centuries.

The institutional organization of the Burgundies of the 15th Century remained almost unchanged until the French Revolution. Because of the feudal system, the sovereignty of the Low Countries passed, after the Burgundies, to the Spanish Habsburgs for almost two centuries. Emperor Charles the Fifth, who

was born in Ghent in 1500 and was the most powerful emperor of his time, moved to Spain when he was 16 years old. Since that time, our sovereign has resided outside the Netherlands, first in Madrid (Spain), and later in Vienna (Austria) (the Austrian Habsburgs) until the French Revolution. Alocal governor was stationed in Brussels. Philip the Second, son of Emperor Charles the Fifth, a dogmatic and unpopular man, could not avoid - due to his religious dogmatism - the splitting of the Seventeen Provinces into two parts after the fall of Antwerp in 1585. A vast emigration from the Southern Provinces because of religious persecution included mostly the educated and upper society, leaving a rural population which spoke mostly Flemish and Walloon dialects. This outflow had considerable influence on the later linguistic history of the country.

The French Revolution also had a great influence on the linguistic and communal relations of what would become Belgium.

The Belgian provinces were occupied by the French revolutionaries as from 1794. The occupation lasted for almost 20 years, until the battle of Waterloo in 1815.

In 1815, the Congress of Vienna decided to reunify Belgium, Holland, and Luxemburg under the leadership of King Willem of The Netherlands. The new ruler established a very centralized government which was one of the factors which provoked the Belgian Revolution of 1830 against Holland.

The French occupation had a major influence on the future of Belgium. The former duchies and counties were transformed into French departments (the actual provinces of Belgium). The administrative organization was integrated in the French unitary and Jacobin system of government. The French language was introduced as the sole official language in the new Belgian provinces under the French adage: "La langue est la nation toute entière" (Language is the essence of the nation). French was the sole language in education, administration, the army, and the court system.

It was the start of a vast "francisation" of the country. The educated class in Flanders quickly shifted to French creating thereby the linguistic problem which Belgium is still facing today.

When the Belgian State was formed in 1830 - after the split from Holland - the new rulers adopted the French model: a centralized, unitary state. Although the

1830 Constitution (still considered by many scholars as a model of clarity, concision, and draftmanship) provided for a freedom in the use of languages, French was instituted as the official language of the country. The Constitution was drafted and promulgated in French and legislation was published in only French in the Official Gazette. The fact of having one language was considered to be a considerable asset for forging the new Belgian nation-state.

Concerted efforts were undertaken to forge - in the spirit of the time - a nation made out of two communities. After more than 150 years of that nation-building effort, many wonder if it has ever achieved its goal.

2. The sociological and cultural background

Out of a total Belgian population of 9.8 million, 5.6 million reside in the Flemish Region, 3.2 in the Walloon Region, 66,000 in the German language area, and 983,000 in bilingual Brussels. In the Brussels metropolitan area, one generally considers that 80% are French speaking and 20% Dutch speaking, though no precise statistics exist.

Thus there are three official language communities (Dutch, French and German) in Belgium and as Article 3 bis of the Constitution now states, there are four linguistic regions: the Dutch language region, the French language region, the German language region, and the bilingual region of Brussels.

The smallest language region is the German speaking part of the Province of Liège. This part of the country was added to Belgium in 1919 as a result of the Treaty of Versailles. Reintegrated into Germany during the Second World War, it again became part of Belgium at the end of the war. The German speakers feel very Belgian but have, nevertheless, constantly demanded the same recognition of their cultural identity as the other language communities.

The second community is that of the French speakers. This term must be explained since there is often confusion between "French speakers" and "Walloons". The term "Walloonia" designates the territory inhabited by the Walloons. It dates back to the second half of the nineteenth century when it was used to refer to the romanized part of Belgium. Part of its population speaks one of the three Walloon dialects (Walloon, Picard, and Gaumais) in addition to

French. Another category of French speakers includes people who are not Walloons but have the use of the French language in common. The other "French speakers" live in Brussels and in the suburbs of Brussels, do not speak a Walloon dialect, do not consider themselves as part of the "Walloon" culture, but, at the same time, share the French language with the Walloons.

As indicated earlier, starting with the French occupation in 1794, the educated class in Flanders became French speaking. The French language had also spread - as in most European countries - in Flanders among the upper class and the aristocracy during the 18th century. According to statistics produced by Professor Halkin, 80% of the Brussels population spoke Dutch in the beginning of the XIXth century and 20% French. The present situation is reversed.

The third - and largest language community - is the Dutch language community. The terms "Dutch" and "Flemish" are often confused in their use. Flemish (vlaams - flamand) refers to the region where Dutch (nederlands - néerlandais) is being spoken.

The Dutch language is the same as the one spoken in Holland with slight nuances comparable to those of British English and American. Flanders also has a long standing tradition of using various dialects in the Dutch speaking part of Belgium. As indicated earlier, although the 1830 Constitution of the newly created Belgian State provided for the free use of language, French was imposed as the sole official language of the country, which from the outset created reactions from the Flemish population.

a) The Flemish Movement (De Vlaamse Beweging)

The whole language and community issue in Belgium stems from the efforts undertaken by the Flemish movement to obtain full recognition of its language for use in all public matters (education, justice, public service, army, etc.) and the protection of its language against the spread of the French language along the linguistic border and especially in suburban Brussels.

It would be beyond the scope of this brief description of the Belgian case to give full particulars of the Flemish movement and its influence on the reshaping of the Belgian State. It may be sufficient to highlight the major developments of a movement which for about a century pushed vigorously - but never violently

- for the recognition of its language and culture. It took more than a century to obtain such recognition with considerable delays in the implementation due, amongst other factors, to two world wars and the ensuing reactions against activism and collaboration of a Flemish minority with the German occupants.

The Flemish started soon after independence in 1830 through the organization of a large petition which, as early as 1840, symbolized with more than 100,000 signatures the grievances of the Flemish population. In 1856 the first acknowledgment was made by a government of the existence of a Flemish problem. It was only in the years 1873 and 1878 that the first laws were approved for the use of the Dutch language in criminal courts (1873) and in administrative matters (1878).

In 1883 another law was approved requiring the study of Dutch in secondary schools located in the Flemish speaking provinces. In 1898 a law approved the publication of laws in the Official Gazette in two languages. Immediately after the First World War, renewed demands for the introduction of Flemish as the sole language used in education, justice, and public service were voiced at all levels.

It was only in 1930 and the following years that a number of vast linguistic reforms were introduced: the University of Ghent became a Flemish university, major linguistic reforms were made in the public service area, in the Court system and in the army, where the use of Dutch became the sole and compulsory language in the Flemish region.

The Law of June 28, 1932, on the use of languages in administrative matters introduced the principle of linguistic regionalism and territorialism. The same is true of the Law of July 14, 1932, on the use of languages in primary and secondary education. The origin of homogeneous language regions can be traced to that period.

By then a new claim had appeared for cultural autonomy. It was originally vaguely defined, but it had a precise objective: the division of the Ministry of Education into two completely separate administrations, one for the Dutch speaking and one for the French speaking. New - and in many respects final - linguistic legislation prepared since the end of the war by a national study group (the so-called Centre Harmel) was then approved in the years 1962-63 which constitute the final point in the long battle for a balanced treatment of the

three languages along with the same principles of territoriality and homogeneity of the language regions. These language laws brought about a high degree of unilingualism in matters of education, civil service and the army.

b) The Walloon Movement (Le Mouvement wallon)

We have briefly examined the Flemish movement toward cultural recognition. We should now briefly turn to the Walloon movement.

In the 19th century Walloonia was one of the most active industrial belts in Europe. Coal mining and steel mills were the thriving force of an extraordinary industrial development. It was coupled with an exceptional development in infrastructure, especially roads, canals and railways.

Political power in the highly centralized country of Belgium was - in a time of "censitaire" voting - in the hands of a political class which relied heavily on industrialists of the South and a French speaking upper class of the North. With the development of the socialist party at the end of the 19th century and the introduction of generalized voting after the First World War, the balance of power changed drastically. Although existing figures are not fully comparable, in 1831 1.1% voted. It reached 23.24% in 1919 when universal male voting was introduced. In 1949, the corresponding figure was 59.01% at a time when there was general universal voting. The Flemish, who always had a numerical majority in the country, challenged the French speaking political power balance, especially with the introduction of the universal male voting after the First World War.

With the gradual decline of traditional industries and the rapid industrial development of the North, especially in the early Sixties, the Walloon movement slowly put forward demands for more autonomy in the economic field.

In addition to economic developments, a number of post-war events also contributed in accentuating the rift among the communities. The so-called "Royal Question" was one of these events. King Leopold ruled from 1934 to 1940. During the war, he refused to leave the country - as did all other monarchs in occupied countries in Europe - and was not in the country at the time of liberation, since he was incarcerated in Germany. His return was delayed until 1950 when a national referendum was organized. The result was 57.68% in favor of the King. From a regional point of view however, the "yes" vote was

cast by 72.2% of the electorate in Flanders and only 42% in Walloonia. The King was supported by a Christian majority of the country and the Social Christian Party, while the Socialist Party, dominant in the southern part, claimed that Leopold III should never again be the King of the Belgians. In July 1950, the King returned amidst demonstrations and strikes. He abdicated a few days later. The rift between North and South in the Royal Question had a deep influence on later institutional reforms.

The closing of coal mines in the South by the end of the fifties created serious social unrest. Major strikes were organized at the end of 1960 against the enactment of the socalled "Loi unique" and for the first time, social movements were encouraged by a newly created political movement (Mouvement Populaire wallon) around the person of a charismatic leader, A. Renard, which called for Walloon economic autonomy. The quest for cultural autonomy from the Flemish Movement as opposed to a quest for economic autonomy is one of the striking features of Belgian politics.

Having described briefly the three language components of Belgium, it is perhaps useful to consider in the present description of the factual background how the language cleavages - largely resolved in the years 1962-63 by the extension of the territorial principle - evolved quickly into a dual striving for more autonomy on the part of Flanders and Walloonia.

II. The constitutional issues: the restructuring of Belgium along language lines

Since the approval by Parliament of the major language laws in the years 1962-63, Belgium has moved towards three major constitutional reforms. The first one in 1970, the second one in 1980, the third one recently approved in 1988-1989.

Belgium was a highly centralized country before the constitutional reforms of 1970. The 1830 Constitution had been revised only twice since its inception and both revisions involved the extension of voting rights. The unitary state was divided in 9 provinces coinciding with the 9 departments organized during the French occupation in the early 18th century. The provinces which are subdivisions of the unitary state have only administrative competences and are acting under supervision (voogdij - tutelle) of the central state. Four provinces are Dutch speaking, four are French speaking and the central province of Brabant is bilingual.

Prior to the 1962-63 language laws - which were designed to serve as a final determination of the linguistic border between Walloonia and Flanders - the Province of West Flanders had a French speaking territory (Comines, Mouscron) which was transferred to the Hainaut Province. The much discussed and contested territory of Fourons (4,000 inhabitants) was transferred from the Province of Liège to the Province of Limburg under the same language laws, thereby creating a Flemish enclave in the Province of Liège and a permanent source of conflict since then, forcing several governments to resign. The latest governmental crisis and the ensuing elections on December 13, 1987, followed by the third constitutional reform, was caused by the "Fourons" affair.

Provinces are further divided into counties (arrondissementen - arrondissements), which have little political significance. Of major importance, however, are the local municipalities (gemeenten - communes) which have a long standing tradition and historical importance. They have wide powers and have competence for all matters which are of municipal interest. They exercised their powers under supervision of the central state which has organized a strict system of control through annulment and prior authorization of municipal decisions. The administrative supervision has now largely been transferred to the Regions.

The constitutional reforms of 1970, 1980, and 1988-1989 have restructured the Belgian State along language lines. The main features of the system as it stands today stem from the constitutional reform of 1970. The following analysis will describe the institutional framework as it results from the three reforms: the 1970 reform, the 1980 reform, and the 1988-1989 reform. Since the basic principles and the architecture of the system were laid down in 1970, the analysis will endeavor to focus on the main principles of the reform referring each time to the evolution toward more autonomy and greater competence for

the Communities and Regions: - the four language regions

- the three Communities

- the three Regions

1. The four language regions

Four linguistic regions have been recognized under the 1970 reform: the Dutch language region, the French language region, the German language region, the bilingual region of Brussels (Article 3bis of the Constitution).

The French-speaking region is made up of the Provinces of Hainaut, Luxembourg, and Namur, the Province of Liège, except 25 German speaking municipalities, and one of the three counties (arrondissement) of the Province of Brabant: Nivelles.

The Dutch-speaking region consists of the Provinces of Antwerp, West Flanders, East Flanders, and Limburg, plus two of the three counties of the Province of Brabant: Halle-Vilvoorde and Leuven.

The German-speaking region consists of 25 municipalities in the Province of Liège.

The bilingual region of Brussels includes the 19 municipalities which coincide with a fourth county of the Province of Brabant, the name of which is Brussels capital.

These language regions do not coincide with the communities (see 2 hereunder) and the Regions (see 3 hereunder).

The limits of the linguistic regions were defined by the Law of July 18, 1966, on the use of languages in administrative matters.

2. The three Communities

Communities appear in the constitutional revision of December 24, 1970, in Article 3ter. There are three communities: the French Community (la Communauté française - de Franse Gemeenschap), the Flemish Community (de Vlaamse Gemeenschap - la Communauté flamande) (compare with the Dutch language region under 1. above) and the German-speaking Community (la Communauté germanophone - de duitstalige Gemeenschap). For unknown reasons, one does not use the adjective "German" for the third community.

Originally in 1970 the communities were expressly referred to as "cultural communities". The adjective "cultural" was dropped to reflect the broader scope of competence, as will be indicated below. Communities do not correspond to the language regions defined under 1. This is due to Brussels, the capital of the country, which is geographically an island within the Dutch language region and which is bilingual.

Brussels is a linguistic region but not a community. The capital comes under the jurisdiction of both the French and the Flemish Communities, depending on whether or not the activities involved have an exclusive connection with one or the other Community. Exceptions have been made in the new reform 1988-1989 for Brussels bi-communal competences, as will be explained further under the status of Brussels.

This is one of the very special features of the Belgian system. Language regions do not correspond to the communities, creating thereby a curious dichotomy where language regions create a territorial jurisdiction and communities create a personal jurisdiction.

There are also a number of institutions which are considered national "bicommunal" institutions (bi-communautair - bi-communautaire), such as national museums, the National Library, the Opera, etc. This means that the two competent ministries, one of the French Community and one of the Dutch Community exercised their jurisdiction jointly. This system has not proved workable and the 1988-89 Reform has brought these national bi-communal institutions back under the authority of the National State (Ministry of Interior).

3. The three Regions

The 1970 reform recognizes three regions, the Walloon Region, the Flemish Region, and the Brussels Region (Article 107quater of the Constitution).

In order to distinguish these regions from the linguistic regions, it was first proposed to call them "economic" or "socio-economic" regions.

In the course of the parliamentary discussions, it was explained that these qualifications would automatically restrict the degree of autonomy conferred upon the regions. They were finally called "regions".

There are therefore two kinds of regions: the language regions and the political regions. Here again, and this is a second curious feature of the Belgian construction, the regions correspond to neither the Communities nor to the language Regions. The German Community is enclaved in the Walloon Region and the Flemish and French Community exercise their competence in the Brussels Region.

There are thus in Belgium language regions, communities, and regions which overlap and each of them has a separate jurisdictional reach. Personal jurisdiction (Communities) and territorial jurisdiction (Language Regions and Regions) also overlap.

This is one of the main characteristics of the Belgian institutional system. One should keep this distinction clearly in mind in trying to understand the mechanisms which are described hereafter.

Only the Walloon and the Flemish Regions became operational by the enactment of the Law of August 8, 1980. The Brussels Region has become operational through the new reform 1988-89 effective January 1, 1989.

4. The institutional framework

This complex regional and bicommunal organization of Belgium has led to the creation of a complicated set of institutions. Like the State, each Community and Region has a parliamentary assembly called a "Council" (Raad - Conseil), a government called "Executive" (Executieve - Exécutif) and a civil service. In the logic of the system, there are three Councils (Parliaments) for the Dutch, French, and German speaking Communities and three Councils (Parliaments) for the Flemish, Walloon, and Brussels Regions. Each of them has a government (Executive).

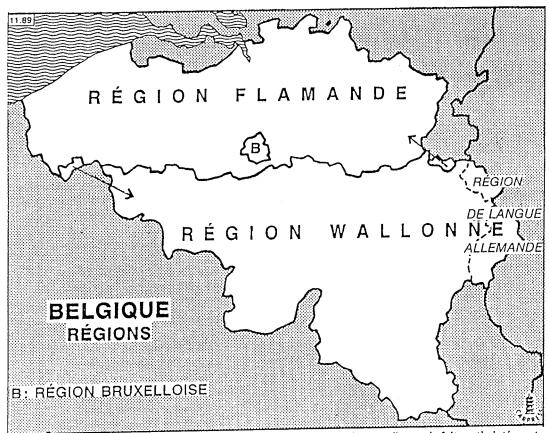
In Brussels, there are in addition three "subcommunities": the French Communal Commission (la Commission Communautaire française), the Flemish Communal Commission (la Commission Communautaire flamande) and the Joint Communal Commission (la Commission Communautaire Commune).

In practice however there are eight elected assemblies, eight "governments" and eight administrations (civil service, the reason being that in Flanders, the Councils and the Executives of the Region and Community, though legally not merged, are organized and managed as one entity.

Summarizing therefore, the present institutional framework is as follows:

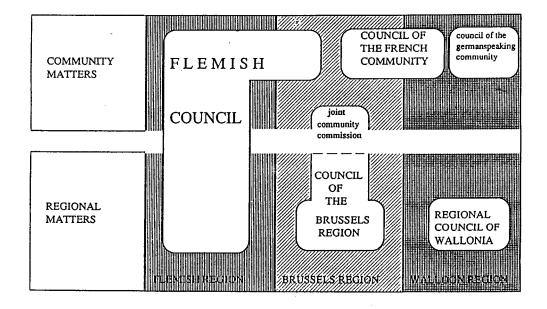
Level	Elected Assemblies	Government	
STATE	Parliament (bicameral) 212 Deputies 184 Senators	National government (with parity between Dutch and French speakers) no maximum number	
COMMUNITIES & REGIONS			
1) Flemish Community & Region	Flemish Council (Vlaamse Raad) 186 members	Flemish Executive (Vlaamse Executieve) max. 11 members	
2) French Community	French Community Council (Conseil de la Communauté française) 132 members	Executive of the French Community (Exécutif de la Communauté française) max 4 members, one of whom from Brussels	
3) Walloon Region	Walloon Council (Conseil Régional wallon) 104 members	Walloon Executive (Exécutif wallon) max 7 members	
4) German Community	German Community Council (Raad van de duitstalige Gemeenschap - Conseil de la Communauté germanophone 25 members	Executive of the German Community (Executieve van de duitstalige Gemeenschap- Exécutif de la Communauté germanophone) max 3 members	

5)	Brussels capital Region	Brussels Council (Raad van het Brussels Hoofdstedelijk Gewest - Conseil de la Région Bruxelles-Capitale) 75 members	Brussels Executive (Executieve van het Brussels Hoofdstedelijk Gewest - Exécutif de la Région Bruxelles-Capitale) max 5 members
6)	The Flemish Communal Commission	The Flemish speaking members of the Brussels Regional Council	2 members + 1 member of the Flemish Community Executive
7)	The French Communal Commission	The French speaking members of the Brussels Regional Council	2 members + 1 member of the French Community Executive
8)	The Joint Community Commission	Members elected as referred under 6 & 7	4 members referred under 6 & 7 + 3 advisors: - President of the Brussels Regional Council, presiding + 1 member of the Flemish Community Executive + 1 member of the French Community Executive



Pour l'application de l'article 107 quater de la Constitution, la région de langue allemande fait partie intégrante de la Région wallonne.

FEDERAL INSTITUTIONS



5. General principles of competence attribution

The devolution of competences in the Belgian system is essentially based on exclusive competences attributed to the Regions and Communities, which have also the "implied" powers.

These competences are exercised through the enactment of decrees (decreet - décret) by the Regions and Communities and ordinances (ordonnantie - ordonnance) in the Brussels Region.

These decrees and ordinances have the same legal standing as the laws of the national parliament. These competences are "constitutionally" fixed and can only be changed through constitutional change or a change of the "constitutional" laws requiring a 2/3 voting majority in both linguistic groups in the two Chambers of Parliament.

The new reform has introduced more exceptions to the rule of exclusive and attributed powers by introducing for instance the socalled parallel competences, i.e. competences which are exercised by both the national authority and the Regions and Communities (scientific research and foreign trade).

The new reform also enlarged the concept of general laws fixing the basic principles leaving the regulatory power to the Regions and Communities. This is namely the case for employment policies and economic matters (public procurement, consumer protection, organization of the economy and maximum aid to enterprises).

Finally, the scope of concurrent powers has not been broadened in the new reform, although the Declaration for the amendment of the Constitution had provided for the inclusion of "residual and concurrent competences".

6. The competences of the Communities

The three Communities are in principle based on language differentiations.

The French Community has jurisdiction over persons living in Walloonia, the Walloon institutions and the French speaking institutions in Brussels.

The Flemish Community has jurisdiction over persons living in Flanders (including the 6 peripheral municipalities around Brussels, the socalled "Facility municipalities") and the Flemish institutions in Brussels.

The German speaking Community has jurisdiction over persons and institutions in the German speaking municipalities of Eastern Belgium.

The competences of the Communities are:

- a) <u>Cultural matters</u> cultural matters are broadly defined to include (1) defense and illustration of language, (2) encouragement of training of research workers, (3) fine arts, (4) cultural heritage, museums, and other cultural or scientific institutions, (5) libraries, discothèques and similar institutions, except for monuments and cites, (6) radio and television, including commercial advertising but except communications of the national government, (7) aid to the press, (8) youth problems, (9) permanent education and cultural activities, (10) physical education, sports and outdoor activities, (11) leisure and tourism, (12) preschool education, (13) post- and extrascolar education, (14) artistic education, (15) intellectual, moral and social education, except for direct aid.
- b) <u>Education</u> (with three minor exceptions which remain national: the starting and ending age of the school obligation, the minimum conditions for the delivery of degrees and the pension scheme for teachers).
- c) <u>Cultural cooperation</u> between Communities and international cooperation, including the signing of treaties.
- d) The use of language in administration matters in education, in labor relations and for acts and documents imposed by law on enterprises (excluding however the use of language in courts and in the army).

For the German speaking Community, the use of language remains a national competence.

Likewise, the French and the Flemish Community are not competent for the use of language in Brussels and the adjoining 6 peripheral "facility" municipalities. e) <u>Personalized matters</u> (persoonsgebonden materies - matières personnalisables)

They are matters which are within the realm of personal life and in which language plays an important role.

Personalized matters are interpreted broadly to include all socalled "socio-cultural" matters. Two broad categories can be distinguished.

i. Health care

Hospitals and psychiatric institutions

Although the general health policy is a national competence, Communities are competent to execute policies of the national authority and act as paying agent.

They are competent for:

- determining priorities for the building of hospitals and the supply of heavy medical equipment
- granting authorizations and subsidies for the construction, transformation and equipment of hospitals
- granting authorizations and subsidies for heavy medical equipment
- inspection
- granting operating permit and closing hospitals
- internal organization and reception.

The national authority remains competent for basic legislation on hospitals, norms, technical norms, personnel matters, planning and financing of infrastructure, compulsory health insurance, etc.

Health care at home

For institutions and services which extend health care outside hospitals, Communities are competent for :

- health care
- old peoples homes
- mental health care

As indicated above, the national authority remains competent for establishing basic rules and regulations, especially for the refund by the national health institute and for the fixing of the price of daily support.

Preventive medecine

Communities are also competent in the field of preventive medicine for:

- information and sanitary education
- sanitary protection
- medical inspection in schools
- medical control for sport
- health and safety at work

Communities are however in no way competent with respect to medicine in general and pharmaceutical products.

ii. Aid to persons

<u>Family policy</u> and aid and assistance to children (Communities are not competent for family allowances).

Social aid

- implementation of laws and regulations relating to the Centers for Public Aid (CPAS). Ruling and establishing the minimex (minimum living allowance) remains a national competence
- centers for social service and structures for "Tele Accueil"

- policy for handicapped, including professional training.
 - Communities are not competent for establishing rules relating to allowances to handicapped persons or to subsidies paid to employers of handicapped persons.
- policy for the third age (with the exception of guaranteed income for old age pensioners)
- old peoples homes
- protection of youth

7. The competences of the Regions

The three Regions (Flanders, Walloonia and Brussels) have received extensive competences by the Special Law of July 8, 1988.

These competences include:

a) Economic policy - The Regions are fully competent in economic matters in which they enjoy de facto the residual powers. Only such competences that are expressly attributed to the national authority are excepted. These wide regional competences include, inter alia, the economic planning, the public industrial initiative, the economic expansion and aid to enterprises. Tax incentives, which are presently provided for in the Economic Expansion Law (real estate tax exemption, double depreciation and investment allowances), must, however, be approved in advance by the national authority.

The exercise of the economic areas of competence is subject to the observance by the three Regions of the general principles of the Belgian economic and monetary union, free circulation of persons, services and goods and the general principles of free trade and industry.

Furthermore, the national authority is solely empowered to fix general rules in four different areas :

- 1) public procurement
- 2) consumer protection

- 3) organization of the economy
- 4) maximum aid to enterprises.

Rules and regulations implementing these general rules are however within the competence of the Regions.

The national authority is furthermore exclusively competent in the following areas, to be interpreted restrictively.

- 1) the monetary policy
- 2) the financial policy and the protection of savings
- 3) the protection of prices and revenues
- 4) competition law and the law on commercial practices (except for regional or local labels)
- 5) commercial law and law on commercial companies
- 6) conditions of access to professions
- 7) industrial and intellectual property
- 8) import licences and quotas
- 9) metrology and normalization
- 10) statistical secrecy
- 11) the National Investment Company
- 12) labor law and social security
- b) Regional aspects of credit policy, including the power for the Regions to create public credit institutions.

c) Foreign trade

Regions are henceforth competent for the export policy. The national authority retains however important functions of coordination, promotion and cooperation.

Loans from state to state, the Belgian office for foreign trade (BDBH - OBCE - after restructuring) and the Ducroire (Public Credit Insurance Company) remain under the national authority. This is an example of what the legislator calls "parallel" competences (not to be confused with concurrent competences).

d) The exploitation of natural resources, except for the continental plateau.

e) Energy

The Regions are competent for the regional aspects of energy. They are also competent for the public distribution of gas, new sources of energy (except for nuclear energy) and the distribution of electricity through networks of 70,000 volts or less.

Regions are also competent for the rational utilization of energy, gas from mines and steel mills, urban heating networks and recuperation of energy from industry and coal mines.

Remain however areas of national competence: the planning of electric equipment, nuclear energy and waste, infrastructure for the stocking, transport and production of energy and tariffs.

f) Employment policy

The areas competence of the Regions have been broadened to include:

- Placement of unemployed (training of unemployed is however a Community competence) in execution of programs organized by the national authority and persons assimilated to unemployed persons (CST TCT, etc)
- Employment of foreign workers (work permits, but residence permits remain a national competence)

g) Public works and transport

The Regions have obtained far-reaching powers under the new reform, to include:

- 1) Roads and highways, including dependences, bridges, etc.
- Waterways and their dependences
- 3) Ports and dependences
- 4) Coastal protection

- 5) Dikes
- 6) Ferries
- 7) Equipment and operation of airports (except Brussels National)
- 8) Urban and suburban transportation (trams, buses, subways, taxis)
- 9) Pilotage, including safety and towage in harbors and territorial sea
- h) Urban planning
 - 1) Urban construction and planning
 - 2) Planning of municipal roads
 - 3) Land acquisition for enterprises
 - 4) Urban renovation
 - 5) Renovation of unused industrial buildings
 - 6) Land planning
- i) <u>Housing</u>

The Regions are fully competent for all problems involving housing (social housing, aid to housing development, renovation, etc).

j) <u>Environment and protection of nature</u>

Regions are competent for the:

- 1) Protection of the environment
- 2) Removal and treatment of waste, except nuclear waste
- Policing the regulation of operating permits with the exception of rules on work protection
- 4) Regrouping of farmer's land and rural renovation
- 5) Protection and conservation of nature
- 6) Protection of green zones and parks
- 7) Forests
- 8) Hunting, except manufacture and trade in weapons
- 9) Fisheries
- 10) Industrialization of pisciculture
- 11) Agricultural waterways and non-navigable waterways
- 12) Dewatering
- 13) polders and wateringues

k) Water distribution

The Regions are competent for:

- 1) Water production and the water distribution including technical regulations on water
- The purification of waste water to include general and sectorial conditions for the rejection of waste water

I) Provincial and municipal institutions

The Regions are fully competent to organize full control and supervision (tutelle) over the activity of provinces and municipalities (definition of activities subject to control - procedure for annulment of decisions, prior authorization, etc.)

There are however two major exceptions:

- 1° the organization and the exercise of control over the province of Brabant and the German speaking municipalities continue to depend on the Ministry of the Interior (National government)
- 2° the organization of the control over the six "language facility" municipalities around Brussels and the municipalities of Fourons and Comines-Warneton depend on the National authority though implementation of the control is exercised by the Regions.

The Regions are also competent over

- the Intercommunal Societies, except for national competence for fixing the conditions for joining or withdrawal from Intercommunal societies
- 2) the financing of provinces and municipalities
- 3) the subsidized works of provinces and municipalities.

m) Scientific research

Thus far, Regions and Communities were only competent for applied research in matters related to areas within the exclusive competence of the Regions. The

national authority was competent for research related to matters within its field of competence.

In the new reform, no distinction is made between applied research and basic research.

Furthermore, the national authority and the Regions/Communities exercise a socalled "parallel competence".

In two instances however, the national authority can take initiatives, organize structures and provide financing in matters which are within regional or communal competence:

- 1° where the matter comes within the scope of international agreements to which Belgium is a party
- 2° in actions or programs which exceed the competence of the Regions and Communities.

In such cases, the national authority makes a proposal for collaboration further to rules (Royal Decrees) laid down jointly between national authority, Regions and Communities.

n) Monuments and sites

III. Special problems

1. The special status of Brussels

In this complex framework of new institutions, the role and place of Brussels have been a complicating factor. Brussels, with its one million inhabitants, out of which roughly 80% are French-speaking, is geographically an island within the Dutch Language Region. The economical and geographical position of Brussels is further complicated by its economical and geographical position. The industrial expansion of Brussels has extended largely over the linguistic border: the port of Brussels, the power plants, the water distribution, the airport, all extend over the Brussels' border. Furthermore a number of residential municipalities located outside the Brussels metropolitan area have expanded rapidly through the emigration of Brussels - mostly French speaking - inhabi-

tants, thereby creating problems in six peripheral Dutch municipalities where French speakers often constitute a majority.

These 6 peripheral municipalities enjoy a system of language facilities for the French-speaking group. Under the new reform, the language facilities are constitutionally guaranteed and can only be changed with a special two thirds majority vote. They are part of the Flemish Region and come under the administrative supervision of the Flemish Region.

Because of all these factors, the Brussels position has been highly controversial in the new institutional restructuring of Belgium. The Flemish position has been to oppose the creation of Brussels as a third region, which could then become the arbitrator in a three region federal structure. The French speaking and Walloon position has been one of pressing hard for the recognition of Brussels as a third region.

This conflicting position has had the consequence that only the Flemish and the Walloon Regions were organized in 1980.

One of the main features of the new reform is undoubtedly the organization of Brussels as third Region. This Region is limited to 19 municipalities which are all bilingual.

The Brussels Region (called in the new reform the Region of Brussels Capital) has the following areas of competence.

1) The competences of the Agglomeration

The new Brussels Region will exercise all the powers inherited from the Brussels "Agglomeration" created in 1970 and coinciding with the metropolitan area of Brussels comprising the 19 municipalities. These include:

- fire protection
- urgent medical aid
- removal and treatment of domestic waste
- urban transportation and taxis
- water distribution
- street cleaning and removal of snow
- data processing of municipalities
- creation and management of metropolitan roads

Community Competences in Brussels

	Education	Personalized matters		Cultural matters	
		Monopersonal	Bipersonal	Monocultural	Bicultural
Power to legiferate or to organize the administrative su- pervision (tutelle)	French or Flemish Communtiy	French or Flemish Community	Joint Community Commission	French or Flemish Community	National Authority
Subordinate orga- nizing body	French or Flemish Community Commission	French or Flemish Community Commission	Joint Community Commission	French or Flemish Community Commission	National Authority

2) The Regional areas of competence

The Brussels Region has also all the competences which have been delegated by the other two Regions (see listing above).

3) The Communal competence

Finally, the Brussels Region has been delegated broad areas of competence in Community matters. These include basically, as indicated above, two types of competence: cultural matters and education (including international cooperation) on the one hand and the socalled "personalized" matters on the other hand.

The exercise in the Brussels Region of community competences is one of the most complex features of the Belgian institutional framework.

Because of the difficulty in defining French speaking and Dutch speaking inhabitants of the Brussels Region - and the inherent risk of creating subnationalities in Brussels, the legislator decided in 1980 that in Brussels, community competences would only apply to institutions and not to persons. Therefore, decrees of the French and the Flemish Communities apply in Brussels only to French speaking and Dutch speaking institutions.

The following table explains schematically how these competences are divided and organized. The words used need a word of explanation. Bicultural or bipersonalized refer to institutions which are bilingual. Monocultural and monopersonalized refer to institutions which are only active in one language.

This very complex system makes Brussels different from the other two Regions.

The Brussels Region has wider areas of competence than the other two Regions, as it combines the competences of the former "agglomeration", all the regional competences and important community competences.

However, in terms of legislative norms, Brussels legislative acts have a somewhat lesser value in the hierarchy of norms. The legislative acts of the Brussels Regional Council (Parliament) are called "ordinances" (ordonnantie - ordonnance), while similar acts of the Regions are called "decrees" (decreet - décret).

Ordinances (and decrees of the Regions and Communities), as indicated above, have the same legal standing as laws of the national Parliament. The Belgian federalist system does not have the "supremacy" principle where the law of the federal state has priority in case of conflicts of two norms. Ordinances are different from decrees only to the extent that courts can refuse to apply a Brussels ordinance, if it is not in conformity with the Constitution and the special constitutional law of August 8, 1988. Ordinances however which are not in conformity with Article 6 (equality of the Belgians), 6bis (non discrimination) and 17 (education) of the Constitution are to be adjudicated before the Arbitration Court.

Ordinances are approved by the Brussels Regional Council by a single majority of voters. A double majority (majority in each linguistic group) is only required for communal ordinances.

Finally it is important to note that the Senate can - by a majority vote in each linguistic group - nullify a Brussels ordinance in order to preserve "the role of Brussels as national and international capital city" in three areas:

- urban development and planning
- public works (roads, hydraulic works, ports, etc)
- transportation.

2. The Arbitration Court

As indicated earlier, decrees and ordinances enacted by the various Councils have the same legal standing as the national law. Decrees have to be enacted within the scope of the respective areas of competence of the Communities and the Regions. Conflicts between decrees (and ordinances) and between decrees (and ordinances) and national laws cannot be avoided.

In order to solve these conflicts, the 1980 Reform included Article 107ter which provides for the establishment of an Arbitration Court of which the composition, jurisdiction, and procedures are defined by law. Proposals to adopt the name "Constitutional Court" were rejected as evoking the possibility of control of the legislator by a court, something which the Belgian legislators have refused to allow since 1831.

The Arbitration Court was finally established by the Law of June 28, 1983, and formally installed in the last days of September 1984.

The Arbitration Court is composed of 12 members, who must have reached the age of 40. The Court must have an equal number of French and Dutch speaking judges, one-half of its membership must be qualified lawyers and one-half former politicians. The lawyers must have at least five years of professional experience in the Court of Cassation, the Council of State, or in university lecturing.

The Court has two chief Justices who preside alternatively on an annual basis, each being from a different linguistic region. However, if a case has to be discussed in a language different to that of the sitting chief justice, the other chief Justice presides.

In cases within its jurisdiction, the Court may decide to nullify a law or a decree which is "ultra vires" the respective competence of the national state, the Communities and/or the Regions.

Such claims of nullity can only be requested by the Council of Ministers or by the Executives of the Regions and the Communities and by the presidents of the legislative assemblies on a 2/3 affirmative vote. The Arbitration Court may also be seized by another court in the form of a prejudicial question.

The new reform has considerably broadened the scope of activity of the Arbitration Court.

The Court now acts as constitutional Court for infringements of the Bill of Rights (articles 3, 3bis and 17) of the Constitution. The Court can be seized by a person or company which can prove that it has a sufficient interest.

3. The protection of language minority groups

Another characteristic of the institutional framework is undoubtedly the introduction of legal mechanisms striving to achieve parity between the two major language communities. As indicated in the introduction, Dutch speakers represent about 56% of the total voting power in the country. They have therefore a voting majority in Parliament (Chamber of Representatives and Senate).

The French speaking minority is further divided in two sociological groups: the Walloons and the French speaking inhabitants of Brussels.

In the Brussels Region, the imbalance is the reverse: the French speaking population represents roughly 80% of the total while the Flemish group is in the minority.

Because of the special situation and because of the institutional dualism created as of 1970, a number of mechanisms have been built in to assure parity in a number of decisions and special majorities to protect the French speaking minority at the national level. Most recently in the new reform, similar protective mechanisms have been built in for the Flemish in the Brussels Region, though less stringent than at national level.

The protection devices, all of which were introduced in the 1970 Reform, can be summarized as follows:

- A. A 1970 constitutional amendment introduces a requirement of parity in the national government between French-speaking and Dutch-speaking members, the Prime Minister excepted (Article 86bis of the Constitution).
- B. Article 32bis provides for a repartition of all members of Parliament into a Dutch language group and a French language group.

Having divided Parliament into two language groups (there is no German language group), the 1970 Reform has provided for a special majority imposed for the approval of a number of laws.

Until 1970, Belgian legislation included two sorts of laws: ordinary laws voted on by both houses of Parliament, with no specific requirement concerning the nature of the majority, and constitutional amendments subject to an elaborate voting procedure under Article 131 of the Constitution. To these laws, the 1970 Reform inserted a new procedure for laws that have to be adopted "with a majority of votes in each linguistic group of each house, on the condition that

a majority of the members of each group are present and the number of affirmative votes in the two linguistic groups is equal to two-thirds of the total votes cast". The possibility of recourse to this very special legislation appears not only in Article 1 al. 5 but also in Articles 3bis, 59bis, 107 quater and 108 al. 3. In the new reform, it has been extended to new areas: the special status of the 6 peripheral municipalities around Brussels, the financing of Communities and Regions and the status of Brussels.

The same objective of protecting the French-speaking minority lies in the so-called "alarm bell" provision of Article 38bis, which provides that for any law (except budget laws and laws which require a special majority) that appears to "endanger seriously the relations between Communities, at least three-quarters of the linguistic group of either house may require a suspension of the legislative procedure". The motion of defiance is then referred to the Council of national ministers which, within 30 days, gives an opinion and invites the house to approve or disapprove the text of the bill eventually amended.

Similar arrangements have now been approved with respect to the Brussels Region. Decisions in the new Brussels Parliament on community matters will have to be approved by a majority vote in each linguistic group. No protection device has been introduced for the regional competences of the Brussels Region which are approved by a single majority of voters.

4. Financing of Regions and Communities

It is not possible within the scope of this study to review exhaustively the financing mechanisms of the new reform.

Suffice it to say that these rules are complex and reflect the difficulties inherent to the Belgian federal model. The overlapping in territories (the three Regions) and Communities (the three Communities) has not made it possible to give any real fiscal autonomy to any of the constituent parts of the federation.

A distinction is made between the financing of the Communities and that of the Regions.

The Communities (where education is the source of major expense) are financed by a system of state grants (dotatie - dotation) based on the principle that a child of one Community equals one child of the other Community

(including of course the German-speaking Community). The repartition is made on the basis of the following ratios: 57.55% for the Flemish Community and 42.45% for the French Community. Since this repartition is less favorable than the present one for the French Community (56.22 v. 43.78), a transitory period is provided.

The Communities share the tax income (through dotations) of existing national taxes: the tax on TV and radio, the VAT and the personal income tax.

The financing of the Regions is substantially different from that of the Communities. It is also a system of sharing of tax income with the national authority, except that Regions are authorized to levy additional taxes on the national taxes starting from January 1, 1994. This is the case for the personal income tax.

The only taxes which are regional taxes are minor in importance: the tax on games and lotteries, the tax on automatic electric games, the opening tax on alcohol distilling.

Part of the personal income tax revenue is transferred to the Regions as from January 1, 1989. This part is equal to the budgetary funds necessary to finance the competence transferred as of 1989 and the existing grants (based on the 1980 law).

A national solidarity contribution is paid during an interim period of 10 years and starting from 1990 on to the Region(s) where the average revenue from the personal income tax is lower than the national average. This rule plays at present in favor of Walloonia but can be reversed. Regions and Communities can borrow money without any limitation as to the amount but, depending on the nature and amount, subject to a procedure of prior authorization or information.

The huge national debt (around 7,000 billion francs) remains the exclusive liability of the national authority which remains solely responsible for the interest charge.

IV. CONCLUSIONS

The new reform as it has been briefly described is a major breakthrough toward federalism. The breakthrough does not concern the general framework of the

reform but mainly the amount of public revenues transferred to the Regions and the Communities.

Central state expenses represent, after the reform, approximatively 70% of total spending, as compared to 92% prior to the reform. Expenses of the Regions and Communities represent now 30% instead of 8% prior to 1989. If one deducts the interest charge on the public debt, the proportion would be 61% for central state compared to 39% for the other component units of the new federation.

This major breakthrough toward federalism is important in many respects. It is a final departure from the unitary and jacobin state inherited from the French Revolution which was at the origin and the principal cause of the long unsettled community problem in Belgium.

It is also in the eyes of many Belgians and in particular of the Coudenberg, a first step toward achieving a more balanced form of federalism inspired by traditional federal systems which have proven to be successful in combining unity with diversity and in particular linguistic diversity.

The present framework is complex for the foreign observer, as it is for the Belgian citizen.

The complexity and uniqueness of the system stems from various causes, which in short can be summarized as follows:

- The devolution of powers from a centralized state to newly created Regions has always been seen as a more complex process than the aggregation of autonomous states into a federal state. History however shows that this can be successfully achieved. Canada in the 19th century, Germany after the 2nd world war and the post-Franco Spain.
- The organization of federalism along language lines or boundaries is another difficulty inherent to the Belgian system. Language has been seen as the sole dividing line. Language protection has been often confused with the institutional set up. This again shows the uniqueness of the Belgian model. The move toward constitutionalizing the language regions was at the beginning totally independent from a restructuring into a federal system. The lack of consensus on a model for the future brought

inevitably - and probably erroneously - with it that the language regions were taken as the sole basis for a federal structure.

- 3) A third difficulty is no doubt the superposition of two forms of federalism: a territorial federalism based on three territorially defined Regions (Flanders, Walloonia and Brussels) and an "ethnical" federalism composed of three Communities: the French-speaking Community, the Dutch-speaking Community and the German-speaking Community. Communities do not coincide with territorial regions. The system is further complicated by the creation of four linguistic regions which do not constitute political regions and which do not constitute component units of the federal state but which are nevertheless territorially defined territories. This particular feature (two Communities competent in Brussels) is the major cause for having, in the future capital of Europe, two lists of candidates for the Brussels regional elections: a French list for French-speaking parties and a Dutch list for Dutch-speaking parties. No party is allowed to present a billingual list.
- The complexity of Belgian federalism is further demonstrated by the fact that the federalist system, as it has been elaborated in three constitutional reforms, stems in fact from the 1970 constitutional reform which laid down the basic architecture of Belgian federalism. It is obvious however that in 1970, no one of the constitutional "founding fathers" had ever envisaged to ground a federalist system. The legislative history shows clearly that at the time there has never been the intent to create federalism. No studies, no plans, no blue prints of a federal Belgium were prepared at the time. The starting point of Belgian federalism is one which, in the eyes of his authors, was not conceived as a federalist system.
- Another difficulty of the reform is a dual striving for autonomy from two regions, but basically the quest for more autonomy is contradictory: on the one hand a movement toward cultural integrity from the Flemish side, and on the other hand, a demand for decision making in economic matters power from the Walloons. In addition there is a quest for maintaining a strong central government from the centrally located capital of the country.

These three varying attitudes explain the difficulty of the present devolution of powers and competences from the centralized unitary state to newly created entities.

The lack of consensus has also been exacerbated by the fact that all negotiations among political parties for state reforms have been made between those - a large majority in the country - who wish to maintain the unity of the country in one form of a federal structure or another and those -representing less than 20% of the popular vote - who want the separation or division of the country, based on a system of loose confederation.

Nationalistic tendencies remain strong on both sides of the linguistic border (with the exception of Brussels).

The solidarity rule, which is the essence of federalism, exists when automatic transfers are made from the wealthier to the poorer states of a federal union. It has been a much debated issue in the Belgian case. Statistics show presently a flow of public funding from Flanders to Walloonia. The new financing system calls for a slow (over 10 years) reduction of the interregional flow. Demands are now made by some Flemish group that Social Security be "regionalized". Discussion around financing has shown the inherent difficulty of maintaining solidarity between two component units of a federal state.

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The constitutional construction of a complex network of Communities and Regions may appear subtle, if not totally incoherent, to the foreign observer.

It raises the fundamental question of whether a workable federal system can be organized in a bicommunal polity where language is the dividing factor.

For Coudenberg, as indicated above, the present reform is to be seen as a major breakthrough toward federalism.

The chances are good that this first major step toward federalism - some call it a silent revolution -, approved amidst indifference but with moderation and equanimity, will be followed by further moves toward a more classical form of federalism, which in turn may serve as model for a federal Europe made out of cultural diversity.

Belgians are known to make no plans or think strategically. They proceed pragmatically through experience and doing. The hope is that the present system will evolve toward a classical federal system.

April 26, 1989

