

Toppan Best-set Premedia Limited	
Journal Code: EPDY	Proofreader: Mony
Article No: EPDY3	Delivery date: 18 Oct 2012
Page Extent: 6	

Belgium

BENOIT RIHOUX,¹ PATRICK DUMONT,² SERGE DERUETTE,³
LIEVEN DE WINTER,¹ & DAMIEN BOL¹

¹*Centre de Science Politique et de Politique Comparée (CESPOL), Université catholique de Louvain, Belgium;* ²*Université du Luxembourg;* ³*Université catholique de Louvain-Mons and Université de Mons-Hainaut, Belgium*

Table 1. Cabinet composition of Leterme II

For the composition of Leterme II on 1 January 2011, see Rihoux et al. (2010: 902–903).

Changes during 2011¹:

Minister of Development Cooperation/*Ministre de la Coopération au développement*:
Ch. Michel (1975 male, MR) *resigned* and was *replaced* by Secretary of State for European Affairs, attached to the Minister of Foreign Affairs/*Secrétaire d'Etat aux Affaires Européennes (adjoint au Ministre des Affaires étrangères)*: O. Chastel (1964 male, MR), who became Minister of Development Cooperation, in charge of European Affairs/*Ministre de la Coopération au développement, en charge des Affaires Européennes* and was therefore not replaced as Secretary of State.

Note: ¹ A minor change, undocumented in Rihoux et al. (2011), occurred on 20 July 2010 when Government Commissioner, adjunct to the Minister of Budget, Guido De Padt (1954 male, Open VLD) resigned and was not replaced.

Changes in parliament

As federal cabinet members cannot sit in any parliament, assigned ministers and secretaries of state, most of whom are elected MPs or senators, had to resign upon cabinet formation. However, as most of them were already part of the Leterme II cabinet, there were not that many resignations. In the House of Representatives, the most notable exception is E. Di Rupo (PS), the new Prime Minister, who was replaced by B. Van Grootenbrulle. The same occurred with less prominent politicians such as H. Bogaert (CD&V, replaced by B. Slegers), S. Verherstraeten (CD&V, replaced by K. Waterschoot) and M. De Block (Open VLD, replaced by L. Van Biesen). In the Senate, J. Vande Lanotte (SP.a) had to resign in favour of D. Douifi, and F. Vandembroucke (SP.a) resigned in favour of F. Talhaoui. Following the split of the FDF away from the MR (see **Issues in national politics** below), the three FDF MPs, B. Clairfayt, O. Maingain and D. Thiéry, left the MR parliamentary group.

Table 2. Cabinet composition of Di Rupo I

A. The party composition of Di Rupo I:
 Date of investiture: 6 December 2011

Party	Number and percentage of parliamentary seats	Number and percentage of cabinet posts ¹
<i>Parti Socialiste</i> – Socialist Party (PS), French-speaking	26 (17.3)	4 (21)
<i>Christen-Democratisch & Vlaams</i> – Christian-Democrat and Flemish (CD&V), Flemish-speaking	17 (11.3)	4 (21)
<i>Mouvement Réformateur</i> – Reform Movement (MR), French-speaking	15 ² (10)	3 (15.8)
<i>Socialisten en Progressieven Anders Sociaal Progressief Alternatief</i> – Social Progressive Alternative (SP.a), Flemish-speaking	13 (8.7)	3 (15.8)
<i>Open Vlaamse Liberalen en Democraten</i> – Open Flemish Liberals and Democrats (Open VLD), Flemish-speaking	13 (8.7)	3 (15.8)
<i>Centre Démocrate Humaniste</i> – Democrat Humanist Centre (CDH), French-speaking	9 (6)	2 (10.5)

B. Cabinet members of Di Rupo I (13 full ministers and six secretaries of state):

Prime Minister/*Premier ministre*: Elio Di Rupo (1951 male, PS)
 Deputy Prime Minister, Minister of Finance and Sustainable Development, in charge of Civil Service/*Vice-Eerste Minister en Minister van Financiën en Duurzame Ontwikkeling, belast met Ambtenarenzaken*: Steven Vanackere (1964 male, CD&V)
 Deputy Prime Minister, Minister of Foreign Affairs, External Trade and European Affairs/*Vice-Premier Ministre et Ministre des Affaires étrangères, du Commerce extérieur et des Affaires européennes*: Didier Reynders (1958 male, MR)
 Deputy Prime Minister, Minister of Economy, Consumers and the North Sea/*Vice-Eerste Minister en Minister van Economie, Consumenten en Noordzee*: Johan Vande Lanotte (1955 male, SP.a)
 Deputy Prime Minister, Minister of Pensions/*Vice-Eerste Minister en Minister van Pensioenen*: Vincent Van Quickenborne (1973 male, Open VLD)
 Deputy Prime Minister, Minister of Interior and Equal Opportunities/*Vice-Première ministre, ministre de l'Intérieur et de l'Égalité des chances*: Joëlle Milquet (1961 female, CDH)
 Deputy Prime Minister, Minister of Social Affairs and Public Health, in charge of Beliris and Federal Cultural Institutions/*Vice-Première ministre, Ministre des Affaires sociales et de la Santé publique, chargée de Beliris³ et des Institutions culturelles fédérales*: Laurette Onkelinx (1958 female, PS)
 Minister of Small and Medium-sized Companies, the Self-employed and Agriculture/*Ministre des Classes moyennes, des PME, des Indépendants et de l'Agriculture*: Sabine Laruelle (1965 female, MR)
 Minister of Defence/*Minister van Landsverdediging*: Pieter De Crem (1962 male, CD&V)
 Minister of Public Companies, Science Policy and Development Cooperation, in charge of Urban Policy/*Ministre des Entreprises publiques, de la Politique scientifique et de la Coopération au développement, chargé des Grandes Villes*: Paul Magnette (1971 male, PS)
 Minister of Home Affairs/*Minister van Justitie*: Annemie Turtelboom (1967 female, Open VLD)
 Minister of Budget and Administrative Simplification/*Ministre du Budget et de la Simplification administrative*: O. Chastel (1964 male, MR)
 Minister of Employment/*Minister van Werk*: Monica De Coninck (1956 female, SP.a)
 Secretary of State for Environment, Energy and Mobility, adjunct to the Minister of Interior and Equal Opportunities, and Secretary of State of Institutional Reforms, adjunct to the Prime Minister/*Secrétaire d'Etat à l'Environnement, à l'Énergie et à la Mobilité, adjoint à la Ministre de l'Intérieur et de l'Égalité des chances, et Secrétaire d'Etat aux Réformes institutionnelles, adjoint au Premier Ministre*: Melchior Wathelet (1977 male, CDH)

Table 2. Continued

Party	Number and percentage of parliamentary seats	Number and percentage of cabinet posts ¹
Secretary of State for Social Affairs, Family and Disabled People, in charge of Professional Risks, adjunct to the Minister of Social Affairs and Public Health/ <i>Secrétaire d'Etat aux Affaires sociales, aux Familles et aux Personnes handicapées, chargé des Risques professionnels, adjoint à la Ministre des Affaires sociales et de la Santé publique</i> : Philippe Courard (1966 male, PS)		
Secretary of State for Institutional Reforms, adjunct to the Prime Minister, and Secretary of State for the Building Authority, adjunct to the Minister of Finance and Sustainable Development, in charge of the Civil Service/ <i>Staatssecretarisvoor Staatshervorming, toegevoegdaan de Eerste Minister, en Staatssecretarisvoor de Regie der gebouwen, toegevoegdaan de Minister van Financiën en Duurzame Ontwikkeling, belast met Ambtenarenzaken</i> : Servais Verherstraeten (1960 male, CD&V)		
Secretary of State for Asylum, Immigration and Social Integration, adjunct to the Minister of Justice/ <i>Staatssecretarisvoor Asiel en Migratie, Maatschappelijke Integratie en Armoede bestrijding, toegevoegdaan de Minister van Justitie</i> : Maggie De Block (1966 female, Open VLD)		
Secretary of State for the Civil Service and the Modernisation of Public Services, adjunct to the Minister of Finance and Sustainable Development, in charge of the Civil Service/ <i>Staatssecretarisvoor Ambtenarenzaken en Modernisering van de Openbare Diensten, toegevoegdaan de Minister van Financiën</i> : Duurzame Ontwikkeling, belast met Ambtenarenzaken: Hendrik Bogaert (1968 male, CD&V)		
Secretary of State for Combatting Social and Fiscal Fraud, adjunct to the Prime Minister/ <i>Staatssecretarisvoor de Bestrijding van de sociale en de fiscale fraude, toegevoegdaan de Eerste Minister</i> : John Crombez (1973 male, SP.a)		

Notes: ¹ Counting all 19 positions (Secretaries of State included). ² From September onwards, the MR lost three parliamentary seats as the FDF component left the party (see **Issues in national politics** below). ³ *Beliris*: Cooperation Agreement between the federal state and Brussels-Capital Region dedicated to the promotion of the national and international role of Brussels through infrastructures, renovation and mobility initiatives.

Cabinet report

The whole year was marked by the prolongation of very tense negotiations to form a government after the 13 June 2010 elections (Rihoux et al. 2011: 917–918). J. Vande Lanotte (SP.a), who had been nominated by the King as mediator on 21 October 2010, issued a proposal on 3 January. Five of the seven parties involved in the negotiations agreed to Vande Lanotte's proposal: the French-speaking PS, CDH and Ecolo, and the Flemish SP.a and Groen!, but the Flemish N-VA and CD&V rejected it. Therefore, on 6 January, Vande Lanotte submitted his resignation to the King, who rejected this request and asked B. De Wever (N-VA) and E. Di Rupo (PS) to help Vande Lanotte reach an agreement. This could not be achieved and, on 26 January, Vande Lanotte was relieved of his mission by the King.

On 2 February, the King entrusted D. Reynders, acting Finance Minister (MR), as 'informateur' – a mission extended to 1 March. On the basis of the Reynders report, the King one day later appointed W. Beke (CD&V) as 'négociateur' to find an agreement on state reform. On 12 May, Beke asked to be relieved of his mission and, four days later, E. Di Rupo (PS) was appointed

1 'formateur', with the task of forming a coalition. He presented a negotiation
2 proposal on 5 July. As the NV-A rejected it immediately, Di Rupo tendered his
3 resignation on 9 July. The King refused it and asked him to carry on the
4 negotiations.

5 From 15 July onwards, new negotiations started without the N-VA, but
6 included the CD&V who had previously refused to take part in the discussions
7 without the N-VA, and the Liberal parties (Open VLD and MR). On 15
8 September, a deal was finally reached on the issue of the splitting of the
9 Brussels-Halle-Vilvoorde (BHV) constituency. It led, on 11 October, to an
10 agreement on the state reform between the Flemish parties (CD&V, Open
11 VLD, SP.A, Groen!) and the French-speaking parties (PS, MR, CDH and
12 Ecolo). The agreement included the splitting of BHV; more fiscal autonomy
13 for the Regions; the transfer of competencies in the fields of health, employ-
14 ment and justice to Regions and Communities; and the reform of the finance
15 law in order to provide them with more autonomous financial means.

16 The next step was to attempt a coalition. It excluded the Green parties
17 Groen! and Ecolo, as requested by the Open VLD. An agreement on the 2012
18 budget was reached on 26 November. The new coalition was sworn in by the
19 King on 6 December 2011, 541 days after the June 2010 elections (i.e., the
20 longest political crisis of the kind in postwar Europe). The governmental
21 agreement included the state reform as agreed in October, a public finances
22 consolidation, social and economic reforms implying a rise in the retirement
23 age, cuts in health care and in unemployment benefits, and reform in the fields
24 of justice, migration and asylum.

26 **Issues in national politics**

27
28 Contrary to 2010 (Rihoux et al. 2011: 918–920), the never-ending government
29 formation barely intervened in parties' leadership structures. On the Flemish
30 side, the party presidents of the Flemish Christian-Democrats, Liberals and
31 Greens did not change, nor were they really contested internally as in the end
32 their parties seemed satisfied with the role they played in the formation
33 process. The Flemish socialists (SP.a) elected a new leader, B. Touback (his
34 father had also been party leader and Vice Prime Minister). As the only
35 candidate, he obtained 96.9 per cent of member votes. N-VA party president B.
36 De Wever, the architect of the 2010 electoral landslide, media face of the party
37 and key formation negotiator, was also re-elected as the only candidate with
38 99.4 per cent of member votes.

39 By contrast, the internal crisis of the Vlaams Belang, triggered by the 2010
40 electoral defeat, widened. The authoritarian leadership and anti-Islam rhetoric

1 of hardliner P. Dewinter were challenged by the highly mediatised death of
2 M-R. Morel, a soft-line dissident and wife of former president F. Van Hecke.
3 Her funeral was exploited by her former fellow traveller, N-VA leader De
4 Wever. Van Hecke left the party (as did the son of party founder Dillen), as did
5 many lower level moderate elites (the party now scores less than 10 per cent of
6 the Flemish vote in the polls).

7 Note that in several Flemish parties, former leaders with large followings
8 beyond their party quit politics as a profession at a (relatively) young age,
9 including former Prime Minister Y. Leterme. This raised concerns about the
10 apparent increasing replacement of self-made 'politicians by vocation' with
11 'politicians by pedigree' (sons and daughters of politicians) and non-political
12 media celebrities.

13 On the francophone side, among the main parties, the MR went through the
14 most difficult time. It has consisted of the aggregation of three parties (PRL,
15 FDF and MCC) since 1998. In late September, the FDF component left the
16 party and chose to continue as an autonomous party. The FDF (French-
17 speaking Federalist Democrats Front/*Fédéralistes Démocrates Francophones*
18 under the name adopted in January 2010, previously known as French-
19 speaking Democratic Front/*Front démocratique Francophone*), as a party
20 dedicated to the defence of French-speaking interests in and around Brussels,
21 was unhappy with the institutional reform agreements being negotiated. This
22 divorce caused the loss of three MPs for the MR (there were no elected
23 senators under the FDF banner).

24 Other parties went through quite smooth leadership transitions – particu-
25 larly the PS where T. Giet replaced E. di Rupo (the new Prime Minister) and
26 the CDH where the historical party leader and founder (since 2002) J. Milquet,
27 Vice Prime Minister in the Di Rupo I cabinet, was replaced by B. Lutgen on 1
28 September. Finally, on 2 February, L. Louis, the single MP of the newly formed
29 French-speaking radical right populist party, the *Parti Populaire (PP)*, decided
30 to defect from his party and create his own *Mouvement pour la Liberté et la*
31 *Démocratie (MLD)*. This decision resulted from personal disputes with PP
32 leaders R. Aernoudt and M. Modrikamen.

33 With regards to substantive political issues, as a result of the protracted
34 political crisis, the mandate of the caretaker government Leterme II was
35 expanded, with many socioeconomic and finance issues high on the agenda.
36 The 2011 budget, the first ever proposed by a caretaker coalition, was adopted
37 by the House of Representatives on 19 May. It presented a deficit of 3.6 per
38 cent, slightly better than originally planned. In February, as two of the three
39 national trade unions (FGTB/ABVV and CGSLB/ACLVB) rejected the col-
40 lective bargaining agreement, the government had to intervene. It decided
41 among other things to maintain the automatic cost-of-living adjustments

1 mechanism and to fix the payroll standard at 0.3 per cent (cost-of-living adjust-
2 ments excluded) for 2011–2012. It also made appointments of senior adminis-
3 trative officials. A major one was that of L. Coene as Governor of the National
4 Bank. The government entrusted the National Bank with the mission of con-
5 trolling the integrity of financial markets.

6 On 10 October, the government, rushing to support the Dexia Bank Belgian
7 unit, decided to nationalise it. The dismantled Franco-Belgian Bank was the first
8 bank to fall victim to the two year-old eurozone debt crisis. Belgium paid €4
9 billion to buy this largely retail Belgian division (four million customers) as part
10 of a restructuring of the bank which faced a severe liquidity squeeze.

11 Overall, the socioeconomic climate was grim, with high figures for bank-
12 ruptcies and closures of businesses, including closure of two new blast furnaces
13 by ArcelorMittal in the Liège area, signaling the ending of the liquid phase
14 steel production in the region and resulting in protests and strikes. At the end
15 of the year, the social climate was agitated. The country was paralysed by a
16 general strike on 7 October against the measures envisaged for the social
17 security system by the negotiators of the coming coalition. On 2 December, a
18 national demonstration organised by the trade unions gathered 80,000
19 workers. On 15 December, after the new coalition was formed and had pre-
20 cipitously forced passage of a law increasing the retirement age, all main
21 unions called for a national general strike on 30 January 2012.

22 On the issue of undocumented immigrants continuing to be confronted
23 with judicial repression and internment in closed centres, new accommodation
24 networks were created. Finally, in March, invoking humanitarian purposes, the
25 government, although being a caretaker one, did not hesitate to take part in
26 the military intervention to subdue Gaddafi's regime: the F-16s of the Belgian
27 Air Force participated under NATO command in the bombing of Libya.

28 29 **Sources and further information**

30 31 *Publications:*

32
33 Rihoux, B. et al. (2010). Belgium. *European Journal of Political Research* 49(7–8): 899–908.
34 Rihoux, B. et al. (2011). Belgium. *European Journal of Political Research* 50(7–8): 913–921.

35 36 *On the Internet:*

37 Belgian Federal Portal: www.belgium.be/en/index.jsp [global official portal for Belgium] 1
38 *Courrier Hebdomadaire du CRISP* catalogue: www.crisp.be/librairie/ [many specific institu- 2
39 tional and political topics, as well as well-documented analyses]
40 Detailed electoral results: www.ibz.rrn.fgov.be/index.php?id=4&L=0 [official results, all 3
41 elections]

AUTHOR QUERY FORM

Dear Author,

During the preparation of your manuscript for publication, the questions listed below have arisen. Please attend to these matters and return this form with your proof.

Many thanks for your assistance.

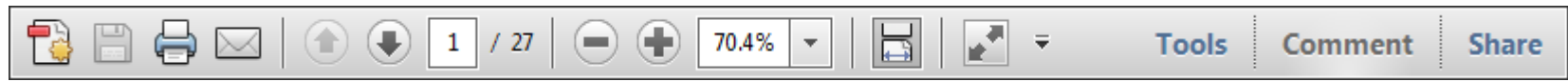
Query References	Query	Remarks
1	AUTHOR: Belgian Federal Portal, has not been cited in the text. Please indicate where it should be cited; or delete from the Reference List.	
2	AUTHOR: Hebdomadaire, CRISP, has not been cited in the text. Please indicate where it should be cited; or delete from the Reference List.	
3	AUTHOR: Detailed electoral results: www.ibz.rrn.fgov.be/index.php?id=4&L=0 [official results, all elections has not been cited in the text. Please indicate where it should be cited; or delete from the Reference List.	

USING e-ANNOTATION TOOLS FOR ELECTRONIC PROOF CORRECTION

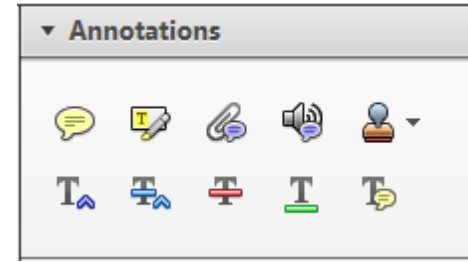
Required software to e-Annotate PDFs: Adobe Acrobat Professional or Adobe Reader (version 8.0 or above). (Note that this document uses screenshots from Adobe Reader X)

The latest version of Acrobat Reader can be downloaded for free at: <http://get.adobe.com/reader/>

Once you have Acrobat Reader open on your computer, click on the [Comment](#) tab at the right of the toolbar:



This will open up a panel down the right side of the document. The majority of tools you will use for annotating your proof will be in the [Annotations](#) section, pictured opposite. We've picked out some of these tools below:



1. Replace (Ins) Tool – for replacing text.

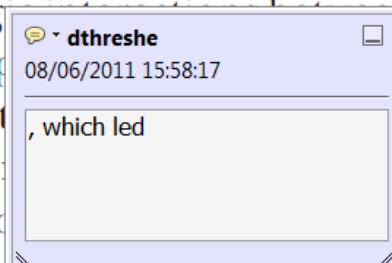


Strikes a line through text and opens up a text box where replacement text can be entered.

How to use it

- Highlight a word or sentence.
- Click on the [Replace \(Ins\)](#) icon in the Annotations section.
- Type the replacement text into the blue box that appears.

standard framework for the analysis of microeconomic activity. Nevertheless, it also led to the emergence of a new paradigm of strategic behaviour. The number of competitors in the industry is that the structure of the industry is a key component of the main components of the industry. At the micro level, are exogenous variables important works on entry by Shiraz (M henceforth) we open the 'black b



2. Strikethrough (Del) Tool – for deleting text.



Strikes a red line through text that is to be deleted.

How to use it

- Highlight a word or sentence.
- Click on the [Strikethrough \(Del\)](#) icon in the Annotations section.

there is no room for extra profits and the number of firms that can survive in the industry is zero and the number of firms (net) values are not determined by the number of firms. Blanchard and ~~Kiyotaki~~ (1987), in their paper on perfect competition in general equilibrium, show that the effects of aggregate demand and supply shocks in the classical framework assuming monopoly power are an exogenous number of firms

3. Add note to text Tool – for highlighting a section to be changed to bold or italic.



Highlights text in yellow and opens up a text box where comments can be entered.

How to use it

- Highlight the relevant section of text.
- Click on the [Add note to text](#) icon in the Annotations section.
- Type instruction on what should be changed regarding the text into the yellow box that appears.

dynamic responses of mark-ups consistent with the VAR evidence

sation of the industry with well-labelled demand curves. The number of competitors and the impact of a shock on the industry is that the structure of the sector is also consistent with the demand-



4. Add sticky note Tool – for making notes at specific points in the text.



Marks a point in the proof where a comment needs to be highlighted.

How to use it

- Click on the [Add sticky note](#) icon in the Annotations section.
- Click at the point in the proof where the comment should be inserted.
- Type the comment into the yellow box that appears.

and supply shocks. Most of the industry is that the structure of the sector is also consistent with the demand-



USING e-ANNOTATION TOOLS FOR ELECTRONIC PROOF CORRECTION

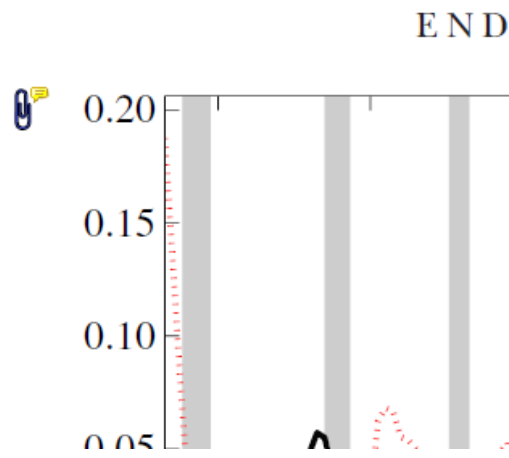
5. Attach File Tool – for inserting large amounts of text or replacement figures.



Inserts an icon linking to the attached file in the appropriate place in the text.

How to use it

- Click on the [Attach File](#) icon in the Annotations section.
- Click on the proof to where you'd like the attached file to be linked.
- Select the file to be attached from your computer or network.
- Select the colour and type of icon that will appear in the proof. Click OK.



6. Add stamp Tool – for approving a proof if no corrections are required.



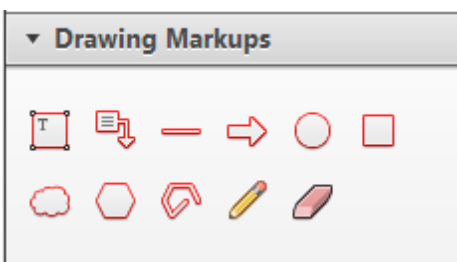
Inserts a selected stamp onto an appropriate place in the proof.

How to use it

- Click on the [Add stamp](#) icon in the Annotations section.
- Select the stamp you want to use. (The [Approved](#) stamp is usually available directly in the menu that appears).
- Click on the proof where you'd like the stamp to appear. (Where a proof is to be approved as it is, this would normally be on the first page).

of the business cycle, starting with the
 on perfect competition, constant ret
 production. In this environment goods
 extra profits and the market for marke
 he market for goods is determined by the model. The New-Key
 otaki (1987), has introduced produc
 general equilibrium models with nomin
 and... Most of this literature

APPROVED

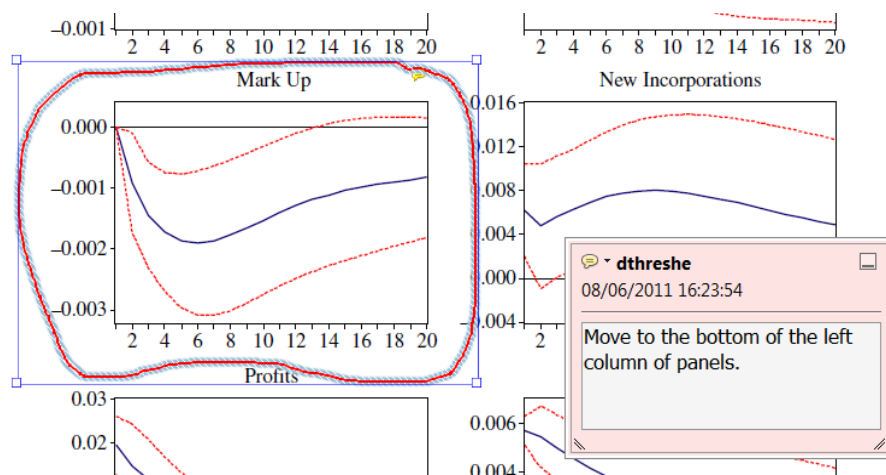


7. Drawing Markups Tools – for drawing shapes, lines and freeform annotations on proofs and commenting on these marks.

Allows shapes, lines and freeform annotations to be drawn on proofs and for comment to be made on these marks..

How to use it

- Click on one of the shapes in the [Drawing Markups](#) section.
- Click on the proof at the relevant point and draw the selected shape with the cursor.
- To add a comment to the drawn shape, move the cursor over the shape until an arrowhead appears.
- Double click on the shape and type any text in the red box that appears.



For further information on how to annotate proofs, click on the [Help](#) menu to reveal a list of further options:

